Jacob Holm & Sønner Holding A/S

c/o Bech-Bruun Advokatfirma
Langelinie Allé 35
DK-2100 København Ø

Annual Report for 2016

CVR No 28 15 69 60

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 25 April 2017.

Chairman

Contents

Management's Statement on the Annual Report

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Jacob Holm & Sønner Holding A/S for the financial year 1 January - 31 December 2016.

The Annual Report is prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as well as further requirements in the Danish Financial Statements Act. We consider the accounting policies applied appropriate and the accounting estimates reasonable.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Group and the Parent Company and of the results of the Group and Parent Company operations and cash flows for 2016.

In our opinion, Management's Review includes a true and fair account of the issues addressed by the Review as well as a description of the most significant risks and elements of uncertainty facing the Group.

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

Jyderup 25 April 2017

Executive Board

Martin Mikkelsen

Supervisory Board

Nils Thomas Weincke (Chairman)	Richard Sand (Vice-chairman)	Martin Mikkelsen
Christian Peter Søberg Jarnov		

Independent Auditor's Report

To the Shareholder of Jacob Holm & Sønner Holding A/S

Our opinion

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2016 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 January to 31 December 2016 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

What we have audited

Jacob Holm & Sønner Holding's Consolidated Financial Statements and Parent Company Financial Statements for the financial year 1 January to 31 December 2016 comprise income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes to the financial statements, including summary of significant accounting policies for the Group as well as for the Parent Company. Collectively referred to as the "financial statements".

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

Independence

We are independent of the Group in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in Denmark. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for 2016. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*How our audit addressed the Key Audit Matters*
Impairment – property, plant and equipment (PPE) PPE comprises a significant portion of Jacob Holm & Sønner Holding's total assets and amounts to tDKK 1,023,369 (tDKK 1,058,937 in 2015). A major part of PPE relates to the segment of Jacob Holm Industries' activities in the USA where indicators triggered an impairment test in 2016. We focused on the PPE impairment test because the process is complex and requires significant management estimates in determining various assumptions, such as cash-flow projections including remaining useful life and capex needed during the remaining useful life and the applied discount rate. Refer to note 2 and note 15 to the Consolidated Financial Statements.	We considered the overall impairment assessment prepared by Management. Main assumptions in Management's PPE impairment test such as expected cash flow projections including remaining useful life and capex needed during the remaining useful life and the applied discount rate were considered. Expected cash flows were tested by analysing the bridge between historical and future cash flows to understand the business dynamics and the impact from newly acquired equipment and to be able to assess whether cash flows expectations were reasonable. Remaining useful lives were compared to production lines elsewhere in the Group. Discount rates and growth rates were compared to market data.

Goodwill impairment	
The carrying amount of goodwill amounts to tDKK 93,491 in 2016 (tDKK 93,222 in 2015) and mainly relates to TWIG. We focused on goodwill impairment test because the process is complex and requires significant Management estimates in determining various assumptions, such as cash-flow projections, discount rates and terminal growth rates. Refer to note 2 and note 14 to the Consolidated Financial Statements.	We considered the overall impairment assessment prepared by Management. Main assumptions in Management's goodwill impairment test such as expected cash flows and the applied discount rates and growth rates were considered. Expected cash flows were tested by analysing the bridge between historical and future cash flow to understand the business dynamics and to be able to assess whether cash flows expectations were reasonable. As part of that test we also tested whether business plans historically have been realised as planned to be able to assess the accuracy in the Company's forecasting processes. Discount rates and growth rates were compared to market data.

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 in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company 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 Responsibility for the Financial Statements

Management is responsible for the preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in 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.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent 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 unless Management either intends to liquidate the Group or the Parent 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 in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 Group's and the Parent 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 and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent 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 Group or the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Copenhagen, 25 April 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jens Otto Damgaard	Tue Stensgård Sørensen
State Authorised Public Accountant	State Authorised Public Accountant

Management's Review

Company Information

The Company	Jacob Holm & Sønner Holding A/S c/o Bech-Bruun Advokatfirma Langelinie Allé 35 DK-2100 København Ø	
	CVR No.: Financial year: Municipality of reg. office:	28 15 69 60 1. January – 31 December Copenhagen

Ownership

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

Jacob Holm & Sons AG
Picassoplatz 8
CH-4052 Basel

Supervisory Board

Nils Thomas Weincke (Chairman)
Richard Sand (Vice-chairman)
Martin Mikkelsen
Christian Peter Søberg Jarnov

Executive Board

Martin Mikkelsen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Consolidated Financial Statements

The Group is included in the Group Annual Report of the immediate Parent Company Jacob Holm & Sons AG and in the ultimate Parent Company Ammon Ammon AG.

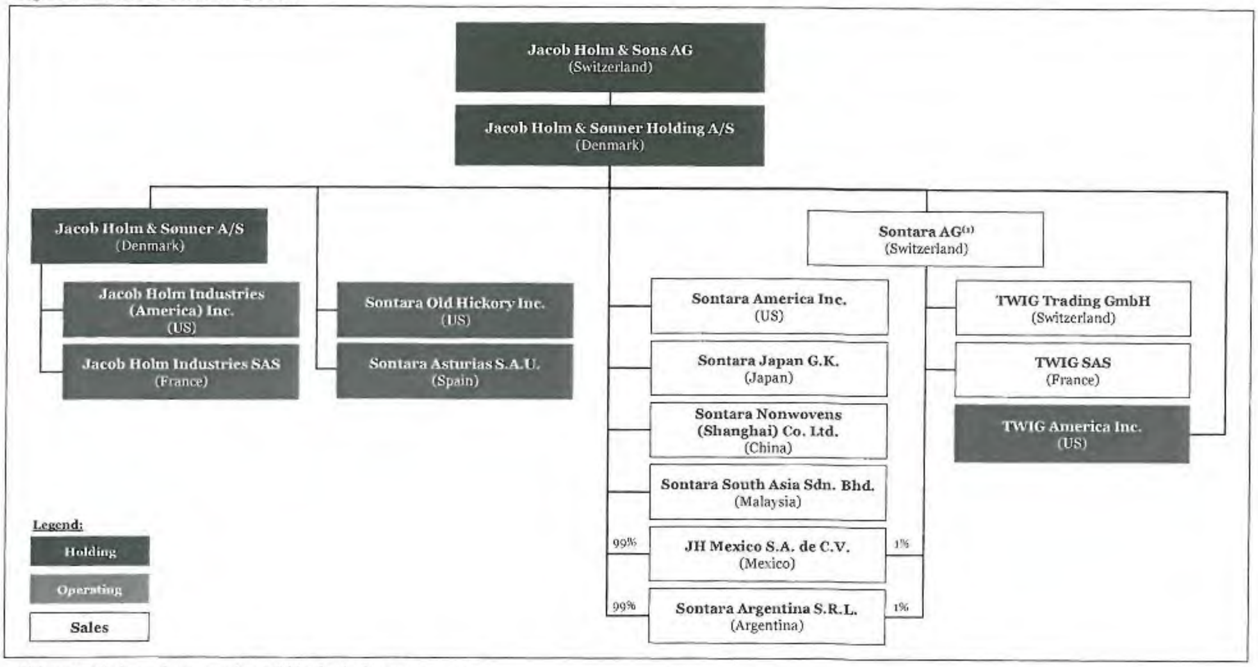
The Group Annual Report of Jacob Holm & Sons AG may be obtained at the following address:

Jacob Holm & Sons AG
Picassoplatz 8
CH-4052 Basel

Management's Review

Group Chart[1]

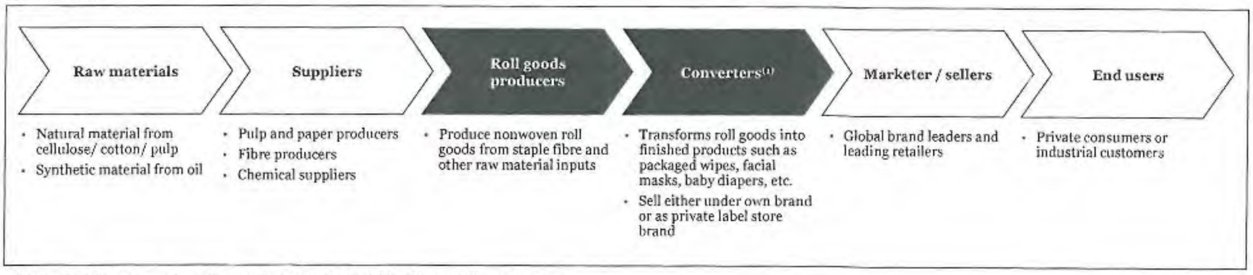
Legal structure as of December 31, 2016



(1) Sontara AG also performs sourcing activities for the Sontara® segment.

Business model

Value chain



(1) Jacob Holm Group only performs selected captive finishing for speciality applications.

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[1] 100% ownership if not indicated otherwise

Management's Review

Review

Main activity of the Group
The Group manufactures nonwoven products for performance applications in hygiene, personal care, beauty care, health care and industrial end-use.

Development in the financial year
The financial year 2016 was mainly characterized by the change from an investing to a harvesting phase. While 2014 and 2015 were heavily impacted by the acquisition of the Sontara® assets from DuPont and the installation of the new production line in the group's facility in Asheville, US, 2016 has not been significantly impacted by any individual event. In the absence of any larger project the Company's management successfully focused on cash flow optimization and as a consequence succeeded to significantly deleverage the Group. The competitive situation in selected product segments in North America continued to be challenging impacting volumes and unit pricing.

The 2016 revenue remained stable at around DKK 2.350 million, while the Group's EBITDA before special items increased from DKK 196 million in 2015 to DKK 204 million in 2016 (+4.4%).

The profit of the Group amounted to DKK 50 million. The parent company net result totaled a profit of DKK 44 million.

Group Management considers the results satisfactory.

The Group's equity has increased by DKK 40 million to DKK 494 million, whereas equity of the Parent Company amounts to DKK 220 million. A dividend of DKK 20 million was distributed during 2016.

Cash flows from operating activities in the year amounted to DKK 257 million which represents an increase of 89% compared to 2015.

Cash flows from investing activities totaled a negative DKK 74 million. Smaller operating asset upgrades and the acquisition of selected utilities accounted for most of the investments.

Cash flows from financing activities contributed negatively with DKK 83 million, mainly due to the initiated repayment of local financing arrangements at the North Carolina production site.

The net effect on the Group's cash and cash equivalents in 2016 was positive with DKK 100 million.

Liquidity
The Group has access to guaranteed un-utilised credit facilities necessary to absorb expected sales increases as well as any fluctuations in tied-up capital due to increasing raw material prices. Further, the Group expects a continued tight control of tied-up working capital.

Foreign exchange risks
The Group's currencies used for payment are mostly distributed between EUR, USD and SEK. A natural hedge of the USD exposure of the European sales is sought obtained through purchases in the same currency. Apart from this, there is no systematic hedging of positions in foreign currency in connection with other operating activities and for the time being the Group's policy aims not to hedge in excess of the natural hedging.

Exchange adjustment of investments in foreign subsidiaries is recognised directly in equity. As a main rule, related exchange risks are not hedged as it is the Group's opinion that current hedging of such long-term investments will not be optimal from an overall risk and cost point of view.

