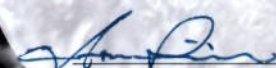




The Annual General Meeting adopted the annual report on 17.03.2016

Chair of the General Meeting



Arnar Thorisson

FRONT PAGE



Our customers dream of doing something different, studying in a foreign country, achieving self-realization, exploring the world and sharing their experiences with others.

We are continuously trying to fulfil these dreams in our very own dedicated way.

We make **DREAMS** happen!

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	2015	2014	2013	2012	2011	
<b>Profit &amp; Loss Account</b> (DKK million)						
Turnover	1.580	1.510	1.587	1.491	1.437	
EBITDA	52	49	55	44	42	
EBIT	42	40	47	38	36	
Net financials	9	8	6	4	4	
EBT	51	48	53	42	40	
Net profit for the year	38	37	39	30	29	
<b>Balance Sheet</b> (DKK million)						
Cash and bonds	241	222	216	229	198	
Current assets	332	301	290	303	265	
Total assets	372	337	331	325	291	
Capital expenditure	13	4	25	3	4	
Equity	104	91	81	64	56	
Current liabilities	265	245	247	245	220	
Cash flow from operating activities	53	34	40	54	35	
<b>Key Figures</b>						
EBITDA - Margin (%)	EBITDA / turnover (excl. other operating income)	3,3	3,2	3,5	3,0	2,9
EBIT - Margin (%)	EBIT / turnover	2,7	2,7	3,0	2,5	2,5
Return on assets (%)	EBIT / total assets	11,3	11,9	14,3	11,6	12,3
Return on equity (%)	Net profit (excl. extraordinary income/expenses) / average equity	41,3	42,6	53,9	49,5	54,6
Liquidity ratio (%)	Current assets / current liabilities	124,9	122,5	117,2	123,5	120,4
Equity ratio (%)	Equity (excl. minority interests) / total assets	27,9	26,9	24,3	19,6	19,2
Earnings per share (DKK)	Net profit (excl. extraordinary income/expenses) / number of shares	213,5	204,7	217,9	166,2	161,2
Cash flow per share (DKK)	Cash flow from operating activities / number of shares	299,8	189,9	222,5	303,6	196,3
Proposed dividend (DKK million)		33,0	25,0	25,0	20,0	20,0
Average number of full-time employees (FTE)		348	336	337	329	311



		2015	2014	2013	2012	2011
<b>Profit &amp; Loss Account</b> (EUR million)						
Turnover		211,9	202,5	212,8	200,1	192,9
EBITDA		6,9	6,6	7,3	6,0	5,6
EBIT		5,6	5,4	6,3	5,1	4,8
Net financials		1,2	1,1	0,8	0,5	0,6
EBT		6,8	6,5	7,1	5,6	5,4
Net profit for the year		5,1	4,9	5,2	4,0	3,9
<b>Balance Sheet</b> (EUR million)						
Cash and bonds		32,2	29,8	29,4	30,8	26,6
Current assets		44,4	40,3	39,3	40,7	35,7
Total assets		49,9	45,2	44,8	43,8	39,1
Capital expenditure		1,7	0,6	3,4	0,5	0,5
Equity		13,9	12,2	10,8	8,6	7,5
Current liabilities		35,6	32,9	33,1	33,0	29,6
Cash flow from operating activities		7,2	4,5	5,3	7,3	4,7
<b>Key Figures</b>						
EBITDA - Margin (%)	EBITDA / turnover (excl. other operating income)	3,3	3,2	3,5	3,0	2,9
EBIT - Margin (%)	EBIT / turnover	2,7	2,7	3,0	2,5	2,5
Return on assets (%)	EBIT / total assets	11,3	11,9	14,1	11,6	12,3
Return on equity (%)	Net profit (excl. extraordinary income/expenses) / average equity	41,3	42,6	53,9	49,5	54,6
Liquidity ratio (%)	Current assets / current liabilities	124,9	122,5	118,5	123,5	120,4
Equity ratio (%)	Equity (excl. minority interests) / total assets	27,9	26,9	24,1	19,6	19,2
Earnings per share (EUR)	Net profit (excl. extraordinary income/expenses) / number of shares	28,6	27,5	29,2	22,3	21,6
Cash flow per share (EUR)	Cash flow from operating activities / number of shares	40,2	25,5	29,8	40,8	26,4
Proposed dividend (EUR million)		4,4	3,4	3,4	2,7	2,7
Average number of full-time employees (FTE)		348	336	337	329	311



**KILROY International A/S heads a European group of companies that are leaders within travel, educational counselling and student benefits.**

**The Group drives a number of brands in seven markets, and employs nearly 400 people**

### Brands & competence

The KILROY Group believes in the importance of strong brands to create long-term benefits for our customers, and for our company. We dedicate considerable resources to broadening our knowledge and building our competences to meet these customers' evolving needs. We want our brands to have a clear and unique position in their minds - so they value our brands as the ultimate authority.

### Operation

The KILROY Group's activities fall into several separate business units that have full profit-and-loss responsibility. The Group also provides shared services to help ensure these businesses a cost-effective operation.

### Our responsibility

We strive to build the businesses of the KILROY Group for the benefit of our customers, the environment and other stakeholders. Long-term sustainability is imperative.

