

Tieto Denmark A/S

Kongevejen 400 C

DK-2840 Holte

CVR-no 25680480

Annual Report

1 January 2019 - 31 December 2019

The Annual Report was presented and adopted at the Annual General Meeting of the Company
On 30. June 2020

Chairman

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Company information

The Company

Tieto Denmark A/S
Kongevejen 400 C
DK-2840 Holte

Municipality of reg. office:	Rudersdal
CVR-no.:	25680480
Accounting period:	1 January – 31 December
Financial year:	20th financial year

Executive Board

Mats Olov Skoting, chairman
Stefan Krebs
Peter Bernhard S Sverdrup Engelschiøn

Board of Directors

Torben Winther Kristensen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Postboks 1600
Weidekampsgade 6
DK-2300 København S

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report for the financial year 1 January 2019 - 31 December 2019 for Tieto Denmark A/S.

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 2019 of the Company and of the result of the Company operations for 1 January 2019 – 31 December 2019.

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.

Holte, 30. June 2020

Board of Directors:

Torben Winther Kristensen

The Executive Board:

Mats Olov Skoting
Chairman

Stefan Krebs

Peter Bernhard S Sverdrup Engelschiøn

Independent Auditor's Report

To the Shareholder of Tieto Denmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2019, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2019 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Tieto Denmark A/S for the financial year 1 January - 31 December 2019, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies.

Basic for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities 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.

Independent Auditor's Report

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

Independent Auditor's Report

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 30. June 2020

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR-nr. 33 96 35 56

Christian Sanderhage

Statsautoriseret revisor

mne23347

Management's Review

Main Activities

Tieto Denmark A/S is a subsidiary of TietoEVRY Oy, Helsinki, Finland. Headquartered in Finland, TietoEVRY employs around 24.000 experts globally. The company serves thousands of enterprise and public sector customers in more than 90 countries. TietoEVRY's annual turnover is approximately EUR. 3 billion and its shares are listed on the NASDAQ in Helsinki and Stockholm as well as on the Oslo Børs.

TietoEVRY creates digital advantage to businesses and society. We are a leading digital services and software company with local presence and global capabilities. Our Nordic values and heritage steer our success.

Main focus in Tieto Denmark A/S is case and document management, especially in the public sector in Denmark.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to other uncertainties.

Measurement of work in progress contains estimates over the completion percentages for the specific projects. The actual realization of the projects could deviate significantly from the applied estimates.

Developments in activities and economic conditions

The company has continued its normal operating activities with focus on case and document management.

The year's development and performance are considered satisfactory and stable. Performance in 2018 was above expectations. Furthermore TietoEVRY Group sold the Cross-Advertise division in 2018. Hence the decline in revenue tDKK -13.761 in 2019 compared with 2018 was expected. The net profit in 2019 has declined with tDKK -12.548 compared to 2018. The equity in 2019 has decreased with tDKK -12.553.

Management has at year end 2019 decided to do a minor reduction in the deferred tax asset, which primarily consists of tax-loss carry forwards. The income statement and equity for 2019 is negatively affected with app. DKK 1,0 million with respect to this matter.

The expected development

It is assumed that revenue and results before taxes for the financial year 2020 will be at same level as reported for the financial year 2019.

Subsequent events

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

The COVID-19 situation in Denmark and globally has not, in all essentials affected the business in Tieto Denmark A/S. Neither during the closure of significant parts of Danish society March-May 2020, where our employees have been working from home, nor do we expect any major COVID-19 effects to the business in Tieto Denmark A/S in the future.

Management's Review

Intellectual capital resources

In order to be able to continue developing and providing competitive solutions, it is decisive that the company is able to recruit and retain highly educated employees.

The company continues to make investments in current recruitment, upgrading of skills and certification of both new and experienced consultants and developers. The company will continue to focus on maintaining and developing its competence levels within all core competences in 2020.

Risk profile and risk management

The Board and management have an ongoing dialogue about important issues in the company, including the risks that are considered to affect the company significantly. There are no greater specific risks affecting the company.

