Dansk Beredskabskommunikation A/S
Annual Report for the period
01.01.2016 - 31.12.2016

Sydvestvej 21
2600 Glostrup

CVR No.: 26 21 08 95

Approved on the company's ordinary shareholder meeting 23 May 2017

As chairman

Henrik Blume

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Declarations

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 Dansk Beredskabskommunikation A/S for the financial year 1 January – 31 December 2016.

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

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and its financial position.

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

Glostrup, 23 May 2017

Executive Board:

Klavs Berthelsen

Board of Directors

Ian McCullagh
Chairman

Henrik Blume

Klavs Berthelsen

Independent auditor's report

To the shareholders of Dansk Beredskabskommunikation A/S

Opinion

We have audited the financial statements of Dansk Beredskabskommunikation A/S for the financial year 1 January – 31 December 2016 comprising income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. The financial statements are 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 2016 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis 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 rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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.

Independent auditor's report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 judgement and maintain professional scepticism throughout the audit. We also

— identify and assess the risks of material misstatement of the company 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.

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.

Independent auditor's report

Statement on the Management's review
Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.
Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 23 May 2017

KPMG
Statsautoriseret Revisionspartnerselskab
CVR No. 25 57 81 98

Henrik Kyhnauv
State Authorised
Public Accountant

Management's review

Company details

Dansk Beredskabskommunikation A/S
Sydvestvej 21
2600 Glostrup

Telephone:	70 11 61 12
Telefax/ *Fax* :	43 48 81 48
Website:	www.dbkas.dk
E-mail:	info@dbkas.dk
CVR No.:	26 21 08 95
Established:	01.01.2001
Registered office:	Glostrup
Financial year:	01.01 - 31.12

Board of Directors

Ian McCullagh
Henrik Blume
Klavs Berthelsen

Executive Board

Klavs Berthelsen

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28

2100 Copenhagen
Danmark

Annual general meeting

The annual general meeting is to be held on 23 May 2017.

Management's review

Financial highlights

DKKm	2016	2015	2014	2013	2012
Principal figures					
Revenue	198,2	195	186	187,6	189,7
Ordinary operating profit	36,4	46,1	39,2	43,1	38,4
Net from financial income and expenses	-1,7	-2,5	-2,1	-1,9	-1,1
Profit for the year	**27.1**	**33,0**	**27,3**	**29,2**	**26,8**
Non-current assets	176,1	214,5	263,2	314	337,1
Current assets	168,1	195,1	197,1	139,6	122,6
Total assets	**344,1**	**409,7**	**460,7**	**453,6**	**459,7**
Share capital	1,5	1,5	1,5	1,5	1,5
Equity	68,6	91,5	58,5	31,2	1,9
Provisions	30,4	29,2	28	26,9	0
Non-current liabilities other than provisions	149,8	209,2	267,6	310,9	373,8
Current liabilities other than provisions	95,3	79,7	106,2	84,7	84
Financial Ratio					
Operating margin	18,4	23,6	21,1	23	20,3
Return on invested capital	2331,8	2953,2	2511,2	2761,1	2460,0
Gross margin	57,2	56,2	56,7	60	53,8
Current ratio	176,2	244,8	185,1	164,8	146
Solvency ratio	19,9	22,3	12,6	6,9	0,4

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' Guide lines on the calculation of financial ratios "Recommendations and Financial Ratios 2016".

Definitions

Operating margin	*Operating profit x 100* / *Revenue*
Return on invested	*Operating profit x 100* / *Average invested capital*
Invested capital	*Operating intangible assets and property, plant and equipment*
Gross margin	*Gross profit x 100* / *Revenue*
Current ratio	*Current assets x 100* / *Current liabilities*
Solvency ratio	*Equity at year end x 100* / *Total equity and liabilities at year end*

Operating review

Dansk Beredskabskommunikation A/S is 99,4 % owned subsidiary of Motorola Solutions Inc., 500 East W. Monroe Street, Chicago, IL 60661, USA.

In accordance with the The Companies Statutory Act section 71, note that the company is included as part of the Annual Report for Motorola Solutions Inc.