Management's Review

Bond
The Bond issued 1 April 2014 and with maturity date on 3 April 2019 and a floating interest rate has been refinanced in March 2017. Previously it had been among others subject to the following financial covenants;

- Debt/EBITDA ratio
- Interest coverage ratio
- Minimum liquidity

The new bond issued on 31 March 2017 and with maturity date on 31 March 2022 has a floating interest rate and is among others subject to financial covenants, however, only in case the Company issues new debt, refinances existing debt or distributes an annual dividend above EUR 7 million.

Credit facilities
The Group's existing agreements regarding credit lines run partly with and partly without any time limit. Credit lines with time limit are basically irrevocable on the part of the bank. Credit lines without time limit follow the bank's terms of business as regards termination both on the part of the bank and on the part of the Group. In general, there are no terms relating to annual renegotiation.

Expected development for 2017
The forecast for 2017 based among others on certain foreign exchange rates and raw material price assumptions reflect a turnover above 2016 with a relevant EBITDA number in relation to the turnover. The result is primarily dependent on the continued profitable utilization of the Group's existing production lines, for which the Group to some extents depends on external factors such as market developments and the competitive situation.

Statutory statement of social responsibility[2]

A description of the Group's business model is provided on page 6 *above*. With regard to the individual aspects of Corporate Social Responsibility ("CSR") the Group maintains the principles and policies detailed below. The Group's Code of Conduct, which is shared with all employees and business partners gives the general principles with regard to CSR. These general principles:

Social performance
The Group's policies in the area of health & safety and in relation to the Group's employees have strong focus on establishing and ensuring a healthy and safe working environment to prevent accidents and injuries, and generally on creating positive relations to the place of work as this is critical for the well-being of the employees.

Environment and climate
The Group's policies in the area of environment and climate aim at constantly improving our environmental efforts within the framework of what is technically and financially possible. Besides compliance with current rules and regulations, it means that we promote environmental consciousness and integrate environmental considerations in our activities. This implies, for example, the development and use of sustainable production processes and products as well as a reduction of the consumption of both raw materials and energy resources. Lower consumption of raw materials and energy mean less climate impact. This is done both internally in the Group and in the ongoing dialogue with our business partners.

Human rights
The Group respects human rights. The Group's Code of Conduct and policies have a strong focus on establishing and ensuring a professional, safe and secure working environment for its employees. Awareness of the Group's Code of Conduct and relevant policies is ensured by the distribution of these documents to all employees and recurring compliance trainings.

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[2] cf. the Danish Financial Statements Act section 99 (a)

Management's Review

Anticorruption
The Group does not accept corruption and bribery in any of its activities of the Group. Employees are made aware of this through the Code of Conduct and recurring compliance trainings. In addition, the Group has provided its employees with an app on their mobile devices that provides easy-to-understand behavioral guidelines in high-risk situations.

Perceived risks
The Group management has reviewed potential risks in the aforementioned areas of CSR, and has identified no risks other than the ones addressed by the initiated activities and results *below*. In particular no Human Rights abuses or corrupt practices have come to the attention of the Group management during the business year.

The Group does currently not use a structured CSR due diligence approach in its supplier selection and has not defined KPI for the aforementioned areas of CSR. However, the Group management will continue to review potential risks and aims to implement due diligence processes and KPI based on the results of such review.

Initiated activities and results
Social performance
The Group assumes social responsibility for its employees and the surrounding society. This is done by implementing safety measures in the production units i.e. via training and ensuring current dialogue with and on the health & safety of the employees.

The number of accidents in the production units resulting in absence has decreased from 6 in 2015 to 5 in 2016. The number of accidents without absence decreased from 13 in 2015 to 10 in 2016. This positive development needs to be seen in the light of an increase in the average number of employees in 2015 of 556 to 637 in 2016. The accidents ratio per average employee has decreased from 3.42% in 2015 to 2.35% in 2016.

The Group aims at continuously reducing the number of working accidents through current improvements of the working environment.

Environment and climate
The Group's activities in the environmental area concentrate on preventing negative environmental impact. This is done through the use of sustainable production processes and a progressive use of raw materials that are environmentally neutral. In particular with regard to paper and wood based fibers, we endeavor to use suppliers that process wood from sustainable sources. The Group also performs continuous follow-ups to ensure that the actual consumption and environmental impact correspond to expectations and that current legislation is complied with.

Investments in production assets in 2016 and in previous years have contributed to a continued reduction of waste. The Group expects continued improvement of the utilization of its raw materials and waste reduction.

Human rights
In line with the Group's Code of Conduct, the Group continues to enforce the protection of internationally proclaimed human rights and the commitment to not condone or allow human rights abuses. This is reflected in particular in the labor policies of the Group's subsidiaries.

The Group management is aware of the necessity to ensure Human Rights compliance upstream in the value chain, and the Group therefore continues to include provisions forbidding the use of child labor and/or forced labor, in contracts with suppliers and contract manufacturers.

Review of Human Rights related issues is part of the annual legal and compliance audits conducted in all entities of the Group. In face-to-face interviews in the course annual legal and compliance audits, human resources managers and other employees are also requested to report on individual cases of unlawful harassment and the measures taken to prevent them. Findings made during these audits, as well as improvement actions are collected in audit reports, with follow-ups during subsequent audits.

Management's Review

Anticorruption
The identification and prevention of potential corrupt practices is also a part of the annual legal and compliance audits performed by the Group's legal department on all Group subsidiaries. These audits include face-to-face interviews with key employees and the review of internal processes. Findings made during these audits, as well as improvement actions are collected in audit reports, with follow-ups during subsequent audits.

In countries with a heightened corruption risk all financial transactions follow the four-eye principle, whereby one of the authorizing employees will be based in the operational headquarter.

The Group also maintains a whistleblower e-mail account, and employees are strongly encouraged to report misconduct through this e-mail address. During recurring compliance trainings employees are informed about expected behavioral norms, how to avoid high-risk situations, and how to report corrupt practices.

Statutory statement regarding the underrepresented gender[3]

Target for the Board of Directors
Jacob Holm & Sønner Holding A/S intends to achieve a more balanced gender representation on the Board of Directors over time. Candidates will be assessed on basis of qualification needed in order to supplement the rest of the Board of Directors and the Group going forward. Currently, the target is set at having one woman on the Board of Directors within the end of 2019 latest.

The representation of women on the Board of Directors is 0% at the moment. A change in the Board of Directors depends on the development in the Group, and in 2016 there has been no opportunity to expand or change the composition of the Board that the target has not yet been met.

Neither the parent holding company nor any of the Danish subsidiaries are obligated to report on policies regarding the underrepresented gender in remaining levels of management. The exception is due to the parent holding company having less than 50 employees. As such no policies have been disclosed in these financial statements.

[3] cf. the Danish Financial Statements Act section 99 (b)

Management's Review

Financial Highlights

Seen over a five-year period, the development of the Group is described by the following financial highlights:

	2016	2015	2014	2013	2012
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Key figures					
Income statement					
Revenue	2,350,781	2,369,955	1,337,435	945,181	981,573
Operating profit	77,742	101,795	56,382	31,811	48,699
Profit before financial income and expenses and special items	78,025	102,611	56,304	30,505	48,564
Special items, net	-1,281	-2,625	-37,439	-2,526	-6,272
Net financials	-19,255	-16,645	16,843	-4,528	-7,144
Profit before tax	57,489	83,341	35,708	23,451	35,148
Tax on profit for the year	-7,776	-17,993	-13,282	-4,539	-13,802
Net profit for the year	49,713	65,348	22,426	18,912	21,346
Balance sheet					
Balance sheet total	1,799,316	1,833,989	1,731,325	663,610	649,143
Equity	493,527	453,318	374,771	328,265	318,399
Cash flows from:					
- operating activities	256,701	136,032	57,904	72,935	109,355
- investing activities	-73,835	-216,691	-708,297	-53,213	-11,521
- including investment in property, plant and equipment	-75,691	-217,399	-266,594	-60,340	-10,984
- financing activities	-82,501	36,870	606,998	16,153	-80,224
Change in cash and cash equivalents for the year	100,365	-43,789	-43,395	35,875	17,610
Number of employees	637	556	324	222	222
Ratios in percent					
Profit margin	3.3	4.3	4.2	3.2	4.9
Return on assets	4.3	5.6	3.3	4.6	7.5
Solvency ratio	27.4	24.7	21.6	49.5	49.0
Liquidity ratio	121.3	46.6	133.1	130.6	121.1
Return on equity	10.5	15.8	6.4	5.8	6.9

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see next page.

Management's Review

Performance measures and financial ratios

Performance measures referred to in the annual report are defined as follows:

EBITDA: Operating profit + amortization of intangible assets, depreciation of property, plant and equipment and +/- losses and gains on disposal of intangible assets and property, plant and equipment.

Financial ratios are calculated as follows:

$$\text{Profit margin} = \frac{\textit{Profit before financials x 100}}{\textit{Revenue}}$$

$$\text{Return on assets} = \frac{\textit{Profit before financials x 100}}{\textit{Total assets}}$$

$$\text{Solvency ratio} = \frac{\textit{Equity at year end x 100}}{\textit{Total assets}}$$

$$\text{Liquidity ratio} = \frac{\textit{Current assets x 100}}{\textit{Current liabilities}}$$

$$\text{Return on equity} = \frac{\textit{Net profit for the year x 100}}{\textit{Average equity}}$$

Consolidated Income Statement 1 January - 31 December

	Note	2016 DKK '000	2015 DKK '000
Revenue	4	**2,350,781**	**2,369,955**
Cost of goods sold	5	-2,081,016	-2,088,941
Gross profit		**269,765**	**281,014**
Sales and marketing expenses	5	-46,902	-36,913
Administrative expenses	5	-145,121	-142,306
Operating profit		**77,742**	**101,795**
Other operating income and expenses	10	283	816
Profit before special items and financial income and expenses		**78,025**	**102,611**
Special items, net	6	-1,281	-2,625
Operating profit		**76,744**	**99,986**
Financial income	11	34,841	26,729
Financial expenses	12	-54,096	-43,374
Profit before tax		**57,489**	**83,341**
Tax on profit for the year	13	7,776	17,993
Net profit for the year		**49,713**	**65,348**

Consolidated Statement of Comprehensive Income 1 January - 31 December

	2016 DKK '000	2015 DKK '000
Statement of Comprehensive Income 1 January - 31 December		
Net profit for the year	49,713	65,348
Items that may be subsequently reclassified to profit or loss		
Exchange adjustment, foreign companies	10,496	43,199
Comprehensive income	**60,209**	**108,547**

Consolidated Balance Sheet at 31 December

Assets

	Note	2016	2015
		DKK'000	DKK'000
Goodwill		93,491	93,222
Customer lists, know-how, patents and licenses		10,913	12,686
Software		34,128	43,594
Intangible fixed assets	14	**138,532**	**149,502**
Land and buildings		265,178	274,252
Plant and machinery		722,044	747,725
Other fixtures and fittings, tools and equipment		15,342	17,772
Property, plant and equipment under construction		20,805	19,188
Property, plant and equipment	15	**1,023,369**	**1,058,937**
Other receivables		2,030	615
Deferred tax asset	21	13,902	16,699
Financial fixed assets		**15,932**	**17,314**
Non-current assets		**1,177,833**	**1,225,753**
Inventories	16	**177,102**	**209,509**
Receivables from related companies	30	0	706
Corporation tax	17	267	6,282
Trade receivables	18	309,713	325,382
Bonds at fair value through profit and loss		9,515	13,178
Other receivables	18	36,146	25,531
Prepayments		5,343	3,838
Receivables		**360,984**	**374,917**
Cash at bank and in hand		**83,397**	**23,810**
Current assets		**621,483**	**608,236**
Assets		**1,799,316**	**1,833,989**