#### BRANDS OPERATED THROUGH SUBSIDIARIES



Your personal travel agency



jysk rejsebureau  
mærk verden

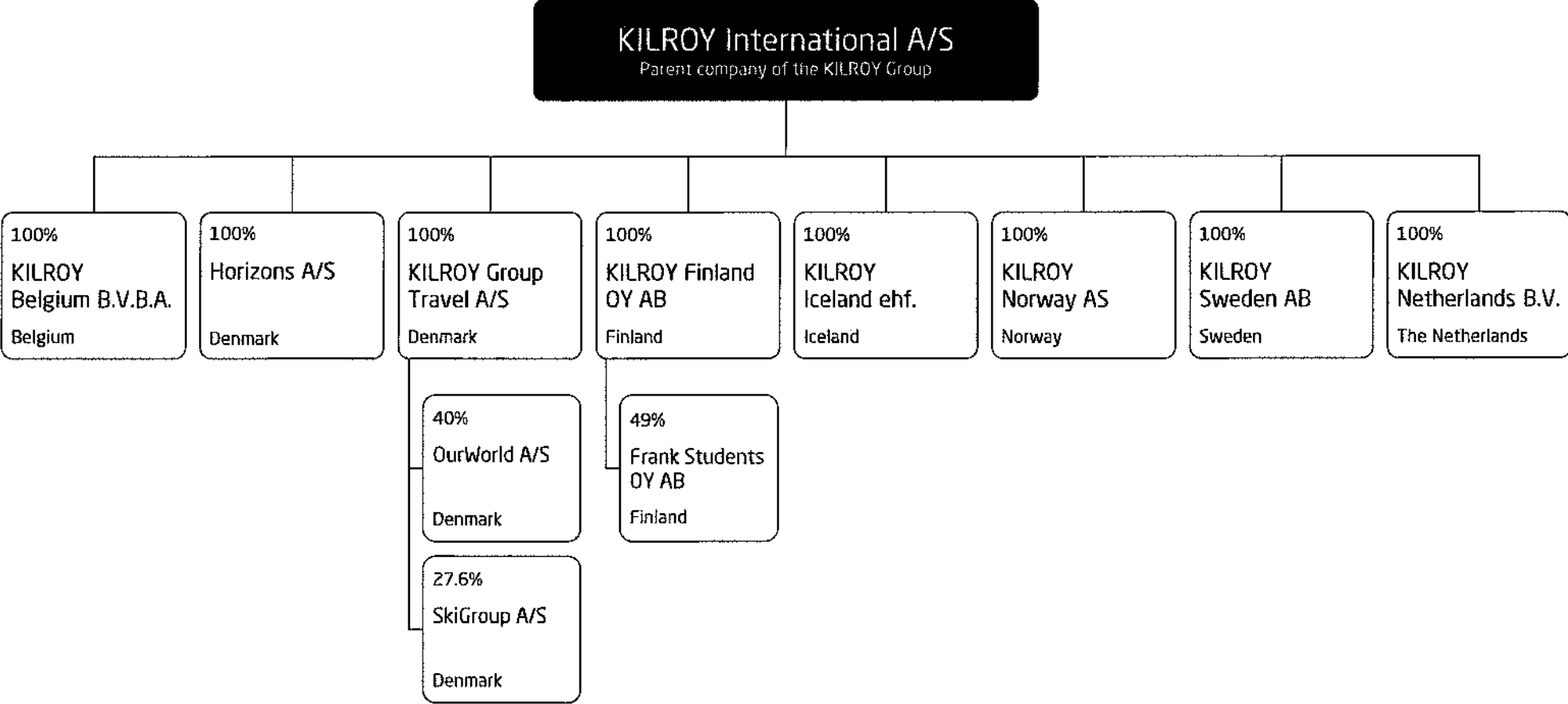


#### BRANDS VIA ASSOCIATED COMPANIES

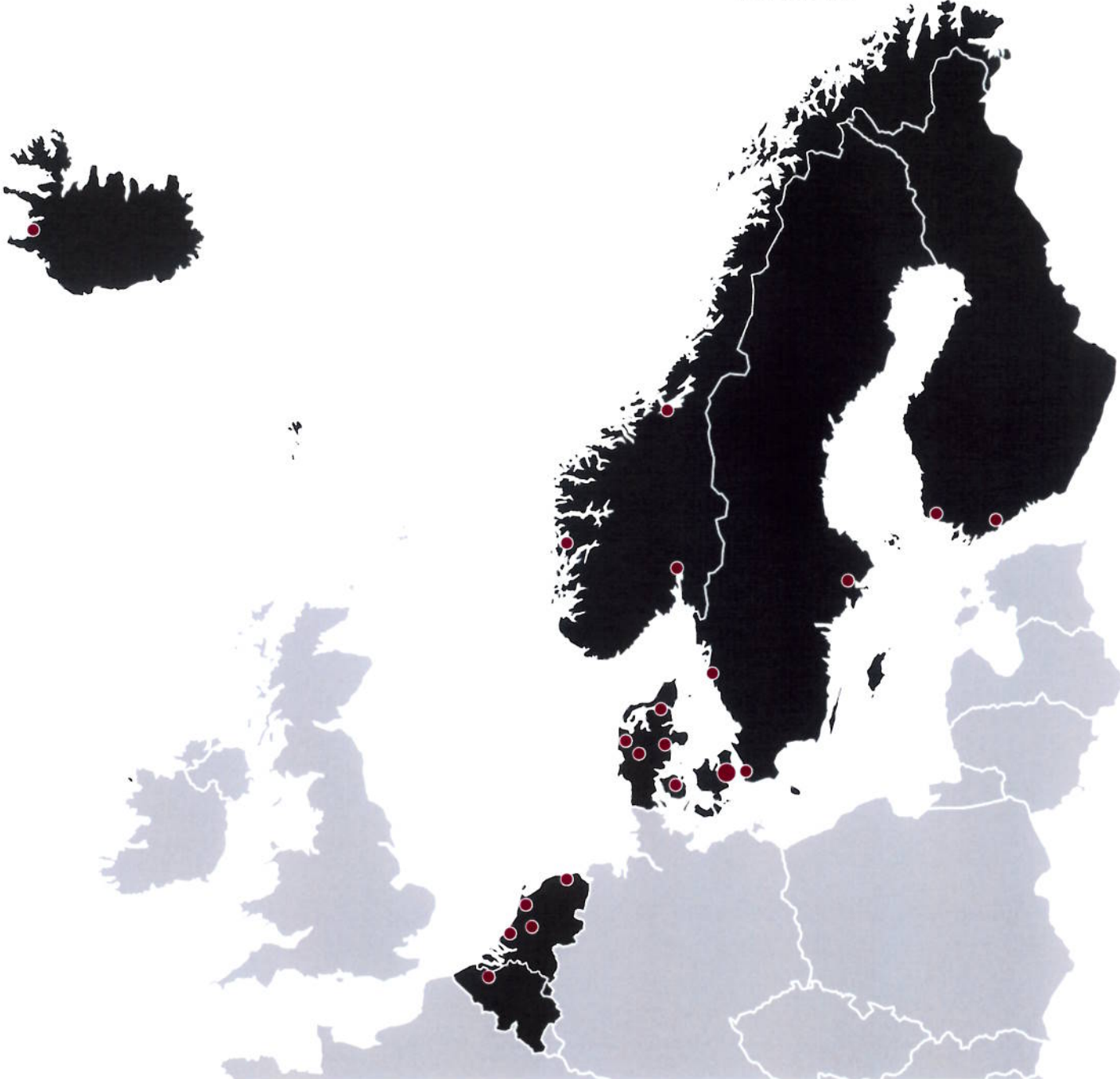


OURWORLD





- BELGIUM
  - GHENT
- DENMARK
  - COPENHAGEN (3)
  - HERNING
  - HOLSTEBRO
  - ODENSE
  - AALBORG
  - AARHUS (2)
- FINLAND
  - HELSINKI
  - TURKU
- ICELAND
  - REYKJAVIK
- NORWAY
  - BERGEN
  - OSLO
  - TRONDHEIM
- SWEDEN
  - GOTHENBURG
  - LUND
  - STOCKHOLM
- THE NETHERLANDS
  - AMSTERDAM
  - GRONINGEN
  - THE HAGUE
  - UTRECHT



THE FUTURE IS BUILT ON THE STRENGTH OF THE PAST!

March 1946



1946

Student organisations in all the Nordic countries establish travel agencies.

These are:

- DIS Rejser, Denmark
- Travela, Finland
- Univers Reiser, Norway
- SFS Resebyrå, Sweden

1951

Scandinavian Student Travel Service, (SSTS) is established by the Scandinavian student travel agencies with the objective of purchasing flight seats jointly on behalf of all the companies.



Over the years SSTS develops into a travel organisation specialised in production and wholesale of student and youth tours.

In addition to its founders SSTS also serves other student and youth travel agencies in Europe and the USA, and SSTS becomes a major travel operator. However, the global oil crisis in 1973/74 changes the picture considerably.

1987

SSTS is reorganised into a limited company. The majority shareholder is HYY Group, which is owned by The Student Union of Helsinki University.

1990

A wholesale company is established in Spain.

1991

SSTS and the Nordic travel agencies are merged into one group with SSTS as the parent company. The group's name is changed to **KILROY**.



The legend behind the name: **Young James Kilroy** worked on the docks of Boston back in the 1940s. His job was to load the great steamships of that day with huge cases of blue jeans bound for every corner of the world.

One early November morning the weather was grey and gloomy, and **James Kilroy** felt more like staying indoors, sheltered and under cover. "Hey Kilroy, you're daydreaming again. Can't you ever get anything done?"

*Kilroy was used to the foreman and his insults. And the cases full of 100,000 blue jeans were waiting to be loaded. There was no way around it - it had to be done, and he might as well get on with it.*

*But as Kilroy bent down to pick up one of the heavy wooden boxes, he was struck by a great idea - an idea so good, he just had to do it. With a piece of chalk he wrote in big bold letters on each box:*

**KILROY WAS HERE!**

*As these cases turned up in foreign ports all around the world, Kilroy's spirit reached across the world as well - a really effective way of getting around! From that moment on, whenever the foreman shouted at Kilroy that he wasn't getting anything done, Kilroy just smiled. He knew better. In ports all over the world there were daily reminders that the foreman was wrong.*

*Kilroy knew that there's more than one way of crossing borders, and breaking through all kinds of barriers to be free and independent!*





THE FUTURE IS BUILT ON THE STRENGTH OF THE PAST!

1994

The German youth travel agency ARTU is acquired

1996

A sales company is established in the Netherlands.

1999

Benns Rejser A/S in Denmark is acquired. The company name of Benns Rejser is later changed to MyPlanet.

2001

The Danish group travel company Team Travel is acquired and merged with group travel activities from Benns Rejser. The merged unit is branded Team Benns.

KILROY Group Travel A/S is established as a new parent company for group travel activities.

KILROY travels Germany ARTU GmbH, is sold.

2003

The Danish ski group travel operator, Peer Gynt, is acquired.

2004

Trading in the Spanish market is ceased.

2005

MyPlanet is divested.  
KILROY acquires the new ski operator, Ski-experten.

2006

The Danish ski operator Qvistgaard Rejser is acquired.

2007

All educational activities of the International Education Centre (IEC) of Norway are acquired.

The ownership structure is changed. A group of Nordic investors acquires 100% of the shares in KILROY travels International A/S. The majority shareholder is Iceland Invest Ltd.

2008

All educational activities of IEC Online of Finland are acquired.

Furthermore KILROY education is established in Denmark and the Netherlands.

2009

The name of the parent company of the Group is changed to KILROY International A/S.



All educational activities of StudyWorld of the Netherlands are acquired.

2010

Horizons A/S is established as a merger of KILROY Denmark and Jysk Rejsebureau.



All travel activities of Wasteels Rejser of Denmark are acquired.

An ownership stake is acquired in OurWorld A/S of Denmark.

2011

An ownership stake is obtained in the SkiTravelGroup which is established as a merger between the skiing activities of Team Benns Ski and Højmark Rejser. A KILROY sales company is established in Iceland.

2013

The KILROY Foundation is established. An ownership stake is acquired in Frank, a Finnish company in charge of national student benefits.

2014

ISIC (International Student identity Card) is launched as a separate brand within the KILROY Group



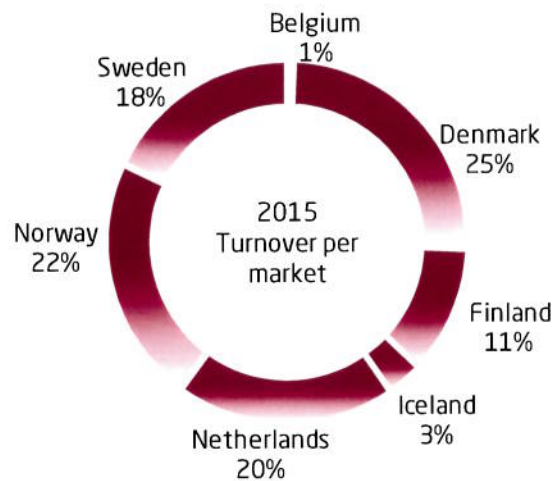
2015

A KILROY sales company is established in Belgium.





## INDIVIDUAL TRAVEL



KILROY has built a reputation as the leading specialist in youth and student travel.

For the individual traveller, KILROY specialises in tailor-made packages. Our sales consultants are trained in putting together complex flight itineraries and round-the-world tours. And just as importantly, these consultants themselves are passionate about travelling. KILROY offers customers the best of both worlds: expert personal service from our advisors, and self-service online.

