
FACT Danmark A/S

Kirstinehøj 50, DK-2770 Kastrup

Annual Report for 1 January - 31 December 2015

CVR No 19 73 07 00

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
09/06 2016

Marianne Philip
Chairman



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Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of FACT Danmark A/S for the financial year 1 January - 31 December 2015.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2015 of the Company and of the results of the Company operations for 2015.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Kastrup, 31 May 2016

Management Board

Flemming Jacobsen

Board of Directors

Andreas Trojel Kloster
Chairman

Torben Pagh

Flemming Jacobsen

Independent Auditor's Report on the Financial Statements

To the Shareholder of FACT Danmark A/S

Report on the Financial Statements

We have audited the Financial Statements of FACT Danmark A/S for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, notes and summary of significant accounting policies. 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 as 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 whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, 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 audit opinion.

Our audit has not resulted in any qualification.

Opinion

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

Independent Auditor's Report on the Financial Statements

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

Hellerup, 31 May 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen
statsautoriseret revisor

Anders Røjleskov
statsautoriseret revisor

Company Information

The Company

FACT Danmark A/S
Kirstinehøj 50
DK-2770 Kastrup

CVR No: 19 73 07 00
Financial period: 1 January - 31 December
Financial year: 19th financial year
Municipality of reg. office: Tårnby

Board of Directors

Andreas Trojel Kloster, Chairman
Torben Pagh
Flemming Jacobsen

Executive Board

Flemming Jacobsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Main activity

The Company's activity in the financial year consisted of distribution and transport services.

Development in the year

The income statement of the Company for 2015 shows a profit of DKK 839,337, and at 31 December 2015 the balance sheet of the Company shows equity of DKK 9,274,024.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
Gross profit/loss		5.069.826	5.166.554
Staff expenses	1	-3.912.590	-3.702.799
Depreciation and impairment of property, plant and equipment		<u>-45.842</u>	<u>-30.318</u>
Profit/loss before financial income and expenses		1.111.394	1.433.437
Other financial income		1.186	5.767
Other financial expenses		<u>-426</u>	<u>-4.429</u>
Profit/loss before tax		1.112.154	1.434.775
Tax on profit/loss for the year	2	<u>-272.817</u>	<u>-362.099</u>
Net profit/loss for the year		<u>839.337</u>	<u>1.072.676</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>839.337</u>	<u>1.072.676</u>
		<u>839.337</u>	<u>1.072.676</u>

Balance Sheet 31 December

Assets

	Note	2015 DKK	2014 DKK
Other fixtures and fittings, tools and equipment		143.178	131.020
Leasehold improvements		0	0
Property, plant and equipment	3	143.178	131.020
Other receivables		10.132	11.132
Fixed asset investments		10.132	11.132
Fixed assets		153.310	142.152
Trade receivables		3.031.173	3.761.445
Receivables from group enterprises		14.478.309	13.436.937
Deferred tax asset		23.295	38.481
Prepayments		11.220	10.617
Receivables		17.543.997	17.247.480
Cash at bank and in hand		2.730	1.706
Currents assets		17.546.727	17.249.186
Assets		17.700.037	17.391.338

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2015</u> DKK	<u>2014</u> DKK
Share capital		500.000	500.000
Retained earnings		<u>8.774.024</u>	<u>7.934.687</u>
Equity	4	<u>9.274.024</u>	<u>8.434.687</u>
Trade payables		6.612.964	6.236.310
Payables to group enterprises		690.684	1.711.675
Other payables		<u>1.122.365</u>	<u>1.008.666</u>
Short-term debt		<u>8.426.013</u>	<u>8.956.651</u>
Debt		<u>8.426.013</u>	<u>8.956.651</u>
Liabilities and equity		<u>17.700.037</u>	<u>17.391.338</u>
Contingent assets, liabilities and other financial obligations	5		
Group relation	6		

Notes to the Financial Statements

	2015	2014
	DKK	DKK
1 Staff expenses		
Wages and salaries	3.510.172	3.284.292
Pensions	239.140	220.838
Other social security expenses	54.483	51.747
Other staff expenses	108.795	145.922
	3.912.590	3.702.799
2 Tax on profit/loss for the year		
Current tax for the year	257.631	329.917
Deferred tax for the year	15.186	13.249
Adjustment of tax concerning previous years	0	18.933
	272.817	362.099
3 Property, plant and equipment		
	Other fixtures and fittings, tools and equipment	Leasehold improvements
	DKK	DKK
Cost at 1 January	1.068.626	80.893
Additions for the year	58.000	0
Cost at 31 December	1.126.626	80.893
Impairment losses and depreciation at 1 January	937.606	80.893
Depreciation for the year	45.842	0
Impairment losses and depreciation at 31 December	983.448	80.893
Carrying amount at 31 December	143.178	0
Depreciated over	5 years	3-5 years

Notes to the Financial Statements

4 Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	500.000	7.934.687	8.434.687
Net profit/loss for the year	0	839.337	839.337
Equity at 31 December	500.000	8.774.024	9.274.024

The share capital consists of 500 shares of a nominal value of DKK 1,000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

5 Contingent assets, liabilities and other financial obligations

Rental agreements and leases

Lease obligations, period of non-terminability 6 months	0	20.250
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Contingent liabilities

The company is jointly taxed with other Danish companies and branches of the DPDHL Group. The Company and the other companies and branches subject to joint taxation have unlimited, joint and several liability for Danish corporation taxes.

Notes to the Financial Statements

6 Group relation

Consolidated Financial Statements

The Company's direct parent, DHL Global Forwarding (Denmark) A/S, does not prepare consolidated financial statements pursuant to section 112(1) of the Danish Financial Statements Act.

The Company's ultimate parent, which prepares consolidated financial statements into which the Company is incorporated as a subsidiary, is Deutsche Post AG, DE 53105 Bonn.

The Group Annual Report may be obtained at the following address:

Deutsche Post AG
DE 53105 Bonn
Germany

Accounting Policies

Basis of Preparation

The Annual Report of FACT Danmark A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in DKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, impairment losses and provisions as well as reversals due to changed account estimates for amounts that have previously been recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of 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 for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Accounting Policies

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Income Statement

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

Revenue

Revenue from logistics services is recognised in the income statement when the sale is considered effected based on the following criteria:

- the services are rendered
- a binding sales agreement has been made;
- the amount of revenue and income can be reliably measured; and
- payment has been received or may with reasonable certainty be expected to be received.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Freight and other transportation expenses, etc

Freight and other transportation expenses, etc includes costs for carriers, and other costs used in generating the year's revenue.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Depreciation and impairment losses

Depreciation and impairment losses comprise depreciation and impairment of property, plant and equipment.

Accounting Policies

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with Danish Group Enterprises. The tax effect of the joint taxation is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings,	
tools and equipment	5 years
Leasehold improvements	3-5 years

Assets costing less than DKK 12,800 are expensed in the year of acquisition.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Accounting Policies

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Debts

Debts are measured at amortised cost, substantially corresponding to nominal value.