Consolidated Balance Sheet at 31 December

Equity and liabilities

	Note	2016	2015
		DKK'000	DKK'000
Share capital	19	1,000	1,000
Exchange adjustments		87,182	76,686
Retained earnings		405,345	375,632
Equity		**493,527**	**453,318**
Bond	20	496,993	0
Credit institutions	24	236,442	5,148
Provisions for deferred tax	21	46,277	56,880
Provisions for other staff obligations	22	6,512	6,005
Provisions for other liabilities and charges	23	7,050	6,830
Non-current liabilities		**793,274**	**74,863**
Current portion of non-current liabilities		61,355	869,328
Credit institutions	24	114,941	154,823
Trade payables		188,785	172,906
Payables, plant and machinery		6,875	28,448
Payables to related companies	30	7,362	0
Corporation tax	25	18,921	12,082
Other payables		114,276	68,221
Current liabilities		**512,515**	**1,305,808**
Liabilities		**1,305,789**	**1,380,671**
Equity and liabilities		**1,799,316**	**1,833,989**

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Statement of Changes in Equity, Group 1 January - 31 December

	Share capital	Exchange adjustments	Retained earnings	Total
	DKK '000	DKK '000	DKK '000	DKK '000
Equity				
Equity at 1 January 2016	1,000	76,686	375,632	453,318
Comprehensive income for the year	0	10,496	49,713	60,209
Dividends	0	0	-20,000	-20,000
Equity at 31 December 2016	**1,000**	**87,182**	**405,345**	**493,527**
Equity at 1 January 2015	1,000	33,487	340,284	374,771
Comprehensive income for the year	0	43,199	65,348	108,547
Dividends	0	0	-30,000	-30,000
Equity at 31 December 2015	**1,000**	**76,686**	**375,632**	**453,318**

Paid dividends per share in 2016 amounts to DKK 20 (DKK 30 in 2015)

Only the share capital is restricted. Other reserves may be distributed.

Consolidated Cash Flow Statement

	Note	2016	2015
		DKK '000	DKK '000
Net profit for the year		49,713	65,348
Adjustments of non-cash items	26	153,501	128,187
Change in working capital	27	98,206	-4,046
Cash flows from operating activities before financial income and expenses and tax		301,420	189,489
Financial income		8,048	8,893
Financial expenses		-49,528	-39,468
Corporation tax paid		-3,239	-22,882
Cash flows from operating activities		**256,701**	**136,032**
Purchase of intangible fixed assets		-1,248	-45,718
Purchase of property, plant and equipment		-75,691	-217,399
Purchase of financial fixed assets		-1,413	21
Sale of property, plant and equipment		854	222
Sale of bonds at fair value through profit and loss		3,663	42,724
Acquisition of business combinations		0	3,459
Cash flows from investing activities		**-73,835**	**-216,691**
Change in accounts with related parties		8,069	17,206
Raising of non-current loans		0	92,848
Repayment of non-current loans		-70,570	-43,184
Dividend paid		-20,000	-30,000
Cash flows from financing activities		**-82,501**	**36,870**
Change in cash and cash equivalents		**100,365**	**-43,789**
Cash and cash equivalents at 1 January		-131,013	-81,083
Exchange adjustment of cash at bank and in hand at 1 January		-896	-6,141
Cash and cash equivalents at 31 December		**-31,544**	**-131,013**
specified as follows:			
Cash at bank and in hand		83,397	23,810
Credit institutions (current liabilities)		-114,941	-154,823
		-31,544	**-131,013**

Notes to the Annual Report, Group

1 Accounting Policies

The Annual Report of Jacob Holm & Sønner Holding A/S for 2016 is prepared in accordance with International Financial Reporting Standards (IFRS) and further requirements in the Danish Financial Statements Act.

The Annual Report for 2016 is presented in DKK '000.

The applied accounting policies are unchanged compared to the previous year.

Restatement of the comparatives for 2015
As disclosed in the annual report 2015 note 29 the covenant ratio on credit institution loans in relation to EBITDA/fixed charges was in breach at the end of Q4 2015 and subsequently waived. Although subsequently waived, the loans were considered current under IFRS. As disclosed in the interim reports this has been adjusted in the comparative figures as of 31 December 2015. Due to cross-default provisions, this also applied for the bond settled in 2017 cf note 32 resulting in a total amount of DKK 798 million being reclassified from non-current to current liabilities. The reclassification does not affect net profit for the year, other comprehensive income or equity.

New standards, amendments and interpretations not yet adopted
A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2017, and have not been applied in preparing the consolidated financial statement.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. Reduces the number of categories of financial assets to two; amortised cost and fair value. In cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement. Furthermore, hedge accounting is simplified and net positions can be hedged.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted. The group assesses that there will be no impact on the Group from IFRS 15.

IFRS 16, "Leases", which amends the rules for the lessee's accounting treatment of operating leases. In future, operating leases must therefore be recognised in the balance sheet as lease assets and similar lease liabilities. The standard has not yet been adopted by the EU and will become effective for financial years beginning on or after 1 January 2019. The Group expects to implement the standard when it becomes effective. The Group is in the process of examining the effect of the standard, which cannot yet be calculated.

The IASB has approved further new standards and interpretations that are not relevant to Jacob Holm & Sønner Holding A/S and will have no effect on the Financial Statements.

Notes to the Annual Report, Group

1 Accounting Policies (continued)

Consolidated Financial Statements

The Consolidated Financial Statements comprise the Parent Company Jacob Holm & Sønner Holding A/S and its subsidiaries. Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Consolidated Financial Statements are prepared on the basis of the Financial Statements of the Parent Company and the group companies by combining items of a uniform nature, and elimination is made of intercompany income and expenses, intercompany accounts as well as profits and losses on transactions between the consolidated companies. The results of foreign group companies are translated into Danish kroner at average exchange rates. The balance sheets are translated into Danish kroner at the exchange rates at the balance sheet date. Exchange adjustments in this connection are made over the statement of comprehensive income.

Business combinations

On acquisition of subsidiaries including acquisition of subsidiaries under common control, the acquisition method is applied.

Purchase price of acquired assets, liabilities and contingent liabilities are initially measured at fair value at the time of acquisition. Identifiable intangible fixed assets are recognised if they can be separated and the fair value can be measured reliably. Deferred tax is recognised on re-measurements made. Any remaining positive differences between the cost and the fair value of assets, liabilities and contingent liabilities acquired are recognised in intangible fixed assets in the balance sheet as goodwill. Goodwill is not amortised, but is tested for impairment on an annual basis.

Foreign currencies

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Danish Kroner which is the parent company's functional and presentation currency.

Transactions in foreign currencies are initially recognised at the exchange rates at the dates of transaction. Exchange differences 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.

Receivables, payables and other monetary items in foreign currencies are translated at the exchange rates at the balance sheet date. Differences between the exchange rates at the balance sheet date and the rates at the time of the establishment of the receivable or payable or recognition in the most recent Financial Statements are recognised in financial income and expenses in the income statement.

Notes to the Annual Report, Group

1 **Accounting Policies** (continued)

Balance sheet items including goodwill for consolidated companies that do not have DKK as their functional currency are translated into DKK at the exchange rates at the balance sheet date, whereas the income statements of these companies are translated at average exchange rates for each end of month during the financial year. Exchange adjustments arising on the translation of the opening equity at year-end rates and net profit for the year at year-end rates are recognised directly in equity under a separate reserve for exchange adjustments.

Income Statement

Revenue and recognition of income

Revenue from sale of goods is measured at fair value of the consideration received net of goods sold excluding VAT and net of provisions for returns, discounts, etc.

Revenue from the sale of goods is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities. In general the recognition of revenue is done when the goods are delivered in accordance with the agreed upon contractual terms.

Cost of goods sold

Cost of goods sold comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc. as well as operation, administration and management of factories and distribution expenses including salaries to distribution staff.

Cost of goods sold also includes research and development costs that do not qualify for capitalisation as well as amortisation of capitalised development costs.

Sales and marketing expenses

Sales and marketing expenses comprise costs in the form of salaries to sales staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the companies, including gains and losses on disposals of intangible fixed assets and property, plant and equipment as well as subsidies received which do not directly relate to the purchase of non-current assets.

Notes to the Annual Report, Group

1 **Accounting Policies** (continued)

Special items

Special items comprise income and expenses outside normal operations which are at the same time non-recurring income and expenses. Special items comprise income and expense arising from events and transactions such as due diligence re. potential acquisitions, integration costs and larger restructuring or organisational changes.

Financial income and expenses

Financial income and expenses comprise interest income and expense including amortisation of transaction cost and premium/discounts (effective interest method), financial expenses in respect of finance leases, realised and unrealised exchange adjustments and fair value changes on securities.

Financial expenses directly attributable to the purchases or construction of a qualifying asset are included as part of the cost price of to the asset. All other financial expenses are recognised in the income statement.

A qualifying asset is an asset for which considerable time is required to make it ready for its intended use.

Tax on profit 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 items recognised in other comprehensive income is recognised in other comprehensive income and 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.

Balance Sheet

Intangible fixed assets

Goodwill represents the excess of the cost of an acquisition over the fair value of identifiable net assets of the acquired enterprise. Goodwill is measured at historical cost less accumulated impairment losses. Goodwill is not amortised. The carrying amount of goodwill is allocated to the Group's operating segments. The allocation is completed no later than at the end of the reporting period following the acquisition.

Goodwill is tested for impairment annually or on indication of impairment. In the event of impairment, the carrying amount is written down to the value in use. Impairment charges on goodwill are not reversed.

1 Accounting Policies (continued)

Customer lists, know-how, patents and licenses and software are measured at cost less accumulated amortisation. Amortisation is made on a straight-line basis over the expected useful life, which are;

Customer lists, know-how, patents and licenses	3-10 years
Software	3-5 years

Property, plant and equipment

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

Cost comprises the purchase price and costs which are directly attributable to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises directly attributable costs for labour, materials, components and sub-suppliers. The cost price of new product lines comprise costs related to the commissioning of the production line up until the point in time where the production line is ready for commercial production. Commissioning costs comprise costs such as test runs and repair and maintenance activities.

The initial estimate of the costs of dismantling assets for which there is a legal obligation to dismantle at the end of the useful life of the asset is included as part of the cost price of the asset.

Income from the sale of products during the commissioning period is set off against the cost of the asset.

Government grants received are set off against the cost of assets qualifying for the subsidy.

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:

Buildings	30-50 years
Plant and machinery	10-15 years
Other fixtures and fittings, tools and equipment	3-10 years

Spare parts included in plant and machinery are depreciated over 5 years.

Gains or losses from the sale of property, plant and equipment are calculated as the difference between the selling price net of selling expenses and the carrying amount at the time of the sale. Gains or losses from current replacement of property, plant and equipment are recognised in other operating income and expenses in the income statement.

Notes to the Annual Report, Group

1 **Accounting Policies** (continued)

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 amortisation 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 asset is written down to its recoverable amount if this is lower than the carrying 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.

Impairment losses are reversed to the extent that changes have taken place in the assumptions or estimates leading to the write-down for impairment. Impairment losses are only reversed to the extent that the new carrying amount of the asset does not exceed the carrying amount which the asset would have had, had it not been written down for impairment. Impairment on goodwill is not reversed.

Financial fixed assets

Other receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Bonds at fair value through profit or loss

Bonds at fair value through profit or loss are financial assets held for trading. Bonds are classified in this category if acquired principally for the purpose of selling in the short term.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value. The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in sales price.