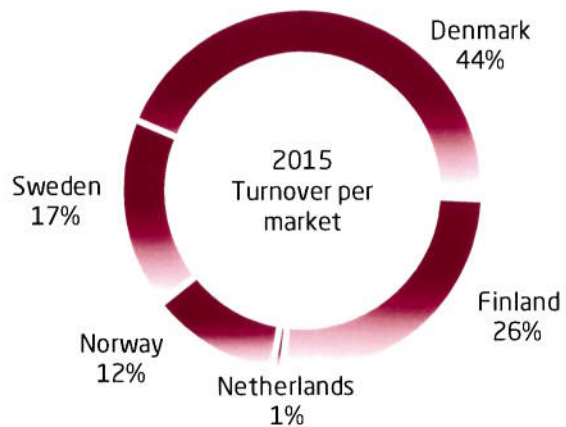
Read more at [kilroy.net](http://kilroy.net)

A movie spot from the KILROY Explore Life campaign ►





## GROUP TRAVEL



KILROY maintains a leading position in the Nordic market, specialising in group travel with an educational purpose.

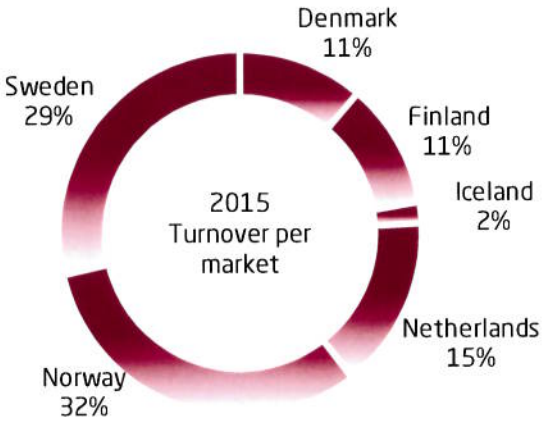
A special concept has been developed in collaboration with our customers, the teachers. The concept is to provide them with educational material to be used before and during their study trip, enabling them to save time on preparation and strengthen the educational content.

Read more at [kilroy.net](http://kilroy.net)





## EDUCATION

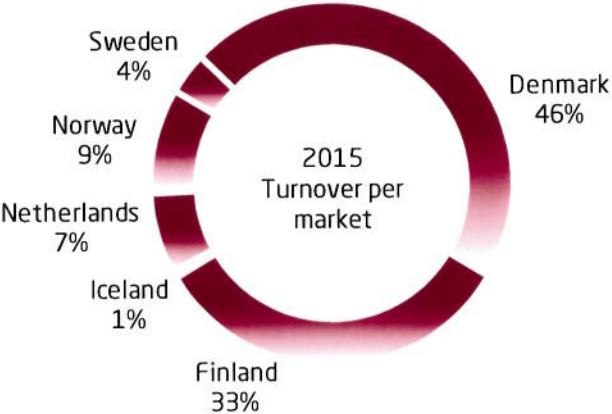


The KILROY brand is strong in the student market, also in terms of education abroad. KILROY offers counselling service for students seeking overseas study and internship opportunities. The current portfolio provides a range of destinations, fields of study and experience via highly-ranked universities and other education partners throughout the world.

Read more at [kilroy.net](http://kilroy.net)



### CARDS



KILROY holds the license authority of the ISIC card (International Student Identity Card) in six markets. The ISIC is the only existing, internationally recognised and accepted proof of full-time student status. ISIC is supported by UNESCO, has over 4 million card-holders and gives access to more than 40,000 benefits worldwide.

Read more at [isicdanmark.dk](http://isicdanmark.dk)  
[isic.fi](http://isic.fi)  
[isic.is](http://isic.is)  
[isic.no](http://isic.no)  
[isic.nl](http://isic.nl)  
[isic.se](http://isic.se)



## INDIVIDUAL & GROUP TRAVEL



BENNS is a travel agency specialising in a number of destinations and travel types including safaris, cruises, guided tours and comprehensive destination programmes in USA/Canada and Australia/New Zealand. It is aimed at the 55+ segment. The brand name BENNS was introduced at the beginning of 2015, replacing the name Team Bennis.

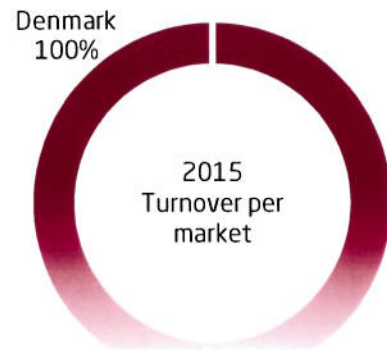
Later in 2015, the BENNS brand also replaced the umbrella brand, tur.no, in Norway.

Read more at [benns.com](http://benns.com)





## INDIVIDUAL & GROUP TRAVEL



Jysk Rejsebureau has been tailoring tours for the adventurous traveller for more than 25 years. Our sales consultants are experienced travellers themselves, and they focus on giving customers the opportunity to experience areas that are often found only where the asphalt ends and the roads turn into trails. We strive to compose trips with a high content of “feeling the world” - trips that are unique in experience yet affordable.

Read more at [jr.dk](http://jr.dk)

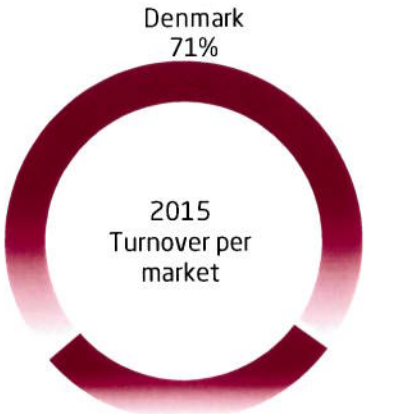


A movie spot from Jysk Rejsebureau image campaign ▶





SKIING



Norway / Sweden / Switzerland 29%

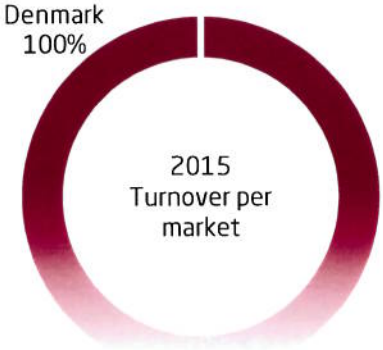
SkiGroup is one of the leading alpine ski operators in Scandinavia. From late 2014, SkiGroup is also operational in Switzerland. SkiGroup embraces four brands specialising in skiing in Austria, Germany, Italy, Switzerland, Norway and Sweden.

Read more at [skigroup.com](http://skigroup.com)





## GUIDED TOURS



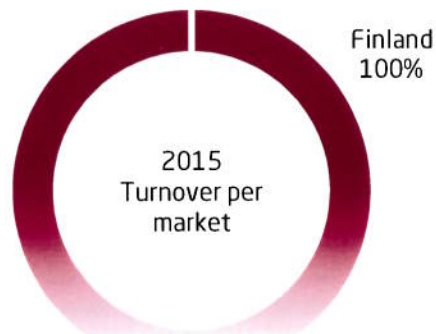
The company specializes in guided group tours all over the world with a focus on serving companies and associations.

Read more at [ourworld.dk](http://ourworld.dk)





## CARDS



Frank Students was founded in 2013 by four national student unions in Finland. The focus is to provide discounts and benefits for Finnish students. Frank Students also issues the Finnish national student card which, among other features, includes payment.

Read more at [frank.fi](http://frank.fi)





## AID PROJECTS & STUDENT GRANTS

The KILROY Foundation took form in 2013, and the funding was provided by KILROY International.

The purpose of the foundation is to contribute to the development of international understanding by supporting educational activities throughout the world.

The Foundation will pursue activities related to aid projects in developing countries. It will also award grants to young people who wish to study abroad, do volunteer work or perform internships that aim to empower local communities through social development.

The Foundation launched its first aid project in January 2014, and at the end of 2015, the first 10 students were awarded grants from the Foundation.

Read more at [kilroyfoundation.net](http://kilroyfoundation.net)



A movie spot from the Foundation's first aid project in South Africa



The KILROY Group delivered a positive result for 2015. Turnover reached DKK 1,580 million from DKK 1,510 million in 2014.

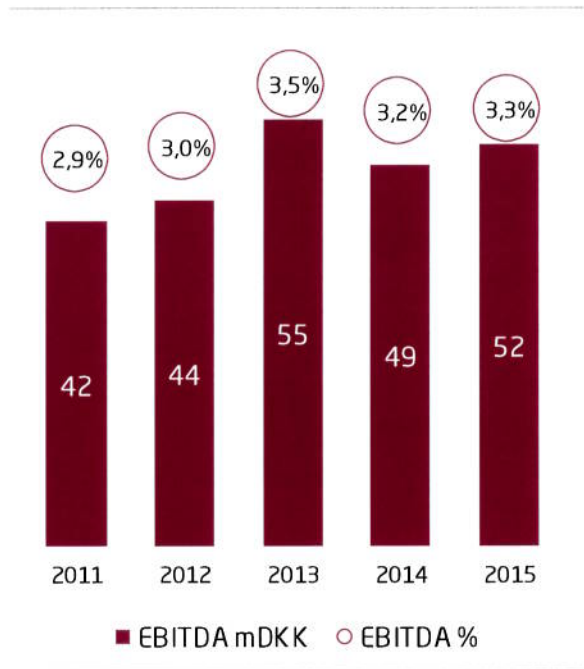
Operating profit (EBITDA) was DKK 52 million, compared to DKK 49 million in 2014.

