

COOP TRADING A/S

ANNUAL REPORT

2015

**The Annual Report has been presented and adopted
at the Company's Annual General Meeting
on 8/6 2016.**



**Per Sjøqvist
Chairman of the Meeting**

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COMPANY INFORMATION

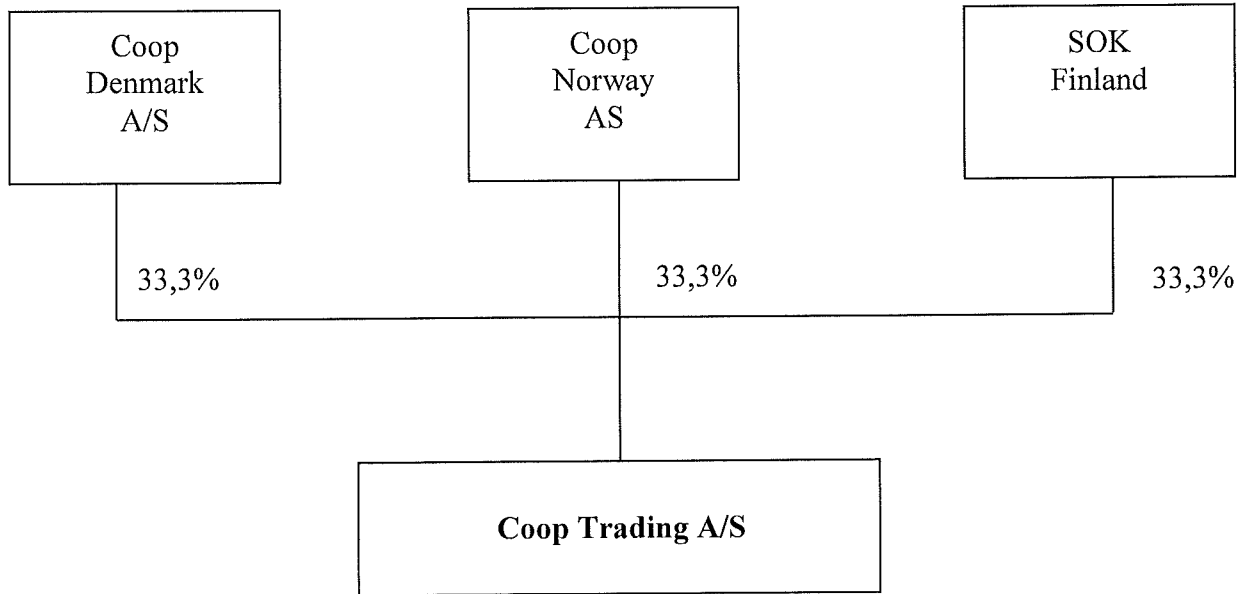
Company	Coop Trading A/S P.O. Box 255 Helgeshøj Allé 57 2630 Taastrup Denmark
Telephone:	+45 88 53 00 00
Website:	www.cooptrading.com
CVR No.:	20 40 61 94
Registered Office:	Høje Taastrup Kommune
Financial Year	1. january – 31. december

Board of Directors	Jens Visholm Uglebjerg, Chairman Tor Helge Gundersen Geir-Jostein Dyngeseth Peter Høgsted Nielsen Arttu-Perttu Laine Jukka Antero Ojapelto
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Management	Jan Lundgren
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Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 København V
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GROUP STRUCTURE



STATEMENT BY BOARD OF DIRECTORS AND MANAGEMENT

The Board of Directors and Management have discussed and approved the Annual Report of Coop Trading A/S for the financial year 1 January to 31 December 2015.

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

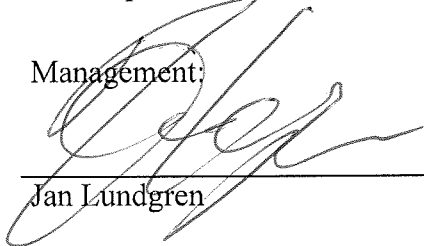
In our opinion the financial statements give a true and fair view of the Company's financial position at 31 December 2015 and the results of the Company's operations for the financial year 1 January to 31 December 2015.

The management's review includes in our opinion a fair presentation of the matters dealt with in the review.

We recommend that the Annual Report be approved at the annual general meeting.