The cost of goods for resale, raw materials and consumables equals cost including freight, duty etc.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour as well as directly attributable labour and production costs. These costs also comprise maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of production management.

Notes to the Annual Report, Group

1 **Accounting Policies** (continued)

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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Dividend

Dividend is recognised as a liability at the time of adoption at the Annual General Meeting. Dividend expected to be paid for the year is disclosed as a separate equity item.

Corporation tax and deferred tax

Current tax liabilities and receivables are recognised in the balance sheet as tax calculated on the taxable income for the year adjusted for tax on taxable income for prior years and for taxes paid on account.

Deferred tax is measured according to the balance-sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

However, deferred tax is not recognised in respect of temporary differences arising on the initial recognition of an asset or a liability which is not acquired in a business combination and which does neither affect profit for the year or the taxable income. 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 recognised at the value at which they are expected to be utilised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates in the respective countries 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 unless the deferred tax relates to equity entries.

The Company is jointly taxed with the Danish group company. Foreign group companies are not comprised by the joint taxation.

The tax effect of the joint taxation is allocated to both profits and losses in proportion to the taxable income. The jointly taxed companies have adopted the on-account taxation scheme.

Staff obligations

Wages and salaries, social security contributions, paid absence and sickness absence, bonuses and non-monetary contributions are recognised in the financial year in which the Group's employees have performed the related work. Expenses relating to the Group's long-term staff benefits are accrued so that they follow the performance of work by the employees concerned.

Notes to the Annual Report, Group

1 **Accounting Policies** (continued)

The Group's pension schemes comprise defined contribution plans.

Moreover, provisions are made for seniority based bonuses earned over the employment period under the projected unit credit method. The effect of re-measuring the liability due to changes in actuarial assumptions is recognised in the income statement.

Provisions

Provisions are recognised when – as a result of an event occurred before or on the balance sheet date – the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation. Provisions comprise mainly dismantling cost related to assets held on leased land.

Provisions are measured at Management's best estimate of the amount at which the liability is expected to be settled. At the measurement of provisions, discounting is made of the expenses necessary to settle the liability if this has a material effect on the measurement of the liability.

Financial liabilities

Financial liabilities are recognised at the date of borrowing at fair value less related transaction costs paid. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. Any difference between the proceeds initially received and the nominal value is recognised in the income statement under Financial expenses over the term of the loan.

Financial liabilities also include the capitalised residual obligations on finance leases, which are measured at amortised cost.

Cash Flow Statement

The cash flow statement presents cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit for the year adjusted for non-cash operating items, changes in working capital, financial income/expenses and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible fixed assets, property, plant and equipment as well as financial fixed asset investments.

Notes to the Annual Report, Group

1 **Accounting Policies** (continued)

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of non-current liabilities as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise the item "Cash at bank and in hand" under current assets net of current credits with banks that constitute an integrated part of the Group's current cash management.

The cash flow statement cannot be immediately derived from the information provided in these financial statements.

Segment information

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision-maker. The chief operating decision-maker has been identified as the Board of Directors. The operating segments have been determined based on the financial reports reviewed by the Board of Directors.

The accounting policies of the reportable segments are the same as the Group's accounting policies described above.

Net profit is the measurement reported to the Board of Directors for the purposes of resource allocation and assessment of segment performance.

In presenting information on the basis of geographical markets the information is based on the geographical location of the enterprises in each segment.

Accounting policies relevant only for the parent company

Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at cost in the Parent Company Financial Statements.

Impairment tests are performed on subsidiaries if events or changes in circumstances indicate that their carrying amount may not be recoverable. Where cost exceeds the recoverable amount, the carrying amount is written down to the recoverable amount.

Notes to the Annual Report, Group

2 Significant accounting estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that Management believes are reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by nature, seldom equal the actual outcome. The estimates and assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets within the next financial year are discussed below.

Impairment test - Goodwill

Goodwill is not amortised but is subject to an annual impairment test. In Management's view, the assumptions applied reflect the market conditions existing as of 31 December 2016. The impairment test is a complex process that requires significant Management judgement in determining various assumptions, such as general market development, cash-flow projections, discount rates and terminal growth rates. The assumptions for significant goodwill amounts are set out in note 14.

Impairment test - Property Plant and Equipment (PPE)

An impairment test has been performed on PPE related to the Jacob Holm Industries segment's PPE in USA. In Management's view, the assumptions applied reflect the market conditions existing as of 31 December 2016. The impairment test is a complex process that requires significant Management judgement in determining various assumptions, such as cash-flow projections including remaining useful life and capex needed during the remaining useful life and the applied discount rate.

3 Segment information

The Jacob Holm Industries segment produces and sells non-woven roll-goods.

The Sontara segment produces and sells non-woven in converted and roll-goods form.

The TWIG segment sells non-woven by-products and provides internal converting services.

The Headquarter segment consists of the Danish holding and management companies Jacob Holm & Sønner Holding A/S and Jacob Holm & Sønner A/S.

No operating segments have been aggregated.

Notes to the Annual Report, Group

3 Segment information (continued)

2016 **Income statement**	**Jacob Holm Industries** DKK '000	**Sontara** DKK '000	**TWIG** DKK '000	**Headquarter** DKK '000	**Eliminations** DKK '000	**Group** DKK '000
Revenue						
Inter-segment revenue	4,549	0	26,367	2,811	-33,727	0
External revenue	1,034,670	1,298,818	17,293	0	0	2,350,781
EBITDA	79,307	120,073	6,436	-1,411	0	204,405
Depreciation, amortization and impairment losses	82,293	43,505	182	33	0	126,013
Special items, net	0	1,281	0	0	0	1,281
Financial income	1,689	2,412	204	90,320	-59,784	34,841
Financial expenses	-26,711	-15,241	-36	-37,292	25,184	-54,096
Income tax income/expense	-9,421	12,193	1,190	3,814	0	7,776
Profit or loss	-18,914	50,224	5,233	47,770	-34,600	49,713
Balance sheet						
Non-current assets						
- including investment in property, plant and equipment	871,084	305,221	1,064	1,319,421	-1,318,957	1,177,833
Additions to non-current assets	17,385	37,850	654	175	0	56,064
Current assets	203,946	501,939	17,784	116,057	-218,243	621,483
Total assets	1,075,030	807,160	18,848	1,435,478	-1,537,200	1,799,316
Non-current liabilities	382,122	141,025	0	525,194	-255,066	793,275
Current liabilities	271,528	344,030	7,625	107,575	-218,244	512,514
Total Liabilities	653,650	485,055	7,625	632,769	-473,310	1,305,789

2015 **Income statement**	**Jacob Holm Industries** DKK '000	**Sontara** DKK '000	**TWIG** DKK '000	**Headquarter** DKK '000	**Eliminations** DKK '000	**Group** DKK '000
Revenue						
Inter-segment revenue	5,786	0	0	3,528	-9,314	0
External revenue	997,316	1,354,764	17,875	0	0	2,369,955
EBITDA	42,250	153,485	5,148	-1,518	-3,606	195,759
Depreciation, amortization and impairment losses	56,490	36,726	97	0	0	93,313
Special items, net	0	2,625	0	0	0	2,625
Financial income	3,452	57	102	50,719	-27,601	26,729
Financial expenses	-9,973	-23,619	-114	-37,269	27,601	-43,374
Income tax income/expense	16,529	15,792	560	-14,004	-884	17,993
Profit or loss	-37,125	74,781	4,479	25,936	-2,723	65,348
Balance sheet						
Non-current assets						
- including investment in property, plant and equipment	916,631	308,501	298	1,303,790	-1,303,467	1,225,753
Additions to non-current assets	160,310	72,328	13	6,071	0	238,722
Current assets	229,556	488,495	9,689	50,560	-170,064	608,236
Total assets	1,146,187	796,996	9,987	1,354,350	-1,473,531	1,833,989
Non-current liabilities	490,325	187,938	0	543,048	-277,123	944,188
Current liabilities	261,155	304,942	4,088	36,362	-170,064	436,483
Total Liabilities	751,480	492,880	4,088	579,410	-447,187	1,380,671

Performance of the operating segments and decisions about resources to be allocated are made on the basis of EBITDA.

Notes to the Annual Report, Group

	2016	2015
	DKK '000	DKK '000

3 Segment information (continued)

Geographic allocation

	2016	2015
Revenue		
Denmark	1,659	1,584
EU	613,110	609,238
USA/Canada	1,158,301	1,240,464
APAC	373,806	399,297
Other	203,905	119,372
Total revenue	**2,350,781**	**2,369,955**
Non-current assets other than deferred tax assets, by area		
Denmark	465	0
EU	179,255	183,891
USA/Canada	847,175	876,468
APAC	123	117
Other	136,913	148,578
Total non-current assets other than deferred tax assets	**1,163,931**	**1,209,054**

4 Revenue

	2016	2015
Sale of goods	2,350,781	2,369,955
	2,350,781	**2,369,955**

5 Expenses classified by nature

	2016	2015
Production costs	1,982,185	1,980,218
Distribution costs	98,831	108,723
Cost of goods sold	2,081,016	2,088,941
Sales and marketing expenses	46,902	36,913
Administrative expenses	145,121	142,306
Other income and expenses	-283	-816
Special items, net	1,281	2,625
	2,274,037	**2,269,969**
Classified by nature as follows:		
Expenses for raw materials and consumables	1,290,851	1,324,976
Other external expenses	505,410	543,039
Staff expenses	351,796	308,641
Depreciation and amortisation	125,980	93,313
	2,274,037	**2,269,969**

Notes to the Annual Report, Group

6 Special items, net

	2016 DKK '000	2015 DKK '000
Special items, costs:		
Organizational right-sizing costs	1,281	0
Integration costs regarding acquired businesses	0	2,625
	1,281	**2,625**

Special items, are all staff expenses.

7 Staff expenses

Staff expenses are included in the Group's cost of goods sold, sales and marketing and administrative expenses as follows:

	2016 DKK '000	2015 DKK '000
Wages and salaries	272,259	229,446
Pensions defined contribution plans	12,263	14,319
Other social security expenses	67,274	64,876
	351,796	**308,641**

Key management compensation

Key management consist of the executive and supervisory board as well as the executive management team.

	2016 DKK '000	2015 DKK '000
Salaries and other short-term employee benefits	8,759	10,041
	8,759	**10,041**
Thereof to the executive board	3,390	3,421
Thereof to the supervisory board	570	475
Average number of full-time employees	**637**	**556**

Staff expenses are included in the functions presented on the face of the income statement as follows:

	2016 DKK '000	2015 DKK '000
Cost of goods sold	266,961	236,563
Sales and marketing expenses	30,463	22,012
Administrative expenses	54,372	50,066
	351,796	**308,641**

Notes to the Annual Report, Group

	2016	2015
	DKK '000	DKK '000

8 Fee to auditors appointed at the general meeting

	2016 DKK '000	2015 DKK '000
Audit fee	1,989	3,603
Tax consultancy	2,771	3,805
Non-audit services	342	3,464
Total	**5,102**	**10,872**
Fee to other audit firms		
Audit fee	72	124
Tax consultancy	124	171
Other assurance statements	41	54
Non-audit services	489	414
Total	**726**	**763**

9 Depreciation and amortisation

	2016 DKK '000	2015 DKK '000
Depreciation and amortisation for the year are specified as follows:		
Customer lists, know-how, patents and licences	2,376	2,329
Software	10,173	6,473
Buildings	15,399	12,454
Plant and machinery	92,869	67,747
Other fixtures and fittings, tools and equipment	5,196	4,310
	126,013	**93,313**
Depreciation and amortisation are distributed on the individual cost groups as follows:		
Cost of goods sold	111,445	82,531
Sales and marketing expenses	2,900	2,689
Administrative expenses	11,668	8,093
	126,013	**93,313**

Notes to the Annual Report, Group

	2016	2015
	DKK '000	DKK '000

10 Other operating income and expenses

Other operating income:		
Subsidies	90	90
Gains on disposals of non-current assets	42	24
Management fee	650	650
Other	0	312
	782	1,076
Other operating expenses:		
Loss on disposals of non-current assets	-499	-260
	-499	-260
	283	**816**

11 Financial income

Interest	504	1,813
Exchange adjustments	31,600	24,099
Other	2,737	817
	34,841	**26,729**

Interest and exchange adjustments relate to loans granted and receivables measured at amortised cost.