Principal activities of the company

The company's main activity is to operate the Danish nationwide emergency service known as SINE. The operation of the network is based on license granted by the Danish Authorities (Energistyrelsen) to operate a public Tetra radio communication network.

The company's activities relate to operate, maintenance and expansion of the network. In addition, the company enhanced with new services and offer these services to the users of the network and other add on services that can support and increase the user's advantages in their day to day use of the network. The DBK customers are the Danish State, public- and commercial customers.

In 2016, DBK has continued the optimization of the nationwide SINE network so the network users have seen further improvement in the quality of voice and coverage of the communication.

The SINE contract with the Danish State has a contractual period of 10 years from 2010 with option for extension.

The network covers more than 99% of Denmark's territorial ground.

Development in activities and financial position

Revenue

The company's turnover in 2016 amounted to 198.2 DKKm versus 194.9 DKKm in 2015. The increase in turnover of 3.3 DKKm, approx. 2%, refer to the increase in the demand for Tetra products and services in the Danish market.

Result after tax

In 2016, the net profit of the year is a surplus of 27.1 DKKm versus 2015 surplus of 33.0 DKKm. The result is over Management expectations stated in the Annual Report for 2015.

In 2016, the company has continued its focus on cost control and continued to reduce the operational cost. The company has made a write-down of part its assets as they have been taken out of use.

Equity amounts to 68.6 DKKm after distribution of profit for the year.

The net profit of the year is in line with Management expectations.

Cash Flow

The company's cash flow position is very strong. The cash available by the end of 2016 amounted to 27,0 DKKm. The company has made cash available to Motorola in the amount of 80,0 DKKm.

Significant events after the balance sheet date

After the balance sheet date, no subsequent events, which have significant impact on the Company's financial position, have occurred.

Outlook 2017

Management's expectation for 2017 is a turnover below the 2016 level. The decrease in revenue is based upon the assumption that the market for subscribers will decrease. The overall outlook is that the operation of the SINE network will continue to generate earnings and positive cash flow and by that further increase the cash flow position.

It is Management's view that the continued collaboration with Motorola Solutions will lead to further services, which can be offered to the company customers and by that generate further orders for delivery in 2017 and forward.

The company's result will also in the future depend on the SINE contract revenue. Overall, it is Management's view that the company will reach a result in 2017 that is in range with 2016 level.

Risk factors

Financial risk

As part of the Motorola Solutions Inc. Group and their strong financial position and cash flow, the company is very limited exposed to changes in the interest level.

Credit risk

The company has no significant risks towards individual customers or partners.

Environmental risk

The company operates a nationwide communication network. The environmental risk of operating the network is very small for the surrounding environment as the network solely uses electricity for being functional.

The company uses fuel cells as a secondary source for energy. The technology of the fuel cells is based on hydrogen technology.

Knowledge

The company had an average of 22 employees in 2016 versus 22 employees in 2015.

The company has continued its education and learning programs with the purpose of maintaining and strengthening the employees' personal and professional development. The programs include technical, management, environmental and security programs.

It is essential for the company to continue to maintain and attract highly experienced people with expertise skills related to mobile communication and operation of wireless network.

To ensure a high and competent product quality the company is certified with ISO9001:2008 standard and a number of employees has further been certified with ITEL.

The use of ISO9001:2008 and ITEL requires a high level of competence and the company continue with additional investments with the aim of further increasing the qualification level of the employees.

