

CBRE A/S
Rued Langgaards Vej 6-8
2300 København S

CVR no. 14 79 90 79

Annual report 2015

The annual report was presented and
adopted at the annual general meeting of
the Company on 27 May 2016

A handwritten signature in blue ink that reads "Anne-Marie Thygesen". The signature is written in a cursive style and is positioned above a horizontal line.

Anne-Marie Thygesen
Chairman

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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 CBRE 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 its operations for the financial year 1 January - 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Copenhagen, 27 May 2016

Executive Board

Niels Cederholm

Board of Directors

Marco Stephan Clemens Hekman
Chairman


Niels Cederholm

Mikael Glud


Henrik Cederholm


Duncan James Green

Independent auditor's report

To the shareholders of CBRE A/S

Report on the financial statements

We have audited the financial statements of CBRE 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 the 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.

Independent auditor's report

Opinion


In our opinion, the financial statements give a true and fair view of the Company's 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, 27 May 2016

KPMG
Statsautoriseret Revisionspartnerselskab
CVR-no. 25 57 81 98



Mark Palmberg
State Authorised
Public Accountant

Company details

Company

CBRE A/S
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2300 København S

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CVR no.: 14 79 90 79
Financial period: 1 January - 31 December
Incorporated: 19 December 1990
Registered: Copenhagen

Board of Directors

Marco Stephan Clemens Hekman, Chairman
Mikael Glud
Duncan James Green
Niels Cederholm
Henrik Cederholm

Executive Board

Niels Cederholm

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø

Operating review

Principal activities

The objective of the Company is to carry on business in the fields of real estate services and any other related activities.

Development in activities and financial position

In the current financial year, the Company realised a profit of DKK 1,222 thousand compared to a profit of DKK 6,355 thousand in 2014.

The Company's balance sheet at 31 December 2015 shows total assets of DKK 29,752 thousand and equity of DKK 9,484 thousand.

Events after the balance sheet date

No events have occurred after the balance sheet date that affect the assessment of the annual report.

Expected development

The Company expects a profit in 2016.

Financial statements 1 January - 31 December

Accounting policies

The annual report of CBRE A/S for 2015 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company does not disclose its revenue.

Revenue

Revenue is related to real estate services and is recognised in the income statement at the final acquisition of the right to the fee, corresponding to a legally binding contract. The fee is recognised excluding VAT, taxes and discounts in connection with the delivery of services.

Other external costs

Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs comprise salaries and wages, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding refunds from public authorities.

Depreciation and impairment losses

Depreciation and impairment losses comprise the year's depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses, payables and transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

The Company is subject to the Danish rules on compulsory joint taxation of CBRE Inc.'s Danish subsidiaries. Subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

Financial statements 1 January - 31 December

Accounting policies

The Company is the administrative company under the joint taxation and accordingly pays all corporation taxes to the tax authorities.

On payment of joint taxation contributions, the current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. Companies with tax losses receive joint taxation contributions from companies that have been able to use the tax losses to reduce their own taxable profit.

Tax for the year comprises current tax, joint taxation contributions for the year and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Tools and equipment are measured at cost less accumulated impairment losses and depreciation. The basis of depreciation is cost less any expected residual value at the end of the useful life.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets and any residual value. The expected useful lives are as follows:

Tools and equipment	3-5 years
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Gains and losses on the disposal of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. The gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of assets

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

When there is an indication of impairment, each asset or group of assets is impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a receivable portfolio has been impaired. If there is objective evidence that an individual receivable has been impaired, write-down is made on an individual basis.

Financial statements 1 January - 31 December

Accounting policies

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Corporation tax and deferred tax

In its capacity as the administrative company, CBRE A/S is liable for its consolidated entities' corporation taxes towards the tax authorities concurrently with the payment of joint taxation contribution by the entities.

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Joint taxation contribution payable and receivable is recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax value, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets are recognised under other non-current assets at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Liabilities other than provisions

Other liabilities are measured at net realisable value.