The KILROY Group closed 2015 with a profit before tax (EBT) of DKK 51 million, which equals a return on equity of 41%, compared with 43% in 2014.

The financial result of the KILROY Group met the targets set for 2015, both in terms of sales and profitability. The Board of Directors deems this result as satisfactory.

The 2015 result reflects our continued effort to ensure sustainable profitability within each of the business units that the Group operates. This profitability is clearly linked to the level of critical mass achieved in the relevant business units.

The EBITDA development for the KILROY Group is shown in the chart below.



### Market environment

2015 offered its usual share of external events that affected the industry, and some of our main markets have faced intensified

competition among dedicated online travel agencies fighting for market shares. Still, the overall market environment appeared to be positive. The Group's turnover per market is illustrated in the chart below.



### Distribution

The conventional perception of online versus offline distribution is losing its relevance, as customers exhibit increasingly diversified behaviour when planning and executing a purchase. The future will dictate the offering of a wide range of contact and selling points for the customers' discretionary use.

The KILROY Group recognises this need when planning new developments. Despite our customers' quest for "any point of contact," personal counselling is still at the core.



## Locations

The KILROY Group in 2015 opened new sales locations in Copenhagen (Denmark), The Hague (Netherlands) and in Ghent (Belgium). The sales location in Uppsala was closed down at the end of 2015, leaving focus on the three Swedish sales locations in Stockholm, Gothenburg and Lund.

The building hosting the Group's sales location in Bergen (Norway) burned down at the end of 2015, so the sales take place from a temporary location until a more permanent solution is found.

The Group's head office in Copenhagen increased its space by more than 50% in 2015 and was completely refurbished.

Also the main office for KILROY Group Travel in Holstebro (Denmark) was relocated to a more modern office environment.

## Ownerships and M&A

In March 2015, KILROY Finland acquired 24% more of the shares in Frank Students, and now holds 49% of the total shares. The other shareholders in Frank Students are the four national student unions that founded the company early in 2013.

In May 2015 KILROY Belgium B.V.B.A. was established as a 100% subsidiary of KILROY

International A/S.

The KILROY Group will continue to explore M&A opportunities in regard to businesses and assets that could facilitate long-term growth and sustainable profitability.

## The youth and student ticket

For decades, the KILROY Group has been active in the Student Air Travel Association (SATA), which facilitates travel opportunities for students and young people. Originally, this type of travel was conducted on the SATA member's own flight ticket stock, and settlement occurred after the ticket was flown. This is also known as the flown revenue concept. The SATA ticket met the demands of a special segment of students and other young people who often travel for longer periods. Those demands are affordable prices and a high degree of flexibility.

The KILROY Group strives to keep these demands in focus. However, the Group is also streamlining the business to meet our suppliers' demand for seamless integration. We are pursuing this via industry-standard settlement procedures to ensure cost-efficiency, both for KILROY and for the airlines.

The unique youth and student ticket has been the instrument for serving thousands of young people

while en route. This service is provided primarily online from a central service team in Copenhagen.

## Technology

A key element in the Group's organisational development is reducing transaction costs so we can focus employees' time on creating more value for our customers. Investments in technology, streamlining work processes and, not least, upgrading employees' competences are crucial for our long-term success.

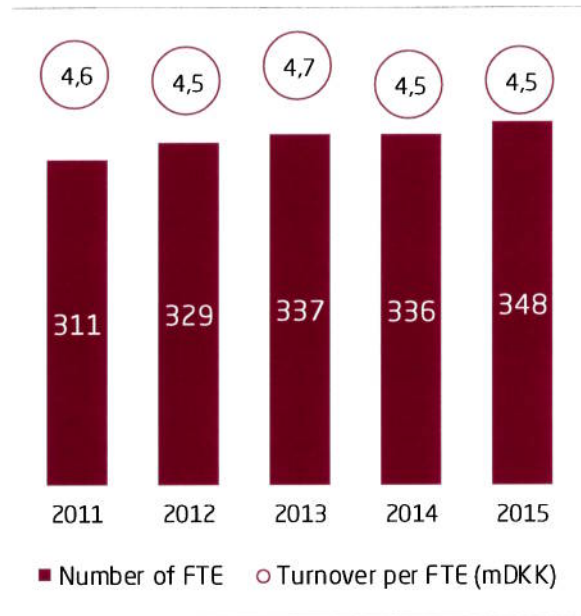
In 2015, the enhancement of our own selling-point application continued, and will be rolled out in remaining business units in the Group during 2016. The application focuses on the customer, and on seamless integration with the Group's main suppliers in order to ensure real-time products and prices, and optimised selling processes.

More and more of our customer communication takes place via smartphones, so the Group keeps optimising its websites for information searches and bookings when using these devices.

The KILROY Group generally uses mainstream technology in all parts of its IT infrastructure. The majority of operational IT costs are based on long-term maintenance contracts, ensuring readiness and adoption of newest market trends and developments.



The chart below illustrates the development in the number of employees and sales per employee.



## Organisation

**The KILROY Group's continual improvement in profitability has many sources, not least of which is our employees. Their competence and dedication make for a vigorous organisation, and they deserve our thanks!**

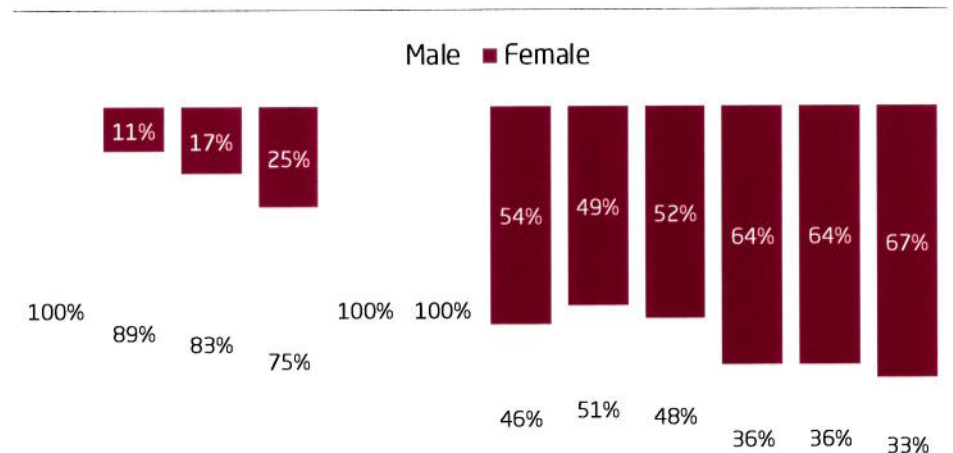
The average number of employees (fulltime equivalent) in 2015 was 348, compared with 336 in 2014.

As for gender, the KILROY Group has always practised the policy of "best person for the job."

However, as an integrated part of our CSR activities, the KILROY Group in 2013 set goals for including more women in management positions, including representation in the Board of Directors. The policy can be found on [kilroy.net/policies](http://kilroy.net/policies).

For the Board of Directors, the objective for female representation among the members is a minimum of 20% in the Group in 2016 and in subsidiaries in 2020.

The chart below illustrates the gender mix in various functions.



2013	2014	2015	2013	2014	2015	2013	2014	2015	2013	2014	2015
Board Members			Registered Managers			Staff Managers			All Staff		

*Definitions: "Registered Managers" are the managing directors registered with the Chamber of Commerce. "Registered managers in a subsidiary" are primarily structural positions with limited daily and operational involvement.*

*"Staff Managers" are all managerial positions ranging from team leaders to general managers.*



## Equity

The share capital remains unchanged at DKK 18 million. Free reserves including proposed dividends total DKK 86 million, up from DKK 73 million in 2014.

At year-end 2015, total Group shareholders' equity was DKK 104 million. This compares with DKK 91 million at the end of 2014.

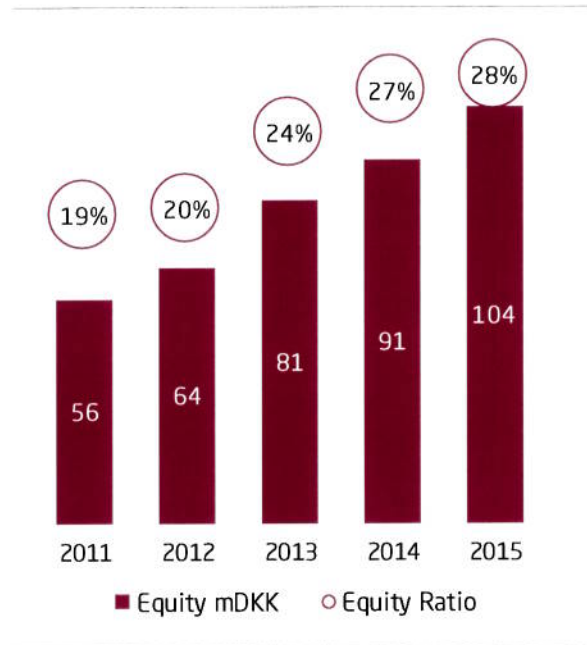
As an ordinary dividend to be decided at the Annual General Meeting, the Board proposes a payment of DKK 33 million. Future dividends will be proposed in accordance with the KILROY Group's expansion plans, continued consolidation and liquidity requirements.

A number of the business segments in which the KILROY Group operates involve entrusted funds from customers. We anticipate that, in the long term, such business concepts will require stricter financial covenants. Consequently, the KILROY Group has adopted a policy for dividend payment that will allow the Group to meet these future challenges.