The development and knowledge increase to employees are done through the education program that is updated at a regular basis to ensure that the latest knowledge regarding core competences for running an operator business and Tetra technology is available.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Income	Notes	Notes	2016	2015
Revenue			198.190.498	194.934.582
External costs			-84.935.202	-85.389.397
GROSS PROFIT			**113.255.296**	**109.545.185**
Employee costs	2		-17.251.488	-14.674.871
Depreciation and write down on intangible and tangible asset	3		-59.589.917	-48.721.688
ORDINARY OPERATING PROFIT			**36.413.891**	**46.148.626**
Financial income	4		12.934	0
Financial expenses			-1.664.525	-2.467.908
Financial profit			**-1.651.591**	**-2.467.908**
PROFIT BEFORE TAX			**34.762.300**	**43.680.718**
Tax on profit for the year	5		-7.682.958	-10.701.270
PROFIT AFTER TAX			**27.079.342**	**32.979.448**

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Balance	Notes	2016	2015
Assets			
Property, plant and equipment	3		
Technical equipment		154.935.659	214.525.293
Assets under construction		21.145.872	0
Total non-current assets		**176.081.531**	**214.525.293**
CURRENT ASSETS			
Receivables			
Trade receivables		19.925.228	15.292.036
Receivables from group enterprises		80.089.719	0
Other receivables		4.151.182	4.077.999
Deferred tax	6	33.564.197	24.227.122
Prepayments		3.363.127	3.082.094
		141.093.453	**46.679.251**
Cash at bank and in hand		26.958.714	148.449.634
Total current assets		**168.052.167**	**195.128.885**
TOTAL ASSETS		**344.133.698**	**409.654.178**

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Balance	**Notes**	**2016**	**2015**
Equity and			
EQUITY			
Share capital		1.501.546	1.501.546
Proposed dividend		30.000.000	50.000.000
Retained earnings	7	37.077.866	39.998.524
Total equity		**68.579.412**	**91.500.070**
LIABILITIES			
Provisions			
Provisions for decommissioning costs		30.446.673	29.205.441
Total provisions		**30.446.673**	**29.205.441**
Non-current liabilities other than provisions			
Prepayments received from customers	8	149.758.679	209.205.813
Total non-current liabilities other than provisions		**149.758.679**	**209.205.813**
Current liabilities			
Trade payables		1.601.322	2.270.688
Debt to affiliated companies		8.769.341	4.406.054
Corporate tax		7.883.186	27.807
Other payables		12.592.688	10.243.231
Prepayments received	8	64.502.397	62.795.074
Total current liabilities		**95.348.934**	**79.742.854**
Total liabilities		**245.107.613**	**288.948.667**
TOTAL EQUITY AND LIABILITIES		**344.133.698**	**409.654.178**

Rental and leasing obligations	9
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FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Equity statement	Share capital	Dividend	Retained earnings	Total equity
Equity 1 January 2016	1.501.546	50.000.000	39.998.524	91.500.070
Proposed dividend		30.000.000		30.000.000
Transferred, cf. distribution of profit		-50.000.000	-2.920.658	-52.920.658
Equity 31 December 2016	1.501.546	30.000.000	37.077.866	68.579.412

There have not been any changes to the share capital during the last 5 years.

Company capital	2016	2015
1.501.546 shares of 1 DKK, or multiples	1.501.546	1.501.546
	1.501.546	1.501.546

All shares have the same rights.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

1. Accounting policies

The annual report of Dansk Beredskabskommunikation A/S for the year 2016 has been prepared in accordance with the provisions applying to reporting class C medium entities under the Danish Financial Statements Act.

In accordance with the Danish Financial Statements Act section 86(4), the company's cash flow statement is omitted because the financial statements are included in the consolidated financial statements of Motorola Solutions Inc.

As from 1 January 2016, the Company has implemented Act no. 738 of 1 June 2015. This has entailed the following changes to recognition and measurement:

Going forward, the residual value of intangible assets and property, plant and equipment must be reassessed on an ongoing basis. Pursuant to the transition provisions of the Act, any adjustments to residual values must be made prospectively as an accounting estimate without restatement of comparative figures and without effect on equity.
The changes have no monetary effect on the income statement or the balance sheet for 2016 or for the comparative figures.
Except for the point mentioned above the accounting principles remain unchanged compare to prior year.

General recognition and measurement

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the Company and the asset can be reliably measured.
Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow from the company and the value can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortized cost, applying a constant effective interest rate during the term. Amortized cost is calculated as initial cost after deduction of any principal repayments as well as additions / deduction of the accumulated amortization of the difference between cost and nominal amount.