12 Financial expenses

Interest	41,124	31,540
Exchange adjustments	4,330	6,420
Other	8,642	5,414
	54,096	**43,374**

Interest income and expense relate to loans received and payables measured at amortised cost.

Notes to the Annual Report, Group

	2016	2015
	DKK '000	DKK '000

13 Tax on profit for the year

	2016	2015
Current tax on profit for the year	15,827	18,444
Change in deferred tax	-8,316	-1,419
Change in tax previous years	265	968
	7,776	**17,993**

Tax on profit for the year is specified as follows:

	2016	2015
Calculated 22% / 23,5% tax on profit for the year before tax	12,648	19,585
Tax effect of:		
Higher/lower tax rate in foreign companies	-3,125	-9,705
Tax on non-deductible expenses and non-taxable income	-3,584	-1,302
Adjustment of valuation deferred tax	1,572	8,447
Adjustment of tax previous years	265	968
	7,776	**17,993**
Effective tax rate for the year	**13.53%**	**21.59%**

Notes to the Annual Report, Group

14 Intangible fixed assets

	Goodwill	Customer lists, know-how, patents and licences	Software	Intangible fixed assets under construction
	DKK '000	DKK '000	DKK '000	DKK '000
2016				
Cost at 1 January	93,222	15,843	67,918	0
Exchange adjustment at year-end rate	269	46	528	0
Additions for the year	0	599	130	568
Transfer between items	0	0	568	-568
Cost at 31 December	93,491	16,488	69,144	0
Amortisation at 1 January	0	3,157	24,324	0
Exchange adjustment at year-end rate	0	42	519	0
Amortisation for the year	0	2,376	10,173	0
Amortisation at 31 December	0	5,575	35,016	0
Carrying amount at 31 December	**93,491**	**10,913**	**34,128**	**0**
Amortised over		**10 years**	**3-5 years**	

Goodwill can be broken out on the segments TWIG and Sontara with DKK 93,2 mio. and DKK 0,3 mio. respectively.

14 Intangible fixed assets (continued)

	Goodwill	Customer lists, know-how, patents and licences	Software	Intangible fixed assets under construction
	DKK '000	DKK '000	DKK '000	DKK '000
2015				
Cost at 1 January	83,334	14,220	17,458	3,325
Exchange adjustment at year-end rate	9,558	1,623	1,321	381
Additions from business combination	330	0	0	0
Additions for the year	0	0	45,433	0
Transfer between items	0	0	3,706	-3,706
Cost at 31 December	93,222	15,843	67,918	0
Amortisation at 1 January	0	764	16,653	0
Exchange adjustment at year-end rate	0	64	1,198	0
Amortisation for the year	0	2,329	6,473	0
Amortisation at 31 December	0	3,157	24,324	0
Carrying amount at 31 December	**93,222**	**12,686**	**43,594**	**0**
Amortised over		**10 years**	**3-5 years**	

Goodwill can be broken out on the segments TWIG and Sontara with DKK 92,9 mio. and DKK 0,3 mio. respectively.

The Group has performed impairment test of Goodwill per 31 December 2016.

The Group has performed the impairment test on the basis of an overall valuation of the TWIG Group. The conclusion was that there was no need for impairment.

The valuation of the TWIG Group was prepared on basis of the approved budget for 2017 and calculated as a value in use with a terminal growth of 0% and a pre-tax WACC of 6.25%.

At year-end Management has assessed that the key assumption used to determinate value in use of the TWIG Group is the available volume of by-products to this Group and the intercompany purchase price applied. The 2017 budget includes a conservative level of volume. As a result of this, cash-flow used to determine the fair value is at a conservative level which explains why the WACC does not include a risk-premium. Further, the assumption is that the by-products are purchased at market price from group companies.

It is assumed that reasonable possible changes in key assumptions are not expected to cause a change in the need for impairment.

Notes to the Annual Report, Group

15 **Property, plant and equipment**

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment under construction
	DKK '000	DKK '000	DKK '000	DKK '000
2016				
Cost at 1 January	387,460	1,293,828	50,736	19,188
Exchange adjustment at year-end rate	7,641	27,279	754	221
Additions for the year	6	12,308	1,604	41,782
Transfer between items	765	38,701	920	-40,386
Disposals for the year	-366	-1,196	-186	0
Cost at 31 December	395,506	1,370,920	53,828	20,805
Depreciation at 1 January	113,208	546,103	32,964	0
Exchange adjustment at year-end rate	1,851	9,968	512	0
Depreciation for the year	15,399	92,869	5,196	0
Disposals for the year	-130	-64	-186	0
Depreciation at 31 December	130,328	648,876	38,486	0
Carrying amount at 31 December	**265,178**	**722,044**	**15,342**	**20,805**
Depreciated over	**30-50 years**	**5-15 years**	**3-10 years**	

The carrying amount of buildings at 31 December 2016 includes interest of DKK 7.796k.

The carrying amount of plant and machinery at 31 December 2016 includes interest of DKK 17.397k.

As per 31 December 2016 the Group has performed an impairment test of property, plant and equipment in US related to the segment Jacob Holm Industries's US- activities. The conclusion was that there was no need for impairment.

The impairment test was performed as a value in use calculation discounting the expected cash-flows in the assets remaining useful life. The cash flow projections are based on the budget for 2017 adjusted for full year effect of the expected improvements in 2017 and slightly increasing quantities in 2018.

Notes to the Annual Report, Group

15 **Property, plant and equipment**
(continued)

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equip-ment under construction
	DKK '000	DKK '000	DKK '000	DKK '000
2015				
Cost at 1 January	286,303	820,496	34,846	314,512
Exchange adjustment at year-end rate	18,122	53,106	1,473	35,758
Additions for the year	760	31,781	10,867	146,610
Transfer between items	82,330	389,994	5,368	-477,692
Disposals for the year	-55	-1,549	-1,818	0
Cost at 31 December	387,460	1,293,828	50,736	19,188
Depreciation at 1 January	95,916	457,540	29,167	0
Exchange adjustment at year-end rate	4,877	21,994	1,225	0
Depreciation for the year	12,454	67,747	4,310	0
Disposals for the year	-39	-1,178	-1,738	0
Depreciation at 31 December	113,208	546,103	32,964	0
Carrying amount at 31 December	**274,252**	**747,725**	**17,772**	**19,188**
Depreciated over	**30-50 years**	**5-15 years**	**3-10 years**	

The carrying amount of buildings at 31 December 2015 includes interest of DKK 7.864k.

The carrying amount of plant and machinery at 31 December 2015 includes interest of DKK 18.383k.

During the year, the Group has capitalised borrowing costs amounting to DKK 14.230k on qualifying assets. The average interest rate applied was 3.87% p.a.

Notes to the Annual Report, Group

	2016	2015
	DKK '000	DKK '000

16 Inventories

Raw materials and consumables	37,819	62,540
Finished goods	139,283	146,969
	177,102	**209,509**

Raw materials and consumables expensed for the year	1,290,851	1,324,976
Inventories expected to be sold after more than 1 year amount to	0	0
Write-down on inventories for the year amounts to	5,216	25,556
Reversed write-down on inventories for the year amounts to	5,685	4,898

Subsequent sales have shown that there was no need for the write-down.

17 Corporation tax

Corporation tax receivable at 1 January	6,282	17
Exchange adjustment at year-end rate	110	-283
Tax on operating profit, see note 13	-223	-4,071
Tax refunded/paid	-5,902	10,619
Corporation tax receivable at 31 December	**267**	**6,282**

18 Receivables

Trade receivables	311,565	325,474
Bad debt provision	-1,852	-92
Trade receivables, net	309,713	325,382
Other receivables	36,146	25,531
	345,859	**350,913**

Bad debt provision

Bad debt provision at 1 January	92	1,601
Exchange adjustment at year-end rate	-1	180
Additions for the year	1,761	40
Disposals for the year:		
- Applied	0	-584
- Reversed	0	-1,145
Bad debt provision at 31 December	**1,852**	**92**

Notes to the Annual Report, Group

	2016	2015
	DKK '000	DKK '000

19 Share capital

The share capital consists of the following classes of shares:

	2016	2015
A-shares (358,688 shares of DKK 1)	359	359
B-shares (431 shares of DKK 1)	0	0
C-shares (640,881 shares of DKK 1)	641	641
	1,000	**1,000**

A-shares give the right to 10 votes for each share amount of DKK 100, and B-shares give the right to one vote for each share amount of DKK 100, and C-shares give the right to one vote for each share amount of DKK 100.

Otherwise no shares carry any special rights.

20 Bond

In 2014, the parent company issued a series of bonds in the amount of SEK 650m. The bonds were listed on the Oslo Børs on 10 March 2016.

The interest coupons on the par value of the bonds payable from and including, the issue date is three months STIBOR plus a margin of 5.25 %.

The bond matures in full on 3 April 2019. The Company may redeem the bond issue in whole or in part at any time. The redemption price is:

From the issue date to April 2016 the present value is par value and remaining interest payments discounted at 50 basis point over the comparable Swedish Government bonds.

April 2016 to April 2017	104 % of par value
April 2018 to final maturity	102 % of par value

The holders cannot call the bond unless the covenants set out in the bond agreement are not complied with. The Bond is subject to three covenants:
- Debt/EBITDA ratio
- Interest coverage ratio
- minimum liquidity

The bond is subject to cross default provisions.

21 Deferred tax

	2016 DKK '000	2015 DKK '000
Deferred tax at 1 January	40,181	35,147
Exchange adjustment at year-end rate	510	3,283
Additions from business combination	0	-125
Change in deferred tax, see note 13	-8,316	1,876
Deferred tax at 31 December	**32,375**	**40,181**
Deferred tax relates to:		
Inventories	-2,509	-2,567
Other current assets	2,209	1,244
Other liabilities	-5,194	-2,621
Current part	**-5,494**	**-3,944**
Intangible assets	-7,750	-8,101
Property, plant and equipment	139,662	59,335
Other liabilities	-3,343	-3,343
Tax loss carry-forward	-137,786	-56,937
Retaxation relating to utilised losses in foreign subsidiary	26,282	28,307
Non-current part	**17,065**	**19,261**
Unrecognized deferred tax asset	**20,804**	**24,864**
Deferred tax, net	**32,375**	**40,181**
which breaks down as follows:		
Deferred tax asset	-13,902	-16,699
Provisions for deferred tax liability	46,277	56,880
	32,375	**40,181**

The Group's recognised tax loss is subject to varying conditions and is expected fully utilised for set-off against positive taxable income within a 5 year period.