The development of equity and equity ratio for the KILROY Group is shown in the chart to the right.

## Risk assessment

Operating globally, the travel industry is by nature affected by numerous risks. The vast majority of these are beyond our control, such as war, terror, natural disasters and political unrest.



Each year brings new and sometimes extraordinary challenges to the travel industry. Every link in the value chain is constantly challenged, either by traditional suppliers, new players or by the customers themselves. Like in many other industries, the Internet has created an atmosphere of "direct trading is cheapest." We address this challenge by constantly focusing on internal training and customer service, and by making value-addition tangible and apparent to our customers.

The financial risk of doing business in multiple countries and currencies is reduced through cautious execution by the KILROY Group's cash management department, which has established policies to ensure that currency exposure is mitigated to the extent possible.

KILROY only hedges commercial exposures. The financial instruments used primarily include currency forward contracts.

## Shareholder information & annual report

The ownership structure remained unchanged in 2015. The Danish company, SSTS A/S, holds 100% of the shares in KILROY International A/S.

SSTS A/S currently has no other activities than the ownership of the KILROY Group. The company is owned by a group of Nordic investors who have, or have had, management positions within the Group.

The Annual Report of KILROY International A/S is included in the Annual Report of SSTS A/S.

The Annual Report of SSTS A/S can be obtained from: SSTS A/S, Nytorv 5, DK-1450 Copenhagen K

## Auditing

KPMG is the sole auditor of the Group.



## Expectations for 2016

No material events have occurred since the balance sheet date that would affect the assessment of the Annual Report for 2015.

The expectation for 2016 is that the KILROY Group will deliver a result close to that of 2015, save for any external events beyond the Group's control.

## Corporate Social Responsibility (CSR)

It is a goal of the KILROY Group that employees, suppliers and customers all do their best to support the neighbouring community and, to the extent possible, limit any negative impact on the environment.

By its very nature, the KILROY Group business promotes understanding and respect among cultures. However, our business also involves a significant amount of air travel, and this carries a certain environmental impact. Our suppliers of hotel accommodation, cars and other ground products may also have some impact.

In 2013, the KILROY Group formalized a CSR strategy: Walk-the-Talk and a CSR policy that defines goals for climate, sourcing, suppliers, social responsibility, human rights and from 2016 animal

welfare. These documents serve as our CSR framework, and they dictate direction, ambition and targets within CSR. The strategy and policy can be found on [kilroy.net/policies](http://kilroy.net/policies)

Highlights from the policy can be summarised as follows: We aim to ensure that all our companies and employees act as good corporate citizens with due respect for differences in culture, history and economy. We encourage climate-friendly yet profitable investments with necessary consideration of human and labour rights.

### Climate

In 2015, we continued to support all investments in energy savings that promise return on investment within 12 months. Our staff is encouraged to suggest such investments. These will be pursued as quickly as possible, then be recommended to companies across the Group. In our headquarters, electric consumption has in 2015 been reduced by more than 50%

### Sourcing

In 2014, we asked most major non-air suppliers to share their CSR policies and actions with us. This material is still being evaluated and the findings will dictate our next steps. Our ambition is to set up and define requirements for suppliers to report on their climate initiatives, protection of human and labour

rights, anti-corruption policies and good governance on a regular basis. This ambition will be pursued in 2016 by setting minimum targets and requirements for suppliers with an annual volume exceeding EUR 2 million.

### Human rights and society

These areas are the most comprehensive and complex areas to work with. However they are also most likely the areas where we can have the most direct impact in the short term.

It was a goal for 2015 to make all staff aware of the Group's Code of Conduct. This goal was not fully accomplished, so it remains a focus area in 2016.

In order to acknowledge our corporate social responsibility, the KILROY Group in 2015 began introduction of the United Nations guiding principles (UNGP) on business and human rights for senior management in all companies.

In 2016, we will continue working with the UNGP and expand the knowledge to management at all levels. Our aim is to outline the content of the guiding principles for all managers and provide fundamental understanding of how the KILROY Group can meet the new global minimum standards for business conduct. Furthermore, we plan to frame and embed a policy commitment to meet our responsibility to respect human rights.





# FINANCIAL STATEMENTS

FINANCIAL YEAR JANUARY 1 - DECEMBER 31, 2015

THE KILROY GROUP - CONSOLIDATED  
KILROY INTERNATIONAL - PARENT COMPANY



# PROFIT & LOSS ACCOUNT | 26

January 1 - December 31

Note		Group		Parent	
		2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
1	Turnover	1.580.193	1.510.211	12.797	9.308
	Cost of products	-1.315.688	-1.260.384	-34	-118
	<b>Gross profit</b>	<b>264.505</b>	<b>249.827</b>	<b>12.763</b>	<b>9.190</b>
	Other income	0	0	34.603	28.867
2	Sales and administration	-63.104	-57.775	-15.057	-13.779
3	Personnel	-149.810	-143.006	-35.025	-29.886
	<b>EBITDA</b>	<b>51.591</b>	<b>49.046</b>	<b>-2.716</b>	<b>-5.608</b>
4	Depreciations and amortizations	-9.458	-8.758	-3.351	-3.178
	<b>EBIT</b>	<b>42.133</b>	<b>40.288</b>	<b>-6.067</b>	<b>-8.786</b>
7	Result from shares in subsidiaries	-	-	39.911	41.761
5	Financial income, net	8.709	8.009	3.672	2.805
	<b>EBT</b>	<b>50.842</b>	<b>48.297</b>	<b>37.516</b>	<b>35.780</b>
6	Tax	-12.752	-11.774	574	743
	<b>Net profit for the year</b>	<b>38.090</b>	<b>36.523</b>	<b>38.090</b>	<b>36.523</b>
<b>Proposed appropriation of net result:</b>					
	Transfer from retained earnings			-34.821	-30.238
	Proposed dividends			33.000	25.000
	Transfer to reserve for net revaluation under the equity method			39.911	41.761
				<b>38.090</b>	<b>36.523</b>



December 31

Note	ASSETS	Group		Parent	
		2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
	<b>FIXED ASSETS</b>				
	Software	7.341	3.385	7.333	3.354
	Goodwill	18.453	22.735	0	0
4	<b>Intangible fixed assets</b>	<b>25.794</b>	<b>26.119</b>	<b>7.333</b>	<b>3.354</b>
	Land and buildings	862	948		-
	Leasehold improvements	4.180	3.149	27	53
	IT hardware and other equipment	3.959	1.612	2.799	1.370
4	<b>Property, plant and equipment</b>	<b>9.001</b>	<b>5.710</b>	<b>2.826</b>	<b>1.423</b>
7	Shares in subsidiaries	-	-	105.039	108.616
8	Shares in associated companies	5.754	4.876	-	-
9	Other financial assets	-	-	3.545	-
	<b>Financial fixed assets</b>	<b>5.754</b>	<b>4.876</b>	<b>108.584</b>	<b>108.616</b>
	<b>TOTAL NON-CURRENT ASSETS</b>	<b>40.549</b>	<b>36.705</b>	<b>118.743</b>	<b>113.393</b>
	<b>CURRENT ASSETS</b>				
	<b>Inventories</b>	<b>1.937</b>	<b>2.016</b>	-	-
	Trade debtors	52.660	50.827	2.722	1.766
	Amounts due from affiliated companies	13.219	12.735	13.804	12.735
	Other receivables	4.351	3.564	1.335	1.234
10	Prepaid expenses and accrued income	18.882	9.229	7.778	1.798
	<b>Total receivables</b>	<b>89.112</b>	<b>76.355</b>	<b>25.639</b>	<b>17.533</b>
	<b>Bonds and securities</b>	<b>86.759</b>	<b>84.986</b>	<b>70.242</b>	<b>67.608</b>
13	<b>Cash at bank and in hand</b>	<b>153.752</b>	<b>137.152</b>	<b>44.032</b>	<b>43.840</b>
	<b>TOTAL CURRENT ASSETS</b>	<b>331.560</b>	<b>300.509</b>	<b>139.913</b>	<b>128.981</b>
	<b>TOTAL ASSETS</b>	<b>372.109</b>	<b>337.214</b>	<b>258.656</b>	<b>242.374</b>



December 31

Note	LIABILITIES	Group		Parent	
		2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
	<b>EQUITY</b>				
	Share capital	17,839	17,839	17,839	17,839
	Reserve for net revaluation under the equity method	-	-	15,727	19,491
	Proposed dividend	33,000	25,000	33,000	25,000
	Retained earnings	53,040	47,986	37,313	28,495
11	<b>TOTAL EQUITY</b>	<b>103,879</b>	<b>90,825</b>	<b>103,879</b>	<b>90,825</b>
	<b>PROVISIONS</b>				
6	Deferred tax	2,694	1,026	1,376	277
	<b>TOTAL PROVISIONS</b>	<b>2,694</b>	<b>1,026</b>	<b>1,376</b>	<b>277</b>
	<b>CURRENT LIABILITIES</b>				
	Trade creditors	167,334	147,652	3,055	1,695
	Amounts owed to subsidiaries	-	-	140,539	141,014
	Other liabilities	23,425	23,591	6,963	6,755
	Accrued liabilities	15,546	14,514	2,844	1,808
12	Advance payments	59,231	59,606	-	-
	<b>TOTAL CURRENT LIABILITIES</b>	<b>265,536</b>	<b>245,363</b>	<b>153,401</b>	<b>151,272</b>
	<b>TOTAL LIABILITIES</b>	<b>372,109</b>	<b>337,214</b>	<b>258,656</b>	<b>242,374</b>
13	<b>Contingent assets, liabilities and collaterals</b>				
14	<b>Subsidiaries</b>				
15	<b>Related parties</b>				