Impact of the external environment

We are convinced that our long-term success as a company is connected to our part in improving environmental and social conditions in the world. This requires a business model that takes into account all aspects of sustainability, covering our own operations and suppliers as well as our services. Therefore, sustainability is a natural part of our daily business operations and integrated into our whole value chain.

Financial Highlights

In 1.000 DKK	2019	2018	2017	2016	2015
Profit/loss					
Gross profit	55.796	61.913	47.905	53.533	33.431
Operating profit/loss	8.547	14.105	7.913	10.203	2.070
Profit/loss of financial income and expenses	-19	8	-10	-15	129
Net profit/loss for the year	6.592	19.140	10.560	10.264	2.199
Balance sheet					
Investments in property, plant and equipment	710	710	175	808	191
Current assets	29.634	47.047	35.459	29.032	24.316
Assets in total – balance sheet total	34.505	52.977	44.683	40.250	25.800
Equity	15.641	28.194	18.296	16.520	5.608
Provisions	808	2.104	1.137	587	0
Long-term debt	0	0	0	0	0
Short-term debt	18.056	22.678	25.250	23.143	20.192
Ratios in %					
Solvency ratio	45,3	53,2	41,0	41,0	21,7
Return on equity	18,3	59,1	41,1	74,0	35,4
Employees					
Average number of employees	62	63	52	55	49

The financial ratios have been calculated in accordance with the recommendations of the Association of Danish Financial Analysts.

The company has in 2016 merged with Tieto Denmark with Software Innovation A/S as the continuing company.

The predecessor accounting method has been used. The company has in accordance with the Danish Financial Statement Act chosen not to change the comparative figures. The figures for 2015 solely comprise figures from Software Innovation A/S.

		2019	2018
Note	Income Statement	DKK	1.000 DKK
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Income Statement 1 January - 31 December			
	Gross profit/loss	55.796.459	61.913
1	Staff expenses	-45.610.109	-47.710
	Depreciations of intangible fixed assets and property, plant and equipment	-1.638.930	-1.894
	Other operating income	0	1.796
	Profit/loss before financial income and expenses	8.547.420	14.105
	Financial income	2.818	15
	Financial expenses	-21.647	-8
	Profit/loss before tax	8.528.591	14.113
2	Tax on profit/loss for the year	-1.936.306	5.028
	Net profit/loss for the year	6.592.285	19.141

		2019	2018
Note	Balance Sheet	DKK	1.000 DKK
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Assets 31 December			
3	Goodwill	2.761.219	3.736
	Intangibles fixed assets	2.761.219	3.736
4	Other fixtures and fittings, tools and equipment	1.199.711	1.243
	Property, plant and equipment	1.199.711	1.243
	Deposit	909.944	951
	Financial assets	909.944	951
	Fixed assets	4.870.874	5.930
	Trade receivables	8.372.114	11.156
5	Contract work in progress	2.453.861	10.277
	Receivables from group enterprises	8.838.583	16.201
6	Deferred tax assets	6.143.834	8.080
	Prepayments	3.825.664	1.333
	Receivables	29.634.056	47.047
	Current assets	29.634.056	47.047
	Assets in total	34.504.930	52.977

		2019	2018
Note	Balance Sheet	DKK	1.000 DKK
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Liability and Equity 31 December			
	Share capital	503.000	503
	Retained earnings	7.837.824	7.791
	Proposed dividend for the year	7.300.000	19.900
7	Equity	15.640.824	28.194
8	Provisions	808.134	2.104
	Provisions total	808.134	2.104
5	Received prepayments from customers	178.847	1.644
	Trade payables	1.726.081	1.708
	Payables to group enterprises	5.620.777	4.516
9	Other payables	10.205.977	11.374
10	Prepayments	324.290	3.041
	Tax	0	397
	Short-term debt	18.055.972	22.679
	Debt total	18.055.972	22.679
	Liabilities and equity	34.504.930	52.977
11	Contingent assets, liabilities and other financial obligations		
12	Related parties and ownership		
13	Distribution of profit		
14	Accounting policies		