One of the entities to which the tax loss carry-forward relates to, realised a tax loss for assessment year 2016. Management has prepared detailed forecasts for the coming financial years for the entity in question and has reassessed the expected time frame for utilisation of the tax loss carry-forward. It is Management's assessment that the taxable income will increase in the coming financial years due to increasing earnings.

One of the entities to which the tax loss carry-forward relates to, has turned profitable again in 2016. Management has assessed that there is some uncertainty as to the timing of utilizing the tax loss carry-forward, that it has derecognised the part of the tax loss carry-forward which relates to the period after 5 years.

Notes to the Annual Report, Group

22 Other staff obligations

The Group offers part of the employees to participate in pension schemes in the form of defined contribution plans.

The provision for other staff obligations primarily includes seniority based bonuses for employees calculated by an actuary taking into account the expected turnover among employees, wage increases etc. A discount factor of 1,31% has been used against 2,03% in 2015.

As the obligation is uncertain as regards the time of settlement, no breakdown of time of maturity can be made. The entire obligation has therefore been classified as a non-current liability.

	2016	2015
	DKK '000	DKK '000
Balance at 1 January	6,005	5,594
Exchange adjustment at year-end rate	-22	25
Additions for the year	557	551
Disposals for the year	-549	-10
Discount effect	521	-155
Balance at 31 December	**6,512**	**6,005**

23 Provisions for other liabilities and charges

The liability relates to an estimated liability regarding dismantling of assets held on leased land.

	2016	2015
	DKK '000	DKK '000
Balance at 1 January	6,830	6,120
Exchange adjustment at year-end rate	220	710
Additions for the year	0	0
Balance at 31 December	**7,050**	**6,830**

Notes to the Annual Report, Group

	2016	2015
	DKK '000	DKK '000

24 Credit institutions

	2016	2015
Payment due later than 5 years	0	0
Payment due 1-5 years	236,442	5,148
Non-current credit institutions	**236,442**	**5,148**
Payment due within 1 year	176,296	1,024,151
	412,738	**1,029,299**

Credit institutions primarily includes term loans granted to the Plant in Asheville, NC with a total of DKK 293m of which DKK 234m is due between 1-5 years. These term loans are USD denominated and with variable interest.

The covenants comprise measurements on specific financial ratios, including solvency, EBITDA in relation to fixed charges (interest, instalments, income tax, dividend and capital expenditure) and the cover of revolving credit by working capital.

25 Corporation tax

	2016	2015
Accrued corporation tax at 1 January	12,082	12,241
Addition from acquisition of subsidiaries	0	36
Exchange adjustment at year-end rate	111	374
Tax on operating profit, see note 13	15,604	15,341
Adjustment of tax previous years	265	-3,647
Tax paid	-9,141	-12,263
Accrued corporation tax at 31 December	**18,921**	**12,082**

26 Cash flow statement - adjustments non-cash items

	2016	2015
Financial income	-34,841	-26,729
Financial expenses	54,096	43,374
Depreciation, amortisation and impairment losses, including losses and gains on disposals of intangible fixed assets and property, plant and equipment	126,470	93,549
Tax on profit for the year	7,776	17,993
	153,501	**128,187**

27 Cash flow statement - change in working capital

	2016 DKK '000	2015 DKK '000
Change in inventories	32,695	-2,298
Change in receivables	6,487	78,923
Change in other provisions	529	386
Change in payables	58,495	-81,057
	98,206	**-4,046**

28 Contingent liabilities and other financial obligations

Mortgages

	2016 DKK '000	2015 DKK '000
As security for credit institution, mortgage deeds registered to the mortgagor have been issued totalling	615,021	605,527

The mortgage deeds registered to the mortgagor are secured on land and buildings as well as the related plant and machinery at a carrying amount of DKK 732.278k (at 31 December 2015: DKK 844.814k).

	2016 DKK '000	2015 DKK '000
As security for credit institution, a mortgage on movable property has been issued totalling	4,458	14,174

The mortgage deed on movable property is secured on intangible fixed assets and property plant and machinery at a carrying amount of DKK 83.337k (at 31 December 2015: DKK 89.163k).

As security for credit institutions, security has moreover been provided in current assets at a carrying amount of DKK 159.428k (at 31 December 2015 DKK 192.086k).

Notes to the Annual Report, Group

28 Contingent liabilities and other financial obligations (continued)

Obligations under operating leases

Obligations under operating leases primarily comprise agreements entered into concerning the lease of operational equipment. The leases run until June 2019 at the latest.

Obligations under operating leases break down as follows according to due date:

Minimum payments	2016	2015
	DKK '000	DKK '000
0-1 year	800	833
1-5 years	223	1,032
>5 years	0	0
	1,023	**1,865**

Lease expenses recognised amount to TDKK 816 (2015: TDKK 883)

Obligations under rental agreements

Obligations under rental agreements primarily comprise agreements entered into concerning the renting of warehouse and office space. The rentals run until January 2019 at the latest.

Obligations under rental agreements break down as follows according to due date:

Minimum payments	2016	2015
	DKK '000	DKK '000
0-1 year	15,299	13,178
1-5 years	4,005	14,524
>5 years	0	0
	19,304	**27,702**

Rental expenses recognised amount to TDKK 15.372 (2015: TDKK 12.249)

Contractual obligations

The Group has entered into agreements on delivery of property, plant and equipment with a remaining obligation of	3,416	3,403

Notes to the Annual Report, Group

29 Financial risks

Credit risk

Credit risk arises from cash and cash equivalents, bond investments as well as credit exposure to customers and other outstanding receivables.

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by Management. The compliance with credit limits by wholesale customers is regularly monitored by line management.

Current follow-up is made on outstanding accounts in accordance with the Group's trade receivables procedures. Where uncertainty arises as to a customer's ability or willingness to pay, and it is estimated that the trade receivable is subject to risk, a bad debt provision is made.

Credit quality

The Group has a factoring agreement in place for one of the plants, which does not qualify for derecognition. The total amount included under the factoring agreement amounts to DKK 77 m (2015: DKK 92m), of which an amount of approx. DKK 52m (2015: DKK 64m) is covered by credit insurance. The associated liability amounts to DKK 61m (2015: DKK 72m).

Other trade receivales are not covered by credit insurance

Generally the Group's trade receivables is concentrated on a smaller number of customers of which several are highly rated large multinational customers which supports the low bad debt provision.

The overdue balance on trade receivables is specified as follows at 31 December 2016:

DKK '000	0-15 days	16-30 days	31-45 days	> 45 days	Total
Overdue receivables not subject to impairment	18,178	1,349	1,937	2,947	24,411
Overdue receivables subject to impairment	0	0	0	1,852	1,852
	18,178	1,349	1,937	4,799	26,263
Bad debt provision	0	0	0	-1,852	-1,852
	18,178	1,349	1,937	2,947	24,411

Notes to the Annual Report, Group

29 Financial risks (continued)

The overdue balance on trade receivables is specified as follows at 31 December 2015:

DKK '000	0-15 days	16-30 days	31-45 days	> 45 days	Total
Overdue receivables not subject to impairment	31,026	2,052	1,337	5,910	40,325
Overdue receivables subject to impairment	0	0	0	92	92
	31,026	2,052	1,337	6,002	40,417
Bad debt provision	0	0	0	-92	-92
	31,026	2,052	1,337	5,910	40,325

Liquidity risk

The Group ensures sufficient cash resources by entering into framework agreements for current overdraft facilities. Existing agreements with agreed upon repayment terms cannot be terminated by the banks unless there is a breach of the covenants stated in the loan agreements.

In the event of breach of a covenant the Group has the right to remedy without undue delay, respectively the bank is entitled to terminate part or all of the outstanding loan facilities, should the Group not be able to do so.

One covenant regarding credit institution loans granted to the Plant in Asheville, NC has been in breach during 2016. A covenant on EBITDA in relation to fixed charges has been violated at the end of Q1 and Q2 2016. The bank has waived the breaches which are caused by a delay of a large capex project. In order to avoid similar issues going forward, the company has been negotiating an amendment to the credit agreement with the credit institution.

Some of the Group's credit facilities are variable due to the fact that some of the Group's credit lines are based on the amount of the Group's trade receivables and inventory.

The analysis of due dates is stated on the basis of category and class broken down on due date. The calculation of interest payments on floating-rate obligations is based on the interest rate on the balance sheet date.

The cash need is expected covered by the current liquidity surplus from operations, bonds at fair value, unutilised credits as well as via refinancing or new non-current loans.

Notes to the Annual Report, Group

29 Financial risks (continued)

2016

DKK '000

	< 1 year	1-5 years	>5 years	Total	Repayment not finally agreed	Carrying amount	Fair value
Measured at amortised cost:							
Bond	26,549	530,452	0	557,001	0	496,993	514,550
Credit institutions	185,258	246,709	0	431,967	0	412,738	412,738
Payables to related companies	7,362	0	0	7,362	0	7,362	7,362
Trade payables	188,785	0	0	188,785	0	188,785	188,785
Other short-term liabilities	139,535	0	0	139,535	0	139,535	139,535
Financial liabilities	**547,489**	**777,161**	**0**	**1,324,650**	**0**	**1,245,413**	**1,262,970**
Trade receivables	311,565	0	0	311,565	0	311,565	309,713
Other receivables	36,413	2,030	0	38,443	0	38,443	38,443
Cash at bank and in hand	83,397	0	0	83,397	0	83,397	83,397
Financial assets	**431,375**	**2,030**	**0**	**433,405**	**0**	**433,405**	**431,553**
Net cash outflow	**-116,114**	**-775,131**	**0**	**-891,245**	**0**	**-812,008**	**-831,417**
Bonds at fair value through profit and loss	**9,515**	**0**	**0**	**9,515**	**0**	**9,515**	**9,515**
Unutilised credits						60,483	60,483

Fair value of bond investments is based on quoted prices (level 1). Fair value of the issued bond is based on the latest market price published by Oslo Børs. Fair value of floating rate loans from credit institutions is based on an assessment of the current margin on such loan arrangements (level 2). Fair value of cash and cash equivalents and short term receivables and payables is determined to equal the nominal amount.

2015

DKK '000

	< 1 year	1-5 years	>5 years	Total	Repayment not finally agreed	Carrying amount	Fair value
Measured at amortised cost:							
Bond	542,937	0	0	542,937	0	515,227	527,800
Credit institutions	519,341	5,148	0	524,489	0	514,072	514,072
Payables to related companies	0	0	0	0	0	0	0
Trade payables	172,906	0	0	172,906	0	172,906	172,906
Other short-term liabilities	108,122	0	0	108,122	0	108,122	108,122
Financial liabilities	**1,343,306**	**5,148**	**0**	**1,348,454**	**0**	**1,310,327**	**1,322,900**
Receivables from related companies	706	0	0	706	0	706	706
Trade receivables	325,474	0	0	325,474	0	325,474	325,382
Other receivables	31,814	615	0	32,429	0	32,429	32,429
Cash at bank and in hand	23,810	0	0	23,810	0	23,810	23,810
Financial assets	**381,804**	**615**	**0**	**382,419**	**0**	**382,419**	**382,327**
Net cash outflow	**-961,502**	**-4,533**	**0**	**-966,035**	**0**	**-927,908**	**-940,573**
Bonds at fair value through profit and loss	**13,178**	**0**	**0**	**13,178**	**0**	**13,178**	**13,178**
Unutilised credits						59,963	59,963

Notes to the Annual Report, Group

29 Financial risks (continued)

Market risk

The Group's credits and bonds are floating-rate credits and bonds, which exposes the Group to fluctuations in interest rates. It is Group policy that all financing of working capital and investments in non-current assets take place at floating interest rate.