January 1 - December 31

	Group		Parent	
	2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
<b>EBIT</b>	42.133	40.288	-6.067	-8.786
<b>Adjustments for non-cash items</b>				
Depreciation	9.458	8.758	3.351	3.178
Exchange rate and other adjustments	1.350	409	1.121	1.467
<b>Working capital</b>				
Change in inventories	79	1 101	0	0
Change in receivables	-12.275	-4.671	-7.331	-1.087
Change in other provisions	0	-2.673	0	-2.673
Change in trade creditors	19.682	6.946	1.360	-1.311
Change in other liabilities	1.326	-5.807	1.646	16.493
<b>Cash flow from operating activities before financial items</b>	<b>61.753</b>	<b>44.351</b>	<b>-5.920</b>	<b>7.281</b>
Net interest income, etc.	3.213	2.980	2.549	1.338
Paid taxes	-11.481	-13.460	730	2.889
<b>Cash flow from operating activities</b>	<b>53.485</b>	<b>33.871</b>	<b>-2.641</b>	<b>11.508</b>
Purchase/sale of shares	-878	-210	0	0
Purchase/sale of bonds	-1.774	-8.053	-2.634	-21.708
Net purchase of plant, operating equipment etc.	-12.516	-4.424	-8.733	-2.094
<b>Cash flow from investment activities</b>	<b>-15.168</b>	<b>-12.687</b>	<b>-11.367</b>	<b>-23.802</b>
Contributions to subsidiaries	0	0	-3.731	0
Loan to affiliated companies	-483	-796	-483	-796
Bankdebt	0	-201	0	0
Dividends paid/received	-21.235	-21.984	18.414	17.213
<b>Cash flow from financial activities</b>	<b>-21.718</b>	<b>-22.981</b>	<b>14.200</b>	<b>16.417</b>
<b>Net cash flow from operating, investing and financing activities</b>	<b>16.599</b>	<b>-1.797</b>	<b>192</b>	<b>4.123</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>137.152</b>	<b>138.949</b>	<b>43.840</b>	<b>39.717</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>153.752</b>	<b>137.152</b>	<b>44.032</b>	<b>43.840</b>

Not all figures above can be found directly in the Annual Report.



## General

The Annual Report for 2015 for KILROY International A/S is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class large-C companies.

The consolidated accounts are presented in Danish kroner (DKK thousand), which is the Parent Company's functional currency.

The accounting policies applied, as described below, are consistent with those applied in 2014.

## Consolidated Accounts

The consolidated accounts comprise the parent company, KILROY International A/S, and all subsidiaries in which the parent company controls more than 50% of the voting rights, directly or indirectly.

The consolidated accounts are prepared by adding items of a similar nature in the accounts of KILROY International A/S and its subsidiaries.

Subsidiary accounts that are included in the consolidated accounts are prepared in accordance with the accounting policies of the parent company.

Profit and loss statements of foreign subsidiaries are translated into Danish kroner (DKK) using the average exchange rates for the year. Balance sheet items are translated at the exchange rate at the end of the year.

Exchange rate adjustments of the equity of foreign subsidiaries at the beginning of the year, and exchange rate adjustments of the profit and loss accounts from average rates to year-end rates, are

posted against the Group shareholders' equity. In the consolidation of the accounts, intercompany income and expenses, intercompany accounts, and intercompany profits and losses are eliminated. The parent company's share in a subsidiary is calculated as its share of the subsidiary's net assets.

Companies in which the Group holds between 20% and 50% of the share capital without having obtained significant influence are considered as associated companies and are measured at cost.

Upon acquisition of a subsidiary, the share of the net assets is calculated according to the Group's accounting policies. If the purchase price deviates from the value of the net assets, the difference is, to the extent possible, allocated to the assets or liabilities that have a higher or lower value. In addition, provisions are made for the expenses incurred at the time of purchase.

Goodwill in connection to acquisitions is capitalised and amortised over a maximum 20-year period.

Newly acquired or established companies are included in the consolidated accounts from the date when control is obtained.

Divested companies are included up to the date of disposal.

Other financial assets include investments in non-controlled companies.

## Profit and Loss Accounts

### Turnover

Turnover includes the year's sales of travel products, other services and incentives from suppliers.

Revenues from individual-focused products are booked at the time of invoicing, regardless of departure date.

Revenues from group travel products are booked in the accounting period that coincides with the departure date of the trip.

### Cost of products

Cost of products comprises invoiced and accrued cost of travel related products and other services incurred by generated revenue of the year.

### Other income

Other income comprises items secondary to the activities of the entities and internal service deliveries.

### Sales and administrative costs

These are costs incurred indirectly from distributing travel products and other services sold during the year. Also included are other overhead costs, e.g., office premises, office expenses, IT and all costs for web-technology with an assessed lifetime of less than 3 years.

### Salaries and other personnel expenses

Personnel costs comprise expenses incurred during the year for all management, sales consultants and administrative staff.

### Result from shares in subsidiaries

Net profits or losses in subsidiaries contain the proportionate share of net profits or losses in the subsidiaries and amortisation of goodwill.



## Tax

KILROY International A/S is jointly taxed with Danish subsidiaries and the parent company, SSTS A/S, in accordance with the Danish rules on mandatory joint taxation. Danish subsidiaries are either included or excluded in the joint taxation at the same time as they are included or excluded in the consolidation.

KILROY International A/S' parent company, SSTS A/S, is the administrative company under the joint taxation scheme and, accordingly, pays all income taxes to the tax authorities. The jointly-taxed Danish companies are taxed under the on-account tax scheme.

The current Danish corporation tax is allocated among the jointly-taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses). Tax for the year comprises current tax, joint taxation and changes in deferred tax for the year, including adjustments to tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to changes directly recognised in equity is recognised directly in equity.

Corporate tax on account is recognized in the balance sheet under current assets.

Deferred tax is provided under the liability method, and covers all temporary differences between accounting and tax values of the assets and liabilities. Deferred tax is, furthermore, provided for re-taxation of tax-deductible losses realised in non-Danish associated companies, if the re-taxation is expected to be realised by the associated companies' departure from the Danish joint taxation scheme.

The tax value of tax loss carry-forwards will be set

off against deferred tax liabilities to the extent that the tax losses and other tax assets are expected to be utilised in the future taxable income. Deferred tax is calculated according to applicable tax laws and according to the expected tax rate.

## Balance Sheet

### Intangible assets

Goodwill is initially recognised in the balance sheet at cost as described under consolidated accounts. Goodwill is amortised on a straight-line basis over the estimated useful life-time, determined on the basis of the Management's experience within the travel business.

Software comprises external development cost of substantial IT systems that are capitalised over their estimated useful life.

### Property, plant and equipment

Tangible assets are measured at cost less accumulated depreciation and impairment.

Assets are written down if their value has depreciated and cannot be seen as appreciating in the near future.

Depreciation is calculated on a straight-line basis of the cost according to the following guidelines, based on the estimated economic life of the asset:

- Software 3-5 years
- Goodwill 3-20 years
- Buildings 33-50 years
- Leasehold improvements 5 years
- IT and other equipment 3-5 years

### Participating interests in subsidiaries

Participating interests in subsidiaries are valued according to the equity method at the proportionate share of the net assets and the residual value of goodwill calculated in accordance with the acquisition method.

### Shares in associated companies

Are measured at cost. When the cost exceeds the recoverable amount, write-down is made to the lower amount.

### Other financial assets

Are recognised at amortised cost.

### Inventories

Goods for resale are measured at cost price.

Write-downs are made according to obsolescence and other forms of value depreciation.

### Receivables

Receivables are stated at amortized cost net of provisions for possible losses.

### Prepaid expenses

Prepaid expenses are measured at cost.

### Bonds and securities

Publicly traded bonds are stated at the market value at year-end. Investments hold-to-maturity are measured at amortised costs. Realised and unrealised gains and losses are included in the profit and loss account.



**Dividend**

Dividend is stated in the accounts at the time when the company at the Annual General Meeting, the company thereby having incurred a liability, decides it. The dividend that is proposed for distribution is included in the equity under the item "retained earnings."

**Other provisions**

Other provisions include an estimated liability, which will presumably lead to an outflow of resources.

**Financial liabilities**

These are stated at net realisable amortised cost, if not stated otherwise.

**Rent and leasing**

The parent company and the Group have entered into operational rental agreements for offices and equipment for multi-year periods.

Rental and leasing expenses are stated in the profit and loss account for the applicable period.

The aggregate rental and leasing liability is stated under contingent liabilities.

**Currency conversion**

Accounts in foreign currency are stated at the exchange rate at year-end. Gains and losses are included in financial items.

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.

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.

Changes in the fair value of derivative financial instruments used for hedging of net investments in separate foreign subsidiaries or associates are recognised directly in equity; see above.

**Cash Flow Statement**

The cash flow statement is presented according to the indirect method, based on the operating profit.

The cash flow statement shows the Group's cash flow for the year and is divided into cash flow from operating, investing and financial activities.

Cash flow from operating activities covers cash flow from the year's operations, adjusted for operating items of a non-cash nature and changes in working capital.