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 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 or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Financial statements 1 January - 31 December

Income statement

	Note	2015 <u>DKK'000</u>	2014 <u>DKK'000</u>
Gross profit		43,056	46,286
Staff costs	2	-41,618	-39,750
Depreciation and impairment losses		<u>-142</u>	<u>-159</u>
Profit before financial income and expenses		1,296	6,377
Financial income		0	12
Financial expenses	3	<u>-74</u>	<u>-34</u>
Profit before tax		1,222	6,355
Tax on profit for the year		<u>0</u>	<u>0</u>
Profit for the year		<u>1,222</u>	<u>6,355</u>
Retained earnings		<u>1,222</u>	<u>6,355</u>
		<u>1,222</u>	<u>6,355</u>

Financial statements 1 January - 31 December

Balance sheet

	Note	2015 DKK'000	2014 DKK'000
Assets			
Tools and equipment		469	612
Property, plant and equipment	4	<u>469</u>	<u>612</u>
Other investments		1	1
Investments		<u>1</u>	<u>1</u>
Non-current assets		<u>470</u>	<u>613</u>
Trade receivables		15,421	26,694
Receivables from group entities		1,020	947
Other receivables		2,106	1,868
Prepayments		399	253
Deposits		861	831
Receivables		<u>19,807</u>	<u>30,593</u>
Cash at bank and in hand		<u>9,475</u>	<u>8</u>
Total current assets		<u>29,282</u>	<u>30,601</u>
Total assets		<u>29,752</u>	<u>31,214</u>

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Balance sheet

	<u>Note</u>	<u>2015</u> DKK'000	<u>2014</u> DKK'000
Equity and liabilities			
Share capital		2,000	2,000
Retained earnings		<u>7,572</u>	<u>6,350</u>
Total equity	1	<u>9,572</u>	<u>8,350</u>
Banks		0	43
Prepayments received from customers		0	331
Trade payables		36	498
Payables to group entities		4,709	4,906
Other payables		<u>15,435</u>	<u>17,086</u>
Current liabilities		<u>20,180</u>	<u>22,864</u>
Total liabilities		<u>20,180</u>	<u>22,864</u>
Total equity and liabilities		<u>29,752</u>	<u>31,214</u>
Deferred tax	5		
Contractual obligations and contingencies, etc.	6		
Ownership	7		

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1 Equity

	Share capital	Retained earnings	Total
	DKK'000	DKK'000	DKK'000
Equity at 1 January 2015	2,000	6,350	8,350
Profit for the year	0	1,222	1,222
Equity at 31 December 2015	2,000	7,572	9,572

The share capital consists of 2,000 shares at a nominal value of DKK 1,000 each. All shares rank equally.

There has been no changes to the share capital the last five years.

	2015	2014
	DKK'000	DKK'000
2 Staff costs		
Wages and salaries	41,198	39,261
Other social security costs	420	489
	41,618	39,750
3 Financial expenses		
Interest expense, group entities	36	34
Exchange loss	38	0
	74	34

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4 Property, plant and equipment

	Tools and equipment
	DKK'000
Cost at 1 January 2015	1,087
Cost at 31 December 2015	1,087
Impairment losses and depreciation at 1 January 2015	475
Depreciation for the year	143
Impairment losses and depreciation at 31 December 2015	618
Carrying amount at 31 December 2015	469

5 Deferred tax

The Company has an unrecognised tax asset of DKK 3,231 thousand (2014: DKK 3,710 thousand).

6 Contractual obligations and contingencies, etc.

Operating leases

The Company has entered into two property leases. The total rent obligation in the notice period totals approx. DKK 1 million.

The Company has a total lease obligation relating to copying machines and lease vehicles totalling DKK 0.1 million.

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Notes

7 Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

CBRE Global Holdings Sarl
6 Rue Guillaume Schneider
2522 Luxembourg
Luxembourg

CBRE Global Acquisition Company Sarl
6 Rue Guillaume Schneider
2522 Luxembourg
Luxembourg

The consolidated financial statements of CBRE Inc. are available at the Company's address or on the Company's website www.cbre.com.