No derivative financial instruments are used to hedge interest rate risk.

Based on interest-bearing debt at the balance sheet date, an increase in the SEK market rate by 1% would decrease the profit for the year before tax of DKK 5.057k (2015: DKK 5.278k) and an increase in all other market rates by 1% would decrease the profit for the year before tax of DKK 4.127k (2015: DKK 5.141k).

The Group's currencies used for payment are mostly distributed between EUR and USD. No financial instruments are used to hedge positions in foreign currency.

Exposure at 31 December 2016

The below balances represents the net Group exposure for each individual currency. Accordingly, where an entity reports in the stated currency, it has been excluded in the balance shown.

	Payment/ expiry	Receivables	Payables	Bond, bank and credit-institutions	Net position
USD	< 1 year	376,513	-141,688	32,307	267,132
USD	> 1 year	85	-23,090	0	-23,005
EUR	< 1 year	48,806	-57,766	6,012	-2,948
CHF	< 1 year	65,005	-7,989	17	57,033
SEK	< 1 year	0	-6,567	7,405	838
SEK	> 1 year	0	0	-505,700	-505,700
Other	< 1 year	1,849	-344	714	2,219
		492,258	-237,444	-459,245	-204,431

Notes to the Annual Report, Group

29 Financial risks (continued)

Exposure at 31 December 2015

DKK '000

Currency	Payment/ expiry	Receivables	Payables	Bond, bank and credit-institutions	Net position
USD	< 1 year	348,196	-127,962	-5,758	214,476
USD	> 1 year	0	-20,612	0	-20,612
EUR	< 1 year	37,700	-47,589	4,711	-5,178
CHF	< 1 year	98,915	-750	59	98,224
SEK	< 1 year	0	0	-527,793	-527,793
Other	< 1 year	3,334	0	454	3,788
		488,145	-196,913	-528,327	-237,095

Due to the fixed rate policy conducted by the Danish National Bank in respect of the EUR, it is assessed that foreign currency positions in EUR do not entail a risk of material impact due to changes in the EUR rate.

As the individual group companies primarily operate in their individual functional currencies, the Group's profit is primarily sensitive to changes in exchange rates related to intercompany accounts and receivables/ payables denominated in other currencies than the functional currency.

The two currencies to which profit/loss of the Group is most sensitive is USD and SEK.

A 10% increase in USD compared to the exchange rate at 31 December 2016 towards all other currencies will entail a positive change of profit for the year before tax of DKK 24.413k (2015: positive change of DKK 19.386k) and a similar effect on equity.

A 10% increase in SEK compared to the exchange rate at 31 December 2016 towards all other currencies will entail a negative change of profit for the year before tax of DKK 50.486k (2015: negative change of DKK 52.779k) and a similar effect on equity.

Capital management

The objective of the Group's capital management is to ensure the Group's ability to continue as a going concern in order to yield return on investment to the shareholders and to create and maintain an optimal capital structure in order to reduce the costs of capital and maintain a basis of continued growth in the Group.

The Group's capital management is also partly governed by loan agreements which include requirements to financial ratios. These financial ratios are affected by the size of the capital, that a reduction will reduce the ratios.

Total capital makes up the equity shown in the consolidated balance sheet.

Notes to the Annual Report, Group

30 Related parties

Controlling interest	Basis
Poul M. Mikkelsen, Büelweg 9, CH-6442 Gersau	Controlling shareholder
Ammon Ammon AG, Meierhofstrasse 5, FL-9490 Vaduz	Ultimate parent company
PMM Holding (Luxembourg) AG, 5, rue Guillaume Kroll, L-1882 Luxembourg	Parent company
Jacob Holm & Sons AG, Picassoplatz 8, CH-4052 Basel	Parent company
Other related parties	
PMM Holding AG, Rebstockrain 16, CH-6006 Luzern	Sister company
Dønnerup A/S, c/o Bech-Bruun Advokatfirma, Langelinie Allé 35 DK-2100 København Ø	Sister company

Transactions

	2016 DKK '000	2015 DKK '000
Parent:		
The Group has during the year received a management fee of	11,600	11,646
The Group has during the year paid a management fee of	40,681	37,563
The Group has during the year paid a royalty fee of	26,154	0
The Group has during the year received interests of	0	421
The Group has during the year paid a guarantee fee of	3,188	3,217
The Group has during the year paid dividends of	20,000	30,000

The guarantee fee relates to the Parent company's guarantee regarding the issued Bond. The Parent company is guaranteeing an amount of up to SEK 650m.

	2016 DKK '000	2015 DKK '000
Associates:		
The company has during the year received a management fee of	650	650
The company has during the year paid rental charges of	677	685

Compensation to key management is disclosed in note 7.

Notes to the Annual Report, Group

30 Related parties (continued)

Receivables from related parties

	2016	2015
	DKK '000	DKK '000
Jacob Holm & Sons AG	0	706
	0	**706**

Payables to related parties

	2016	2015
	DKK '000	DKK '000
Jacob Holm & Sons AG	7,362	0
	7,362	**0**

31 Development costs

Development costs for the year recognised in the income statement under production costs amount to DKK 9.716k in 2016 against DKK 6.272k in 2015.

32 Post balance sheet events

The Group has refinanced the outstanding bond of SEK 650 mio. during March 2017. A new bond of EUR 100 mio. has been sold and the old bond has been called for redemption.

Apart form the above, there have been no material events after the balance sheet date.

33 Dividends per share

A dividend in respect of the year ended 31 December 2016 of DKK 25 per share, amounting to a total dividend of DKK 25 million, is to be proposed at the annual general meeting on 25 April 2017.

34 Restatement of the comparatives for 2015

As disclosed in the annual report 2015 note 29 the covenant ratio on credit institution loans in relation to EBITDA/fixed charges was in breach at the end of Q4 2015 and subsequently waived. Although subsequently waived, the loans were considered current under IFRS. As disclosed in the interim reports this has been adjusted in the comparative figures as of 31 December 2015. Due to cross-default provisions, this also applied for the bond settled in 2017 cf note 32 resulting in a total amount of DKK 798 million being reclassified from non-current to current liabilities. The reclassification does not affect net profit for the year, other comprehensive income or equity.

Parent Company Income Statement 1 January - 31 December

	Note	2016	2015
		DKK '000	DKK '000
Revenue	1	**3,461**	**4,178**
Administrative expenses		-4,456	-5,234
Profit before financial income and expenses and special items		**-995**	**-1,056**
Financial income	4	82,322	42,144
Financial expenses	5	-34,873	-37,269
Profit before tax		**46,454**	**3,819**
Tax on profit for the year	6	2,622	620
Net profit for the year		**43,832**	**3,199**

Parent company Statement of Comprehensive Income 1 January - 31 December

Net profit for the year	43,832	3,199
Comprehensive income	**43,832**	**3,199**

Parent Company Balance Sheet at 31 December

Assets

	Note	2016	2015
		DKK '000	DKK '000
Other fixtures and fittings, tools and equipment	7	142	0
Property, plant and equipment		**142**	**0**
Investments in subsidiaries	8	416,574	416,574
Receivables from group companies		293,271	251,161
Financial fixed assets		**709,845**	**667,735**
Non-current assets		**709,987**	**667,735**
Receivables from group companies		0	31,808
Corporation tax	9	0	3,162
Bonds at fair value through profit and loss		9,515	13,178
Other receivables		1,179	757
Prepayments		259	269
Receivables		**10,953**	**49,174**
Cash at bank and in hand		**16,126**	**1,318**
Current assets		**27,079**	**50,492**
Assets		**737,066**	**718,227**

Parent Company Balance Sheet at 31 December

Equity and liabilities

	Note	2016	2015
		DKK '000	DKK '000
Share capital	10	1,000	1,000
Retained earnings		218,608	194,776
Equity		**219,608**	**195,776**
Bond		496,993	0
Provisions for deferred tax	11	1,918	2,766
Non-current liabilities		**498,911**	**2,766**
Bond		0	515,227
Payables to related companies		7,989	750
Corporation tax	12	2,972	1,754
Other payables		7,586	1,954
Current liabilities		**18,547**	**519,685**
Liabilities		**517,458**	**522,451**
Equity and liabilities		**737,066**	**718,227**

Contingent liabilities	15
Financial risks	16
Related parties	17
Dividends per share	18

Statement of Changes in Equity, Parent Company 1 January - 31 December

	Share capital	Retained earnings	Total
	DKK '000	DKK '000	DKK '000
Equity			
Equity at 1 January 2016	1,000	194,776	195,776
Comprehensive income for the year	0	43,832	43,832
Dividends	0	-20,000	-20,000
Equity at 31 December 2016	**1,000**	**218,608**	**219,608**
Equity at 1 January 2015	1,000	221,577	222,577
Comprehensive income for the year	0	3,199	3,199
Dividends	0	-30,000	-30,000
Equity at 31 December 2015	**1,000**	**194,776**	**195,776**

Paid dividends per share in 2016 amounts to DKK 20 (DKK 30 in 2015).

Only the share capital is restricted. Other reserves may be distributed.

Parent Company Cash Flow Statement

	Note	2016	2015
		DKK '000	DKK '000
Net profit for the year		43,832	3,199
Adjustments of non-cash items	13	-44,794	-4,255
Change in working capital	14	5,221	-2,941
Cash flows from operating activities before financial income and expenses and special items		4,259	-3,997
Financial income		25,622	59,044
Financial expenses		-31,008	-33,363
Corporation tax paid		910	-9,163
Cash flows from operating activities		**-217**	**12,521**
Purchase of property, plant and equipment		-175	0
Purchase of financial fixed assets		0	-8,589
Purchase of bonds at fair value through profit and loss		0	0
Sale of bonds at fair value through profit and loss		3,662	42,724
Dividend received		34,600	0
Cash flows from investing activities		**38,087**	**34,135**
Change in accounts with group companies		-10,301	-15,992
Change in accounts with related companies		7,239	-466
Raising of non-current loans		0	-319
Dividend paid		-20,000	-30,000
Cash flows from financing activities		**-23,062**	**-46,777**
Change in cash and cash equivalents		**14,808**	**-121**
Cash and cash equivalents at 1 January		1,318	1,439
Cash and cash equivalents at 31 December		**16,126**	**1,318**
specified as follows:			
Cash at bank and in hand		16,126	1,318
Credit institutions (current liabilities)		0	0
		16,126	**1,318**

Notes to the Annual Report, Parent Company

		2016	2015
		DKK '000	DKK '000
1	**Revenue**		
	Management fee	3,461	4,178
		3,461	**4,178**
2	**Expenses classified by type**		
	Administrative expenses	4,456	5,234
		4,456	**5,234**
	Classified by type as follows:		
	Other external expenses	1,860	2,818
	Staff expenses	2,596	2,416
		4,456	**5,234**
3	**Staff expenses**		
	Wages and salaries	2,570	2,396
	Pensions	3	0
	Other social security expenses	23	20
		2,596	**2,416**

Key management compensation

Key management consist of the executive and supervisory board as well as the executive management team.