Working capital includes current assets less liquid assets and current, non-interest bearing liabilities and dividends.

Cash flow from investing activities covers cash flow in connection with the purchase and sale of fixed assets, including participating interests and other long-term securities.

Cash flow from financing activities covers payments to and from shareholders, together with the raising of, and repayment of, interest-bearing liabilities.

Cash and cash equivalents are cash holdings, money market deposits in banks, and marketable securities stated under current assets.





1. TURNOVER	Group		Parent	
	2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
Belgium	5,199	-	-	-
Denmark	767,685	699,354	12,797	9,308
Finland	145,386	144,246	-	-
Iceland	30,842	18,425	-	-
Netherlands	186,551	180,405	-	-
Norway	249,996	275,522	-	-
Sweden	194,534	192,259	-	-
<b>Total turnover</b>	<b>1,580,193</b>	<b>1,510,211</b>	<b>12,797</b>	<b>9,308</b>

2. FEES TO AUDITORS APPOINTED AT THE GENERAL MEETING	Group		Parent	
	2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
Audit services	791	748	190	190
Tax assistance	72	72	50	50
Other assistance	0	-24	2	-103
<b>Total auditor fees</b>	<b>863</b>	<b>796</b>	<b>242</b>	<b>137</b>

3. PERSONNEL COSTS	Group		Parent	
	2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
Salaries and wages	127,431	121,260	32,381	27,447
Social security contributions	5,617	5,882	241	225
Pensions	7,810	6,949	1,361	1,224
Other personnel costs	8,952	8,915	1,042	990
<b>Total personnel costs</b>	<b>149,810</b>	<b>143,006</b>	<b>35,025</b>	<b>29,886</b>
Average number of employees (full time equivalent)	348	336	67	60



4. FIXED ASSETS

	Software tDKK	Goodwill tDKK	Land & buildings tDKK	Leasehold improvements tDKK	IT and other equipment tDKK	Total tDKK
<b>GROUP</b>						
Cost at the beginning of 2015	11,671	42,336	1,945	13,773	29,956	99,681
Reclassification	0	0	0	-19	19	0
Exchange rate adjustments	0	-289	0	-20	-53	-362
Additions in year	6,597	0	0	2,539	3,380	12,516
Disposals in year	0	-2,421	0	-3,410	-4,748	-10,579
<b>Cost at the end of 2015</b>	<b>18,268</b>	<b>39,626</b>	<b>1,945</b>	<b>12,863</b>	<b>28,554</b>	<b>101,256</b>
Depreciations and amortizations at the beginning of 2015	-8,287	-19,601	-997	-10,623	-28,342	-67,850
Exchange rate adjustments	0	276	0	35	57	368
Disposals in year	0	2,421	0	3,310	4,748	10,479
Depreciations and amortizations in year	-2,640	-4,269	-86	-1,405	-1,058	-9,458
<b>Depreciations and amortizations at the end of 2015</b>	<b>-10,927</b>	<b>-21,173</b>	<b>-1,083</b>	<b>-8,683</b>	<b>-24,595</b>	<b>-66,461</b>
<b>Carrying amount at the end of 2015</b>	<b>7,341</b>	<b>18,453</b>	<b>862</b>	<b>4,180</b>	<b>3,959</b>	<b>34,795</b>
<b>Carrying amount at the end of 2014</b>	<b>3,384</b>	<b>22,735</b>	<b>948</b>	<b>3,150</b>	<b>1,614</b>	<b>31,830</b>
<b>PARENT</b>						
Cost at the beginning of 2015	10,254	0	0	354	3,966	14,574
Additions in year	6,597	0	0	15	2,121	8,733
Disposals in year	0	0	0	-19	19	0
<b>Cost at the end of 2015</b>	<b>16,851</b>	<b>0</b>	<b>0</b>	<b>350</b>	<b>6,106</b>	<b>23,307</b>
Depreciations and amortizations at the beginning of 2015	-6,900	0	0	-301	-2,596	-9,797
Depreciations and amortizations in year	-2,618	0	0	-22	-711	-3,351
<b>Depreciations and amortizations at the end of 2015</b>	<b>-9,518</b>	<b>0</b>	<b>0</b>	<b>-323</b>	<b>-3,307</b>	<b>-13,148</b>
<b>Carrying amount at the end of 2015</b>	<b>7,333</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>2,799</b>	<b>10,159</b>
<b>Carrying amount at the end of 2014</b>	<b>3,354</b>	<b>0</b>	<b>0</b>	<b>53</b>	<b>1,370</b>	<b>4,777</b>



5. FINANCIAL INCOME, NET	Group		Parent	
	2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
Financial income, external	2.682	2.729	2.015	1.345
Financial income, internal	534	438	534	438
Financial expenses, external	-3	-186	0	-182
Financial expenses, internal	-	-	0	-262
Currency gain/loss	5.495	5.028	1.123	1.466
<b>Financial income, net</b>	<b>8.709</b>	<b>8.009</b>	<b>3.672</b>	<b>2.805</b>

6. TAX	Group		Parent	
	2015 tDKK	2014 tDKK	2015 tDKK	2014 tDKK
Current tax charge	11.130	11.417	0	0
Joint taxation contributions	0	0	-1.673	-1.516
Adjustments to previous year's tax charge	2	-479	0	0
Change in deferred tax and other changes	1.620	836	1.099	773
Change in deferred tax (adjusted tax %)	0	0	0	0
Portion of tax charge to subsidiaries	-	-	0	0
	12.752	11.774	-574	-743
Tax related to financial instruments included in equity	69	-	69	-
<b>Total tax</b>	<b>12.821</b>	<b>11.774</b>	<b>-505</b>	<b>-743</b>
Deferred tax primo	1.026	-87	277	-496
Exchange rate and other adjustments	48	277	0	0
Change in deferred tax, net	1.620	836	1.099	773
<b>Deferred tax ultimo</b>	<b>2.694</b>	<b>1.026</b>	<b>1.376</b>	<b>277</b>
<b>Paid corporate taxes</b>	<b>11.481</b>	<b>13.460</b>	<b>-730</b>	<b>-2.889</b>

The deferred tax liability is based on the temporary difference between the book value and the statutory value of assets and liabilities.  
The parent company is taxed jointly with the Danish subsidiaries.



**7. SHARES IN SUBSIDIARIES**

Cost at the beginning of the year  
Capital contributions

**Cost at the end of the year**

**Adjustments at the beginning of the year**

Exchange rate adjustments

Profit after tax

Dividends from subsidiaries

**Adjustments at the end of the year**

**Book value at the end of the year**

Profit after tax in subsidiaries

Amortization of goodwill

**Result from shares in subsidiaries**

*A list of subsidiaries is shown in note 14*

Subsidiaries

	2015	2014
	tDKK	tDKK
	68,986	68,986
	187	0
	<b>69,173</b>	<b>68,986</b>
	<b>39,630</b>	<b>41,290</b>
	-261	-1,208
	39,911	41,761
	-43,414	-42,213
	<b>35,866</b>	<b>39,630</b>
	<b>105,039</b>	<b>108,616</b>
	42,457	44,307
	-2,546	-2,546
	<b>39,911</b>	<b>41,761</b>



**8. SHARES IN ASSOCIATED COMPANIES**

Cost at the beginning of the year
Purchase of shares in associated companies
Sale of shares and capital contributions
<b>Cost at the end of the year</b>

Group		Parent	
2015	2014	2015	2014
tDKK	tDKK	tDKK	tDKK
4,876	4,666	0	0
878	210	0	0
0	0	0	0
<b>5,754</b>	<b>4,876</b>	<b>0</b>	<b>0</b>

**9. OTHER FINANCIAL ASSETS**

Value at the beginning of the year
Additions
<b>Value at the end of the year</b>

Group		Parent	
2015	2014	2015	2014
tDKK	tDKK	tDKK	tDKK
0	0	0	0
0	0	3,545	0
<b>0</b>	<b>0</b>	<b>3,545</b>	<b>0</b>

**10. PREPAID EXPENSES AND ACCRUED INCOME**

Deferred expenses and earned, but not paid incentives.



**11. EQUITY**

GROUP	Issued capital	Retained earnings	Proposed dividend	Shareholders' equity 2015
	tDKK	tDKK	tDKK	tDKK
<b>Balance as at 1 January</b>	<b>17,839</b>	<b>47,986</b>	<b>25,000</b>	<b>90,825</b>
Dividends paid	0	0	-25,000	-25,000
Proposed dividend	0	0	33,000	33,000
Value adjustment of hedging instruments	0	294	0	294
Tax on items under equity	0	-69	0	-69
Exchange rate adjustments	0	-261	0	-261
Result of the year	0	5,090	0	5,090
<b>Balance as at 31 December</b>	<b>17,839</b>	<b>53,040</b>	<b>33,000</b>	<b>103,879</b>

PARENT	Issued capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend	Shareholders' equity 2015
	tDKK	tDKK	tDKK	tDKK	tDKK
<b>Balance as at 1 January</b>	<b>17,839</b>	<b>19,491</b>	<b>28,495</b>	<b>25,000</b>	<b>90,825</b>
Dividends paid	0	0	0	-25,000	-25,000
Proposed dividend	0	0	0	33,000	33,000
Value adjustment of hedging instruments	0	0	294	0	294
Tax on items under equity	0	0	-69	0	-69
Exchange rate adjustments	0	-261	0	0	-261
Dividends from subsidiaries	0	-43,414	43,414	0	0
Result of the year	0	39,911	-34,821	0	5,090
<b>Balance as at 31 December</b>	<b>17,839</b>	<b>15,727</b>	<b>37,313</b>	<b>33,000</b>	<b>103,879</b>

The share capital comprises of 178.390 shares of DKK 100 each.  
There has been no changes to issued capital during the past five years.