	2019	2018
Equity Statement	DKK	1.000 DKK
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Equity Statement 1 January - 31 December		
Share capital at 1 January	503.000	503
Share capital	503.000	503
Retained earnings at 1 January	7.791.410	8.293
Shared based payment	-145.871	258
Net profit/loss for the year	-707.715	-759
Transfer from proposed dividend	900.000	
Retained earnings	7.837.824	7.791
Proposed dividend at 1 January	19.900.000	9.500
Paid out dividend	-19.000.000	-9.500
Transfer to retained earnings	-900.000	0
Proposed dividend at 31 December	7.300.000	19.900
Proposed dividend	7.300.000	19.900
Equity total	15.640.824	28.194

	2019	2018
Notes to financial statements	DKK	1.000 DKK

1 Staff expenses

Wages and salaries	43.483.597	44.142
Pension cost	1.754.547	1.831
Other social security expenses	371.965	488
Other staff expenses	0	1.249
Staff expenses total	45.610.109	47.710
Average number of employees	62	63

In pursuance of section 98b(3) of the Danish Financial Statements Act, the remuneration to the Executive Board and the Board of Directors is not stated.

2 Tax on profit/loss for the year

Tax for the year	0	396
Deferred tax for the year	1.936.306	2.694
Adjustment of tax concerning previous year	0	-8.117
Tax on profit/loss for the year total	1.936.306	5.028

3 Goodwill

Cost at 1 January	6.821.834	11.762
Disposal	0	-4.940
Cost at 31 December	6.821.834	6.822
Impairment losses and amortisation at 1 January	-3.086.068	-3.641
Disposal	0	1.941
Amortisation for the year	-974.548	-1.386
Impairment losses and amortization at 31 December	-4.060.616	-3.086
Goodwill total	2.761.218	3.736

	2019	2018
Notes to financial statements	DKK	1.000 DKK
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4 Other fixtures and fittings, tools and equipment		
Cost at 1 January	2.601.839	2.543
Additions for the year	709.587	710
Disposals during the year	-140.886	-651
Cost at 31 December	<u>3.170.540</u>	<u>2.602</u>
Impairment losses and amortisation at 1 January	-1.358.409	-1.440
Depreciation and amortisation of disposed assets	42.983	589
Amortisation for the year	-655.402	-507
Impairment losses and amortisation at 31 December	<u>-1.970.828</u>	<u>-1.358</u>
Carrying amount at 31 December	<u>1.199.711</u>	<u>1.243</u>
5 Work in progress		
Sales value	18.061.266	57.850
Received prepayments	-15.786.251	-49.217
	<u>2.275.015</u>	<u>8.633</u>
<i>Classification</i>		
Contract work in progress	2.453.861	10.277
Received prepayments from customers	-178.846	-1.644
	<u>2.275.015</u>	<u>8.633</u>
6 Deferred tax assets		
Deferred tax assets at 1 January	8.080.140	2.657
Adjustment of tax concerning previous year	0	8.117
Deferred tax of the year	-1.936.306	-2.694
Deferred tax assets 31 December	<u>6.143.834</u>	<u>8.080</u>
Deferred tax assets comprise primarily of tax loss carry forward and intangible and tangible fixed assets.		
7 Equity		
The share capital consists of 503 shares of a nominal value of DKK 1.000. No shares carry any special rights.		
In 2016 there has been an addition to the equity in connection with the merger between Tieto Denmark and Software Innovation. The addition amounts to kDKK 558. There has not been any other movements in the equity over the last 5 years.		

	2019	2018
Notes to financial statements	DKK	1.000 DKK
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8 Provisions		
Provisions relates to loss making contracts.		
9 Other payables		
VAT	655.852	1.113
Labour market supplementary pension (ATP)	49.892	56
Holiday pay	518.597	380
Accrued holiday pay	6.928.415	7.566
Accrued bonus	1.620.505	1.244
Other accrued expenses	432.716	1.015
Other payables total	10.205.977	11.374
10 Prepayments		
Prepayments relates to prepaids invoices from customers for licenses and services.		
11 Contingent assets, liabilities and other financial obligations		
	2019	2018
		tDKK
The company has signed leases, which impose a total obligation:		
	3.198.605	5.472
The company is jointly and severally liable with the sister company Tieto DK A/S for Danish corporation tax, tax on dividends and royalties within the joint taxation.		