	2016	2015
Salaries and other short-term employee benefits	646	581
	646	**581**
Thereof to the executive board	32	38
Thereof to the supervisory board	570	475
Average number of full-time employees	**3**	**3**
Staff expenses are distributed on the individual cost groups as follows:		
Administrative expenses	2,596	2,416
	2,596	**2,416**

Notes to the Annual Report, Parent Company

		2016	2015
		DKK '000	DKK '000

4 Financial income

	2016	2015
Interest	437	1,386
Exchange adjustments	25,617	17,124
Interest intercompany accounts	18,960	22,823
Dividend from subsidiaries	34,600	0
Other financial income	2,708	811
	82,322	**42,144**

5 Financial expenses

	2016	2015
Interest / commission intercompany accounts	3,178	3,633
Interest	31,191	32,027
Other financial expenses	504	1,609
	34,873	**37,269**

Interest relates to loans received and payables measured at amortised cost.

6 Tax on profit for the year

	2016	2015
Current tax on profit for the year	3,470	1,754
Change in deferred tax	-848	-789
Adjustment tax previous years	0	-345
	2,622	**620**
Tax on profit for the year is specified as follows:		
Calculated 22,0% / 23,5% tax on profit for the year before tax	10,220	897
Tax effect of:		
Non-taxable income and expenses	-7,598	14
Adjustment of valuation deferred tax	0	54
Adjustment tax previous years	0	-345
	2,622	**620**
Effective tax rate for the year	**5.64%**	**16.23%**

Notes to the Annual Report, Parent Company

7 Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK '000
2016	
Cost at 1 January	0
Additions for the year	175
Disposals for the year	0
Cost at 31 December	175
Depreciation at 1 January	0
Depreciation for the year	33
Disposals for the year	0
Depreciation at 31 December	33
Carrying amount at 31 December	**142**
Depreciated over	**3-10 years**

Depreciation for the year is charged to Administrative expenses in the Income Statement.

8 Investments in subsidiaries

	Share capital	Currency	Ownership %	Carrying amount	Equity
	'000			DKK '000	DKK '000
Jacob Holm & Sønner A/S, Denmark	32,512	DKK	100%	193,330	583,101
Sontara AG, Switzerland	100	CHF	100%	155,925	230,370
Sontara Asturias S.A.U, Spain	1,000	EUR	100%	26,052	29,114
Jacob Holm Mexico SA De CV, Mexico	1,500	MXN	99%	619	2,638
Sontara Japan GK, Japan	10,000	JPY	100%	1,119	5,153
Sontara South Asia Sdn Bhd, Malaysia	0	MYR	100%	0	120
Sontara Old Hickory Inc, USA	0	USD	100%	29,160	47,450
Sontara America Inc, USA	0	USD	100%	2,898	19,961
Sontara Argentina S.R.L., Argentina	8,393	ARS	100%	6,420	2,614
Sontara Nonwovens (Shanghai) Co., Ltd., China	1,000	CNY	100%	1,050	2,496
TWIG America Inc., USA	0	USD	100%	1	460
				416,574	**923,477**

		2016	2015
		DKK '000	DKK '000

8 Investments in subsidiaries (continued)

	2016	2015
Cost at 1 January	416,574	407,985
Additions for the year	0	8,589
Cost at 31 December	416,574	416,574

9 Corporation tax

	2016	2015
Corporation tax receivable at 1 January	3,162	0
Tax on operating profit, see note 6	0	0
Tax refunded/paid	-3,162	3,162
Corporation tax receivable at 31 December	**0**	**3,162**

10 Share capital

The share capital consists of the following share classes:

	2016	2015
A-shares (358.688 shares of DKK 1)	359	359
B-shares (431 shares of DKK 1)	0	0
C-shares (640.881 shares of DKK 1)	641	641
	1,000	**1,000**

A-shares give the right to 10 votes for each share amount of DKK 100, and B-shares give the right to one vote for each share amount of DKK 100, and C-shares give the right to one vote for each share amount of DKK 100.

Otherwise no shares carry any special rights.

	2016	2015
	DKK '000	DKK '000

11 Provisions for deferred tax

	2016	2015
Deferred tax at 1 January	2,766	3,005
Change in deferred tax, see note 6	-848	-789
Change in deferred tax from the use of tax loss carry-forward by jointly taxed company	0	550
Deferred tax at 31 December	1,918	2,766
Deferred tax relates to:		
Other current assets	1,918	2,766
Non-current portion	**1,918**	**2,766**

12 Corporation tax

	2016	2015
Accrued corporation tax at 1 January	1,754	6,896
Tax on operating profit, see note 6	3,470	1,409
Adjustment of tax previous years	0	-3,555
Tax paid	-2,252	-2,996
Accrued corporation tax at 31 December	**2,972**	**1,754**

13 Cash flow statement - adjustments of non-cash items

	2016	2015
Financial income	-82,322	-42,144
Financial expenses	34,873	37,269
Depreciation	33	0
Tax on profit for the year	2,622	620
	-44,794	**-4,255**

14 Cash flow statement - change in working capital

	2016	2015
Change in receivables	-412	4,502
Change in payables	5,633	-7,443
	5,221	**-2,941**

	2016	2015
	DKK '000	DKK '000

15 Contingent liabilities

As security for the Bond issued by the Company, intercompany loan agreements have been assigned to the Bondholders of	204,306	251,161
As security for the Bond issued by the Company, all shares in direct and indirect subsidiaries have been pledged.		
As security for credit institution, the Company has provided surety with a maximum amount of	56,400	54,640

16 Financial risks

Credit risk

For a description of the credit risk, please see note 29 to the Annual Report of the Group.

Liquidity risk

For a description of the liquidity risk, please see note 29 to the Annual Report of the Group.

The analysis of due dates is stated on the basis of category and class broken down on due date. The calculation of interest payments on floating-rate obligations is based on the interest rate on the balance sheet date.

2016

DKK '000

	< 1 year	1-5 years	Total	Repayment not finally agreed	Carrying amount	Fair value
Measured at amortised cost:						
Bond	26,549	530,452	557,001	0	496,993	514,550
Credit institutions	0	0	0	0	0	0
Payables to related companie	7,989	0	7,989	0	7,989	7,989
Other short-term liabilities	10,558	0	10,558	0	10,558	10,558
Financial liabilities	**45,096**	**530,452**	**575,548**	**0**	**515,540**	**533,097**
Receivables from group companies	293,271	0	293,271	0	293,271	293,271
Other receivables	1,179	0	1,179	0	1,179	1,179
Cash at bank and in hand	16,126	0	16,126	0	16,126	16,126
Financial assets	**310,576**	**0**	**310,576**	**0**	**310,576**	**310,576**
Net cash outflow	**265,480**	**-530,452**	**-264,972**	**0**	**-204,964**	**-222,521**
Bonds at fair value through profit and loss	**9,515**	**0**	**9,515**		**9,515**	**9,515**

Fair value of the Bond is based on an indicative price published by a Broker (level 2).

16 Financial risks (continued)

2015

DKK '000

	< 1 year	1-5 years	Total	Repayment not finally agreed	Carrying amount	Fair value
Measured at amortised cost						
Bond	542,937	0	542,937	0	515,227	527,800
Credit institutions	0	0	0	0	0	0
Payables to related companie	750	0	750	0	750	750
Other short-term liabilities	3,707	0	3,707	0	3,707	3,707
Financial liabilities	**547,394**	**0**	**547,394**	**0**	**519,684**	**532,257**
Receivables from group companies	282,969	0	282,969	0	282,969	282,969
Other receivables	3,919	0	3,919	0	3,919	3,919
Cash at bank and in hand	1,318	0	1,318	0	1,318	1,318
Financial assets	**288,206**	**0**	**288,206**	**0**	**288,206**	**288,206**
Net cash outflow	**-259,188**	**0**	**-259,188**	**0**	**-231,478**	**-244,051**
Bonds at fair value through profit and loss	**13,178**	**0**	**13,178**		**13,178**	**13,178**

*Information on fair value hierarchy is not relevant as the debt is subject to variable interest and no transaction expenses have been paid.

Market risk

Interest on accounts with related companies are interest bearing.

The Company's currency used for payment is primarily SEK, USD and CHF. No financial instruments are used to hedge positions in foreign currency.

Exposure at 31 December 2016:

DKK '000

Currency	Payment/ expiry	Receivables	Payables	Bond, bank and credit-institutions	Net position
USD	< 1 year	139,300	0	5717	145,017
EUR	< 1 year	1,061	0	1,075	2,136
CHF	< 1 year	65,005	-7,989	17	57,033
SEK	< 1 year	0	-6,567	7,404	837
SEK	> 1 year	0	0	-505,700	-505,700
Other	< 1 year	0	0	160	160
		205,366	-14,556	-491,327	-300,517

Notes to the Annual Report, Parent Company

16 Financial risks (continued)

Exposure at 31 December 2015:

DKK '000

Currency	Payment/ expiry	Receivables	Payables	Bond, bank and credit-institutions	Net position
USD	< 1 year	152,246	-684	377	151,939
EUR	< 1 year	319	-18	35	336
CHF	< 1 year	98,915	-750	60	98,225
SEK	< 1 year	0	0	-527,793	-527,793
Other	< 1 year	0	0	349	349
		251,480	-1,452	-526,972	-276,944

A 10% increase in SEK compared to the exchange rate at 31 December 2016 towards all other currencies will entail a negative change of profit for the year before tax of DKK 50.486k (2015: DKK 52.779k) and a similar effect on equity.

A 10% increase in USD compared to the exchange rate at 31 December 2016 towards all other currencies will entail a positive change of profit for the year before tax of DKK 14.502k (2015: DKK 15.194k) and a similar effect on equity.

A 10% increase in CHF compared to the exchange rate at 31 December 2016 towards all other currencies will entail a positive change of profit for the year before tax of DKK 5.703k (2015: DKK 9.823k) and a similar effect on equity.

Capital management

The objective of the Company's capital management is to ensure the Company's ability to continue as a going concern in order to yield return on investment to the shareholders and to create and maintain an optimal capital structure in order to reduce the costs of capital and maintain a basis of continued growth in the Group.

Total capital makes up the equity shown in the balance sheet.

Notes to the Annual Report, Parent Company

17 Related parties

	Basis
Controlling interest	
Poul M. Mikkelsen, Büelweg 9, CH-6442 Gersau	Controlling shareholder
Ammon Ammon AG, Meierhofstrasse 5, FL-9490 Vaduz	Ultimate parent company
PMM Holding (Luxembourg) AG, 5, rue Guillaume Kroll, L-1882 Luxembourg	Parent company
Jacob Holm & Sons AG, Picassoplatz 8, CH-4052 Basel	Parent company
Other related parties	
PMM Holding AG, Rebstockrain 16, CH-6006 Luzern	Sister company
Dønnerup A/S, c/o Bech-Bruun Advokatfirma, Langelinie Allé 35 DK-2100 København Ø	Sister company

Transactions

	2016 DKK '000	2015 DKK '000
Parent:		
The company has during the year paid a management fee of	373	372
The company has during the year paid a guarantee fee of	3,188	3,217
The company has during the year paid dividends of	20,000	30,000

The guarantee fee relates to the Parent company's guarantee regarding the issued Bond. The Parent company is guaranteeing an amount of up to SEK 650m.

	2016 DKK '000	2015 DKK '000
Subsidiaries:		
The company has during the year received a management fee of	2,811	3,528
The company has during the year received interests of	18,960	22,823
The company has during the year received dividends of	34,600	0
Associates:		
The company has during the year received a management fee of	650	650
The company has during the year paid rental charges of	677	685

Payables to related companies

	2016	2015
Jacob Holm & Sons AG	7,989	750
	7,989	**750**

18 Dividends per share

A dividend in respect of the year ended 31 December 2016 of DKK 25 per share, amounting to a total dividend of DKK 25 million, is to be proposed at the annual general meeting on 25 April 2017.