Taastrup, on 11 March 2016

Management:




Jan Lundgren

Board of Directors:




Jens Visholm Uglebjerg
Chairman




Geir-Jostein Dyngeseth



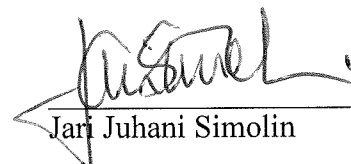
Kim Mikael Strömsholm



Tor Helge Gundersen



Peter Høgsted Nielsen



Jani Juhani Simolin

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Coop Trading A/S

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Coop Trading A/S for the financial year 1 January to 31 December 2015, which comprise a summary of significant accounting policies, income statement, balance sheet, cash flow 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 as management determines is necessary to enable the preparation of financial statements 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 have conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit Legislation. This requires that we comply with ethical requirements, plan, and perform the audit to obtain reasonable assurance about 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 misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 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.

The audit has not resulted in any qualification.

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 to 31 December 2015 in accordance with the Danish Financial Statements Act.

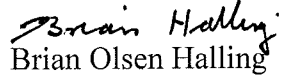
STATEMENT ON THE MANAGEMENT'S REVIEW

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.

Taastrup, 11 March 2016

BDO Statsautoriseret revisionsaktieselskab

CVR-nr. 20 22 26 70



Brian Olsen Halling

State Authorised Public Accountant

KEY FIGURES

(MIO. DKK)

	2015	2014	2013	2012	2011
Income statement					
Gross profit	87	92	88	92	103
Operating profit	0	0	0	5	5
Financial income and expenses, net	0	1	1	1	2
Profit for the year	0	(2)	0	(14)	0
Balance sheet					
Balance sheet total	93	150	150	160	170
Equity	75	131	133	133	146
Employees					
Average number of employees	82	85	90	96	118

MANAGEMENT'S REVIEW

Principal activities

The principal activities are - like in previous year – developing and sourcing of Private Brand and Indirect Goods as well as preparation of common Nordic supplementary agreements to common Nordic suppliers to Branded Goods for the company's current and former owners in Denmark, Sweden, Norway and Finland.

In addition, Coop Trading A/S has an office in Valencia from which fruit and vegetables are sourced from the Southern European countries.

Principal events 2015

In 2015, Coop Trading has ended the revitalization of the design on the Änglamark and X-tra platform.

Results for the year

The result for the year shows a profit of DKK ('000) 150, which is in accordance with Management's expectations.

Risk management

Financial risks

Coop Trading A/S' results and capital are affected by the usual financial risk factors. These financial risks are controlled by the company in cooperation with Coop Danmark A/S' central finance department in accordance with well-defined frames and authorizations by the Board of Directors.

Liquidity Risk

Coop Trading A/S' cash requirements are covered by the company's cash deposits. There is no need for bank overdraft facilities or committed credit facilities.

Foreign currency risk

As the main part of the future transactions in foreign currencies will be intercompany transactions, the company has decided not to hedge these transactions.

MANAGEMENT'S REVIEW

Events after the end of the financial year

No events have occurred from the balance sheet date and to this date, that will change the assessment of the annual report.

Expectations to 2016

Operating profit is expected to be at budget.

ACCOUNTING POLICIES

The annual report of Coop Trading A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act for large enterprises in reporting class C.

The annual report has been presented in accordance with the accounting policies used last year.

General information about recognition or measurement

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and write-down, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits 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 likely that future economic benefits will flow out of the company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant effective interest over the term. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

The recognition or measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

The carrying amount of intangible and tangible fixed assets should be estimated annually to determine if there is any indication of impairment in excess of the amount reflected by normal amortisation or depreciation. If this is the case, write-down should be made to the lower recoverable amount.

INCOME STATEMENT

Sale of services

Sale of services is recognised in the income statement when the income generating activities have taken place.

Staff costs

Staff costs comprise salaries and wages as well as social security costs, pension contributions, etc for the Company's staff.

Depreciation, amortisation and write-down

Depreciation, amortisation and write-down of material and immaterial assets consists of the accounting year's depreciations and write-downs, calculated based on both the calculated residual values and the expected useful lives of the of the assets, and testing of the write-down, and through profit and loss through sale of both material and immaterial assets.

ACCOUNTING POLICIES

Other operating expenses

Other operating expenses include expenses, incurred during the year in relation to the management and administration of the enterprise, including expenses related to office premises, stationery etc.

Financial income and expenses in general

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that can be attributed to the profit for the year, and is recognised directly in the equity by the portion that can be attributed to entries directly to the equity.

BALANCE SHEET

Intangible fixed assets

Development costs comprise costs, including wages and salaries, and amortisation, which directly or indirectly can be related to the company's development activities and which fulfil the criteria for recognition.

Capitalised development costs are measured at the lower of cost less accumulated amortisation or recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is 5 years.