**12. ADVANCE PAYMENTS**

Primarily prepayments from travel ordered for 2016.

**13. CONTINGENT ASSETS, LIABILITIES AND SECURED DEBT**

Rent and lease obligations within one year  
 Rent and lease obligations between one and five years

The KILROY Group has issued guarantees/letters of credit, which are secured by an equal cash pledge of deposits

	<u>Group</u>		<u>Parent</u>	
	<b>2015</b>	2014	<b>2015</b>	2014
	tDKK	tDKK	tDKK	tDKK
	11,321	11,150	2,934	2,272
	22,190	22,359	7,111	8,069
	<b>40,046</b>	38,355	<b>39,337</b>	37,797



14. COMPANY OVERVIEW	Country of Incorporation	Currency	Share Capital	Capital Share	Dividend 2015
<b>Subsidiaries:</b>					
KILROY Belgium B.V.B.A.	Belgium	EUR	25	100%	0
Horizons A/S	Denmark	DKK	5.177	100%	14.000
KILROY Group Travel A/S	Denmark	DKK	1.100	100%	17.000
KILROY Finland OY AB	Finland	EUR	336	100%	0
KILROY Iceland ehf.	Iceland	ISK	500.000	100%	0
KILROY Norway AS	Norway	NOK	4.000	100%	9.000
KILROY Sweden AB	Sweden	SEK	2.500	100%	1.000
KILROY Netherlands B.V.	The Netherlands	EUR	2.147	100%	300
<b>Associated Companies:</b>					
OurWorld A/S	Denmark	DKK	500	40%	18
Ski Group A/S	Denmark	DKK	808	27,6%	3.747
Frank Students OY AB	Finland	EUR	241	49%	0

The dividend listed for the subsidiaries embrace dividend approved for payment to the parent company during 2016. The dividend listed for the associated companies embrace dividend received by the KILROY Group during 2015.

#### 15. RELATED PARTIES

Related parties are SSTS A/S, Nytorv 5, DK-1450 Copenhagen, which owns 100% of the shares in KILROY International A/S.





## Statement by the Board of Directors and Management

Today, the Board of Directors and the Management have today discussed and approved the annual report of KILROY International A/S for the financial year 2015.

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

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Company's financial position at December 31, 2015 and of the results of the Group's and the Company's operations and cash flows for the financial year 2015.

Further, in our opinion, the report of the Board of Directors gives a fair review of the development

in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

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

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*Copenhagen, March 17, 2016*

## Management



Claus H. Hejlesen  
Managing Director & CEO

## Board of Directors



Arnar Thorisson  
Chairman



Tapio Kiiskinen  
Vice Chairman



Sigurdur Kiernan



Allan Kvist



Claus H. Hejlesen



Maria Højlund Jensen  
(elected by staff)



To the shareholders of KILROY International A/S

## **Independent auditors' report on the consolidated financial statements and the parent company financial statements**

We have audited the consolidated financial statements and the parent company financial statements of KILROY International A/S for the financial year 1 January - 31 December 2015. The consolidated financial statements and the parent company financial statements comprise accounting policies, income statement, balance sheet, cash flow statement and notes for the Group as well as for the parent company. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

### *Management's responsibility for the consolidated financial statements and the parent company financial statements*

Management is responsible for the preparation of consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of consolidated financial statements and parent company 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 the consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at December 31, 2015 and of the results of the Group's and the parent company's operations and cash flows for the financial year 2015 in accordance with the Danish Financial Statements Act.

### **Statement on Directors' Report**

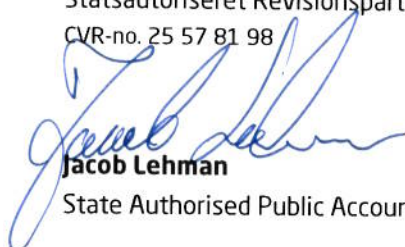
Pursuant to the Danish Financial Statements Act, we have read the Director's Report. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided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

Copenhagen, March 17, 2016

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR-no. 25 57 81 98



**Jacob Lehman**

State Authorised Public Accountant



The Board of Directors' and Management's executive positions outside KILROY International A/S as disclosed in accordance with the Danish Financial Statements Act.

## Board of Directors

### Arnar Thorisson

Chairman

Icelandic and born 1964. Chairman since 2007.

Executive positions: Chairman, Iceland Invest Ltd., Board Member, Iceland Properties Ltd., Oldungur Plc. and Eidey TLH Plc.

### Tapio Kiiskinen

Vice Chairman

Finnish and born 1947. Board Member since 2007 and Chairman during 1987-2007.

Executive positions: Chairman, Destination Lapland Ltd. and Member of Directors' Institute of Finland.

### Sigurður Kiernan

Icelandic and born 1969. Board Member since 2007.

Executive positions: CEO and founder, Investum Holding Ltd.

### Allan Kvist

Danish and born 1970. Board Member since 2015.

Executive positions: Chairman MCB A/S and Cetera A/S. Board member, Chopar Sport A/S, Team Tvis Holstebro Damer A/S, Team Tvis Holstebro Herrer A/S, Holstebro Sport + Event A/S, Bräuner A/S, Bräuner Holding Ringkøbing A/S and Master Innovation ApS

### Maria Højlund Jensen (elected by staff)

Danish and born 1980. Board Member since 2015. Product Manager, KILROY International A/S.

### Claus H. Hejlesen

Danish and born 1962. Board Member since 2007. Managing Director & CEO, KILROY International A/S.

Executive positions: Chairman, Student Air Travel Association (SATA).

## Registered Management

### Claus H. Hejlesen

Danish and born 1962

Managing Director & CEO, KILROY International A/S

### Henrik Kaltoft

Danish and born 1968

CFO, KILROY International A/S,

Managing Director:

Horizons A/S

KILROY Belgium B.V.B.A.

KILROY Finland OY AB

KILROY Group Travel A/S

KILROY Iceland ehf.

KILROY Netherlands B.V.

KILROY Norway AS

KILROY Sweden AB



**BELGIUM**

**KILROY Belgium B.V.B.A.**  
Sint-Pietersnieuwstraat 105  
9000 Gent, Belgium  
kilroy.be

**DENMARK**

**KILROY International A/S**  
Nytorv 5  
DK-1450 Copenhagen K, Denmark  
kilroy.net

**KILROY Foundation**  
Nytorv 5  
DK-1450 Copenhagen K, Denmark  
kilroyfoundation.net

**Horizons A/S**  
Nytorv 5  
DK-1450 Copenhagen K, Denmark

**Jysk Rejsebureau**  
Skt. Olufs Gade 2-4  
DK-8000 Aarhus, Denmark  
Knabrostræde 8  
DK-1210 Copenhagen K, Denmark

Østergade 21  
DK-7400 Herning

Vesteraa 7  
DK-9000 Aalborg, Denmark

jr.dk

**KILROY Denmark**  
Skindergade 28  
DK-1159 Copenhagen K, Denmark

Vestergade 100  
DK-5000 Odense C, Denmark

Fredensgade 40  
DK-8000 Aarhus, Denmark

kilroy.dk

**KILROY Group Travel A/S**  
Nytorv 5  
DK-1450 Copenhagen K, Denmark

Lægaardvej 86A  
DK-7500 Holstebro, Denmark

kilroy.dk

**BENNS**  
Lægaardvej 86A  
DK-7500 Holstebro, Denmark  
benns.dk

**FINLAND**

**KILROY Finland OY AB**  
Kaivokatu 10 A  
FIN-00100 Helsinki, Finland

Eerikinkatu 2  
FIN-20100 Turku, Finland

kilroy.fi

**ICELAND**

**KILROY Iceland ehf.**  
Skolavordustigur 3A  
101, Reykjavik, Iceland

kilroy.is

**NORWAY**

**KILROY Norway A/S**  
Kirkegata 32  
N-0153 Oslo, Norway

Strandkaaien 16, 2. (Temporary)  
N-5013 Bergen, Norway

Olav Trygvasonsgate 33  
N-7011 Trondheim, Norway

kilroy.no

**BENNS**  
Kirkegata 32  
N-0153 Oslo, Norway

benns.no

**SWEDEN**

**KILROY Sweden AB**  
Master Samuelsgatan 42  
S-103 87 Stockholm, Sweden

Vasagatan 7  
S-411 24 Gothenburg, Sweden

Lilla Fiskaregatan 13  
S-222 22 Lund, Sweden

kilroy.se

**THE NETHERLANDS**

**KILROY Netherlands B.V.**  
Singel 413-415  
NL-1012 WP Amsterdam, Netherlands

Oude kijk in 't Jatstraat 18  
NL-9712 EA Groningen, Netherlands

Herengracht 10  
NL-2511 EH The Hague, Netherlands

Nobelstraat 119  
NL-3512 EM Utrecht, Netherlands

kilroyworld.nl

Auditor	Attorney	Main Bank
KPMG Dampfærgevej 26 DK-2100 Copenhagen Ø Denmark	Kromann Reumert Sundkrogsgade 5 DK-2100 Copenhagen Ø Denmark	Danske Bank Holmens Kanal 2 DK-1090 Copenhagen K Denmark





# **KILROY**

**THE GROUP**