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

General recognition and measurement

Revenue is being recognized in the income statement as it occurs, including value adjustments of financial assets and liabilities measured at fair value or amortized cost. In addition, costs incurred for the year's earnings, including depreciation, write-down and provisions as well reversals due to changes in accounting estimates of amounts previously recognized in the income statement.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

1. Accounting policies

Conversion of foreign currency

Transactions in foreign currencies have been converted at the internal standard rate at transaction date. Receivables and payables that are payable in foreign currencies are converted to the internal standard rates, which approximately correspond to the official exchange rates applicable at the balance sheet date.

Capital gains and losses, both realized and unrealized, are included in financial items in the income statement.

Income statement

Revenue

Revenue from the sale of airtime and related services are recognized in the income statement if the risk has been transferred to the buyer before the end of year and that the income can be reliably received. Prepayments for services to the network are being accrued over the term of the contract. Net revenue is recognized excl. VAT and taxes charged on the behalf of third parties.

External costs

External cost includes costs incurred to generate revenue for the year. This includes direct and indirect external costs for delivery of services, including the services of other telecommunications companies and bad debts.

Employee costs

Staff costs include costs incurred during the year for management and administration of the company, including costs for administrative staff.

Financial income and expenses

Financial income and expenses include interest, debt and foreign currency transactions, write-down of financial assets and liabilities, surcharges and refunds under tax-on-account scheme etc. Furthermore, financial expenses include amortization of decommissioning provisions.

Income tax expense

The tax for the year which consist of joint taxation contributions for the year and changes in deferred tax, is recognized in the income statement.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

1. Accounting policies

Intangible assets

Intangible assets are measured at cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over the useful life and in line with the contractual agreement period.
Straight-line depreciation is based on the following assessment of the expected useful lives:

Licenses and rights	10 years

Profit or loss on disposal of intangible assets is calculated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognized in the income statement under depreciation.

Tangible fixed assets

Technical equipment is measured at cost less accumulated depreciation and write-down.

Cost includes purchase price and any costs directly attributable to the acquisition until the date when the asset is ready for use. For internally constructed assets, the cost includes direct and indirect costs of materials, components, sub-contractors and salary.
Straight-line depreciation is based on the following assessment of the expected useful life:

Technical equipment	10-12 years

Profit or loss on disposal of tangible fixed assets is calculated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognized in the income statement under other operating income or other operating expenses.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively

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

Decommissioning practice

Cost for decommissioning of technical equipment in connection with contract expiration is capitalized and is depreciated on a straight line basis over the remaining lifetime of the contract. The correspondent liability is shown in the balance sheet as provision and is amortized over the remaining lifetime of the contract.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

1. Accounting policies

Impairment of fixed assets

The carrying value of intangible and tangible fixed assets is tested annually for indications of impairment beyond what is expressed through depreciation. If there are indications of impairment, an impairment test is performed for each asset or group of assets. Write-down is made to the recoverable amount if this is lower than the carrying value.

Accounts receivable

Receivables are measured at amortized cost. Write-down is made to meet expected losses based on an individual assessment of the receivables.

Income tax and deferred tax

Current tax payables and current tax receivables are recognized in the balance sheet as tax calculated on the taxable income, adjusted for tax on prior years' taxable income and tax paid on account.

Payable and receivable joint taxation contributions are recognized in the balance sheet under corporate tax.

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.

Deferred tax is measured on the basis of the tax rules and tax rates that under legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallize as current tax.

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

Changes in deferred tax due to change in tax rate is recognized in the income statement.

Provisions

Provisions comprise anticipated costs related to decommissioning obligations. Provisions are recognized when as a result of past events, the company has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realizable value. The obligation is measured at net present value using the effective internal interest rate if the obligation is expected to be settled into the future.

Liabilities other than provisions

Other liabilities are measured at net realizable value.

Prepayments received from customers

Prepayments included under liabilities include payments received concerning income relating to the subsequent years.

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

Prepayments received from customers

Prepayments included under liabilities include payments received concerning income relating to the subsequent years.