Tangible fixed assets

Other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

ACCOUNTING POLICIES

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value as follows:

	Useful life
Other plants, fixtures and equipment	3-10 Years

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised as depreciation in the income statement.

Accounts receivable

Accounts receivable are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Accruals

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Cash

Cash include cash and current investments.

Dividend

Proposed dividends are recognised as a liability at the date when they are adopted at the Annual General Meeting (declaration). The dividend recommended by the Board of Directors and therefore expected to be paid for the year is disclosed in the notes.

Provision for liabilities

Provisions for liabilities include the expected cost of warranty commitments, restructuring etc. and deferred tax.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. The tax rate applied for the current year is 22%.

Liabilities

Other liabilities which include debt to suppliers, affiliates and associates and other debt are measured at amortised cost which usually corresponds to the nominal value.

Accruals recognised as liabilities include payments received regarding income in subsequent years.

ACCOUNTING POLICIES

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivable or payable is recognised in the income statement as financial income or expenses.

The income statements of foreign subsidiary enterprises and associates fulfilling the criteria for being independent entities are translated at an average exchange rate for the month and balance sheet items are translated at the rate of exchange on the balance sheet date. Exchange differences arising from translation of the equity of the foreign subsidiaries at the beginning of the year to the rates of the balance sheet date and from translation of income statements from average rate to the rates of the balance sheet date are recognised directly in the equity.

CASH FLOW STATEMENT

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash of the year and cash at beginning and end of the year.

ACCOUNTING POLICIES

Cash flows from operating activities

Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital, corporation tax paid, and payment of dividend to shareholders.

Cash flows from investing activities

Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt.

INCOME STATEMENT 1 JANUARY – 31 DECEMBER

(DKK '000)

	Note	2015	2014
Sale of services	1	87.000	91.749
GROSS PROFIT		87.000	91.749
Staff costs	2	(60.381)	(57.838)
Other operating expenses	3	(26.065)	(32.875)
Depreciation, amortisation and write-down	4	(314)	(314)
OPERATING PROFIT		240	722
Financial income	5	299	622
Financial expenses.....	5	(389)	(29)
PROFIT BEFORE TAX		150	1.316
Tax on profit for the year	6	0	(3.453)
PROFIT FOR THE YEAR		150	(2.138)
PROPOSED DISTRIBUTION OF PROFIT			
Retained profit		150	(2.138)
TOTAL		150	(2.138)

BALANCE SHEET 31 DECEMBER

(DKK '000)

ASSETS	Note	2015	2014
Other plants, fixtures and equipment.....	7	283	597
Tangible fixed assets.....		283	597
Deposits	8	7	7
Fixed asset investments.....		7	7
FIXED ASSETS		290	604
Amounts due from associates		3.269	51.525
Prepayments and accrued income.....	9	967	268
Other receivables		1.960	2.164
Accounts receivable.....		6.196	53.957
Cash.....		86.128	95.806
CURRENT ASSETS.....		92.324	149.763
ASSETS		92.614	150.367

Contingencies assets

BALANCE SHEET 31 DECEMBER

(DKK '000)

EQUITY AND LIABILITIES	Note	2015	2014
Share capital		75.000	144.000
Retained profit		150	(13.192)
EQUITY	11	75.150	130.807
Amounts due to associates		4.755	8.724
Other debt		12.709	10.836
Current liabilities		17.464	19.560
LIABILITIES		17.464	19.560
EQUITY AND LIABILITIES		92.614	150.367
Contingencies etc.	10		
Charges and securities	12		
Related parties	13		

CASH FLOW STATEMENT 1 JANUARY – 31 DECEMBER

(DKK '000)

	Note	2015	2014
Result before financial items.....		240	722
Depreciation.....		314	314
Changes in working capital.....	14	1.378	(1.375)
Cash flow generated from operation before financial items.....		1.932	(339)
Interests received		299	622
Interests paid		(389)	(29)
CASH FLOWS FROM OPERATING ACTIVITIES		1.842	254
Purchase of tangible fixed assets.....		0	0
Sale of tangible fixed assets.....		0	0
CASH FLOW FROM INVESTMENT ACTIVITIES		0	0
Repayment of debt to associates		(3.969)	5.405
Payments of debt from associates.....		48.256	(234)
CASH FLOW FROM FINANCING ACTIVITIES.....		44.287	5.171
CASH FLOW FOR THE YEAR.....		46.129	5.425
Cash and cash equivalents at 1 January.....		95.806	90.381
Reduction of share capital		(55.807)	0
CASH AND CASH EQUIVALENTS AT 31 DECEMBER.....		86.128	95.806

NOTES

(DKK '000)

Note

Sale of services

1

The item includes fee for joint administration of purchase of groceries and nonfood to the retail chains.