	2019	2018
Notes to financial statements	DKK	1.000 DKK

12 Related parties and ownership

Controlling interest

TietoEVRY Oy, Finland, Majority of voting rights.

Transactions

All transactions with related parties are conducted on market terms.

Consolidated Financial Statements

The Company's immediate and ultimate parent company, which prepares the consolidated financial statements in which the company is a subsidiary, TietoEVRY Oy, Finland

The consolidated financial statements for TietoEVRY Oy, Finland, can be obtained at the following address:

TietoEVRY Oy
Keilalahdentie 2-4
P.O.Box 2, 02101
FI-02150 Espoo
Finland

or on the Groups website www.tietoevry.com.

13 Distribution of profit

Proposed dividend for the year	7.300.000	19.900
Retained earnings	-707.715	-759
Distribution of profit total	6.592.285	19.141

Accounting Policies

13 Accounting policies

Basis of Preparation

The Annual Report of Tieto Denmark A/S for 2019 has been prepared in accordance with the provisions of the Danish Financial Statement Act applying to enterprises of reporting class C for medium enterprises.

The Cash Flow Statement is omitted in accordance with section 86 of the Danish Financial Statement Act (årsregnskabsloven). We refer to the Annual Report for the group, see note 11.

The accounting policies applied, are consistent with last year. Reclassifications between accounting items compared to last year have been made with no effect on profit and equity.

Financial Statements for 2019 are presented in DKK.

Recognition and measurement

Assets are recognized in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognized in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Accounting Policies

Income Statement

Revenue

Revenue from the sale of services is recognized in the income statement when delivery and transfer of risk to the buyer have been made before year end.

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

Gross Profit/loss

Net sales minus costs of raw materials and consumables and other external costs are summarized in the item "Gross profit/loss".

The items revenue, direct costs, other operating income and external expenses have been due to competitive considerations aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

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 social security contributions, pension contributions etc. for Entity staff.

Other operating income and expenses

Other operating income and expenses includes items of a secondary nature in relation to the company's main activity.

Financial income and expenses

Financial income and expenses comprises interests, including interest on receivables from group entities, bank charges etc.

Accounting Policies

Tax on profit/loss for the year

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

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect to the joint taxation is allocated to Danish enterprises in proportion to their incomes.

Balance Sheet

Intangibles fixed assets

Intangible fixed assets are measured at cost less accumulated depreciation. Depreciation is distributed on a straight-line basis over the expected useful lives.

Goodwill 7 years

Gains or losses on the disposal of intangible assets are calculated as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognized in the income statement under other operating income or other operating expenses.

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 3-6 years

Depreciation period and residual value are reassessed annually.

Gains or losses on the sale of property, plant and equipment are calculated as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognized in the income statement under other operating income or other operating expenses.

Accounting Policies

Impairment of fixed assets

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

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use.

Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Contract work in progress

Contract work in progress regarding service is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognized as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognized in the income statement as incurred.

Prepayments

Prepayments, which are recognized as assets, comprise prepaid expenses concerning rent, licenses, insurance premiums, subscriptions and interest.

Loss-making contracts

If the total cost of work in progress is expected to exceed the total sales value, the expected loss is recognized as a loss-making contract under provisions and expensed in the income statement.

Dividend

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

Financial debts

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

Accounting Policies

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes 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 within the same legal tax entity.

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

Current tax receivables and liabilities

Current tax liabilities and receivables are recognized in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayments under the on-account taxation scheme are recognized in the income statement in financial income and expenses.

Prepayments

Prepayments, which are recognized as liabilities, comprise received payments relating to income in subsequent years.

Key figures in the management review

Key figures are calculated as follows:

Solvency ratio $\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$

Return on equity $\frac{\text{Net profit} \times 100}{\text{Average Equity}}$