2. Employee costs	**2016**	**2015**
Wages and salaries	16.098.074	13.580.336
Pensions	1.201.042	1.207.827
Other social security costs	-47.628	-113.292
	17.251.488	14.674.871
Average number of full-time employees	22	22

According to the Danish Financial Statement Act, § 98B, paragraph. 2 salary to the Executive Board is not provided. Management is part of a group established international option program. The Board of Directors receives no remuneration.

3. Property, plant and equipment	**Technical Equipment**	**Assets under construction**	**Decommissioning costs**	**Total**
Cost 1 January	496.817.697	0	25.777.191	522.594.888
Disposal	-51.793.904	0	0	-51.793.904
Annual additions	0	21.145.872	0	21.145.872
Cost 31 December 2016	445.023.793	21.145.872	25.777.191	491.946.856
Write-down and	297.643.022	0	10.426.573	308.069.595
Adjustment 1 Janaury	0	0	-283	-283
Disposal	-51.793.904	0	0	-51.793.904
Write-down	10.868.229	0	0	10.868.229
Annual depreciation	45.246.268	0	3.475.420	48.721.688
Write-down and depreciation 31 December	301.963.615	0	13.901.710	315.865.325
Carrying value 31 December 2016	143.060.178	21.145.872	11.875.481	176.081.531

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

4. Financial income	**2016**	**2015**
Interest from group companies	11.778	0
Other interest income	1.156	0
	12.934	0

5. Tax for the year

Adjustment of deferred tax for the year	8.958.343	6.506.869
Adjustment of deferred tax relating to change in corporation tax percentage	0	-415
Current tax for the year	-16.629.066	-16.792.807
Correction of annual tax in previous years	-12.235	0
	-7.682.958	-10.286.353

6. Deferred tax

Balance at 1 January	24.227.122	18.135.585
Adjustment of deferred tax for previous years	378.732	0
Adjustment of deferred tax for the year	8.958.343	6.506.869
Adjustment of deferred tax relating to change in corporation tax percentage	0	-415.332
Balance at 31 December	33.564.197	24.227.122
Deferred taxes relate to:		
Technical equipment	33.564.197	24.227.122

7. Proposed profit appropriation (TDKK)

At disposal:		
Profit for the year	27.079.342	32.979.448
Retained earnings	9.998.524	7.019.076
Total disposal	37.077.866	39.998.524

Distribution of profit of the financial year

Retained earnings	37.077.866	39.998.524
Proposed dividend	30.000.000	50.000.000
	67.077.866	89.998.524

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 31 DECEMBER

Notes to the financial statements

8. Prepayments received from customers

The amount is recognized as income over the contractual period running up to 8 years.

9. Rental and leasing obligations

Contingent liabilities (TDKK)	2016	2015
Rental and lease obligations due within 9 years.		
Obligation due 0-1 year	22.861	22.431
Obligation due 1-5 years	8.891	10.221
Obligation past 5 years	2.505	4.904
Total rental- and leasing obligations	34.257	37.556

The amounts for rent and lease obligations include the total liability of antenna positions, facility and cars for a number of contracts covering various periods up to and including the 2024.

The company is jointly taxed with other Danish group enterprises. As a jointly taxed company which is not wholly owned, the Company has limited and secondary liabilities for Danish corporation taxes within the joint taxation

10. Collaterals

There are issued guarantees towards the Danish State of 86.1 DKKm (2015: 99.0 DKKm)

11. Related party disclosures

The Company has chosen only to disclose transactions that are not carried out on an arm's length basis in accordance with section 98c(7) of the Danish Financial Statements Act.

Dansk Beredskabskommunikation A/S related parties include the following:

Controlling interest

Motorola Solutions Inc., 500 W. Monroe Street Chicago, IL 60661, USA, which holds a majority of the share capital.
The consolidated financial statements of Motorola Solutions Inc. are available at the Company's address or on the Company's website http://investors.motorolasolutions.com/.

Other related parties

Group of companies under Motorola Solutions Inc.