Split of sales and services per activity and geography is not disclosed in accordance with section 96 of the Danish Financial Statements Act.

	2015	2014
Staff costs		
Average number of employees	82	85
Amount of total staff costs:		
Wages and salaries.....	(47.115)	(46.394)
Pensions	(5.051)	(5.082)
Other social security costs	(1.455)	(1.651)
Other staff-related costs	(6.760)	(4.711)
Total	(60.381)	(57.838)

2

Remuneration of management is not disclosed in accordance with section 98 b(3) of the Danish Financial Statements Act.

Fee to auditors appointed by the General Meeting

3

Fee regarding statutory audit.....	(85)	(135)
Services other than audit:.....	0	0
Total	(85)	(135)

NOTES

(DKK '000)

	2015	2014	Note
Depreciation, amortisation and write-down			4
Intangible fixed assets.....	0	0	
Other plants, fixtures and equipment.....	(314)	(314)	
Total.....	(314)	(314)	
Financial figures			5
Income			
Interest income from banks.....	6	93	
Interest income from associates.....	293	529	
Other financial income.....	0	0	
Total.....	299	622	
Expenses			
Other financial costs.....	(337)	(29)	
Interest expenses from associates.....	(52)	(0)	
Total.....	(389)	(29)	
Tax on profit for the year			6
Computed tax on taxable income of the year.....	0	0	
Adjustment of deferred tax.....	0	(3,440)	
Adjustment of tax previous years.....	0	(13)	
Total.....	0	(3,453)	

NOTES

(DKK '000)

Note

Intangible and tangible fixed assets

7

	Other plants, fix- tures and equipment
Cost 1 January 2015	1.491
Additions	0
Disposals.....	0
Cost 31 December 2015	1.491
Depreciation and write-down 1 January 2015	894
Reversal of depreciation of assets disposed of.....	0
Depreciation of the year.....	314
Depreciation 31 December 2015	1.208
Carrying amount at 31 December 2015.....	283
Carrying amount at 31 December 2014.....	597

NOTES

(DKK '000)

	2015	2014	Note
Deposits			8
Cost 1 January.....	7	7	
Disposals.....	0	0	
Cost 31 December	7	7	
Value adjustments 1 January.....	0	0	
Disposals.....	0	0	
Value adjustments 31 December	0	0	
Carrying amount 31 December	7	7	

(DKK '000)

	2015	2014	Note
Prepayments and accrued income			9
Prepaid IT-costs.....	0	268	
Other	967	0	
Total.....	967	268	

NOTES

Contingent assets 10

The company has deferred tax asset at DKK ('000) 3.000. Provision for deferred tax comprises deferred tax on intangible and tangible fixed assets, and provisions for liabilities and tax losses to be carried forward.

Contingent liabilities 10

The company's total rental and lease liabilities for the coming year is DKK ('000) 4.585 at the balance sheet date. The average duration is approximately 1 year.

Equity 11

	Share capital	Retained earnings	Total
Equity 1 January 2015	144.000	(13.193)	130.807
Equity reduction.....	(69.000)	13.193	(55.807)
Proposed distribution of profit for the year	0	150	150
Equity 31 December 2015	75.000	150	75.150
		2015	2014

Share capital

Specification of share capital:

3 shares in the denomination of 25,000	75.000	144.000
Total.....	75.000	144.000

The share capital was reduced in 2015 by DKK ('000) 69.000

The share capital is owned by Coop Danmark A/S, Coop Norge AS and Suomen Osuuskauppojen Keskuskunta, Finland.

NOTES

(DKK '000)

	Note
Charges and securities	12

The company had no charges and securities.

Related parties	13
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Coop Trading A/S' related parties include: (significant influence)

Coop Danmark A/S, Roskildevej 65, 2620 Albertslund. Shareholder (33,3%).

Coop Norge AS, Østre Aker vei, 0915 Oslo. Shareholder (33,3%).

Suomen Osuuskauppojen Keskuskunta, Fleminginkatu 34, Helsinki. Shareholder (33,3%).

Transactions with related parties

Transactions with related parties are settled on market terms.

Ownership

The following shareholders are recorded in the company's register of shareholders as owning more than 5% of the votes or the share capital:

Coop Danmark A/S

Coop Norge AS

Suomen Osuuskauppojen Keskuskunta, Finland

Changes in working kapital	2015	2014	14
Prepayments and accrued income	(699)	1.446	
Other receivables	204	476	
Other debt	1.873	(3.297)	
Total	1.378	(1.375)	