

Loxam Denmark Holding A/S

Annual report 2015

The annual report was presented and adopted at the
Company's annual general meeting

on 6/5 20 2016

chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Loxam Denmark Holding A/S for the financial year 1 January – 31 December 2015.

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

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

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report should be approved at the annual general meeting.

Karlslunde, 29 April 2016

Executive Board:

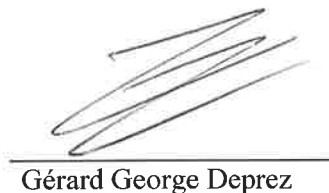


Gérard George Deprez

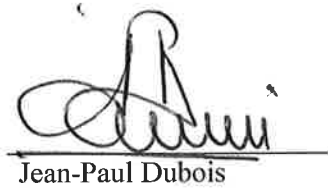
Board of Directors:



Stéphane Jean Henon
Chairman



Gérard George Deprez



Jean-Paul Dubois



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Independent auditor's report

To the shareholders of Loxam Denmark Holding A/S

Independent auditor's report on the financial statements

We have audited the financial statements of Loxam Denmark Holding A/S for the financial year 1 January – 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's activities for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 29 April 2016

KPMG
Statsautoriseret Revisionspartnerselskab


Jon Beck
State Authorised
Public Accountant


Joakim Juul Larsen
State Authorised
Public Accountant

Management's review

Company details

Loxam Denmark Holding A/S
Svejsegangen 5
2690 Karlslunde

Telephone: 46155600
Website: www.loxam.dk

CVR no.: 30 70 52 97
Established: 4 July 2007
Registered office: Greve
Financial year: 1 January – 31 December

Board of Directors

Stéphane Jean Henon
Gérard George Deprez
Jean-Paul Dubois

Executive Board

Gérard George Deprez

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 Copenhagen Ø
Denmark

Annual general meeting

The annual general meeting will be held on *May 6,* 2016.

Management's review

Operating review

Principal activities

Loxam Denmark Holding A/S is the holding company for the Danish activities of the Loxam Group.

Valuation of shares in subsidiary

The shares in the subsidiary are valued at cost. Management has prepared an impairment at 31 December 2015 based on the discounted value of expected future cash flows.

If the expected revenue growth does not materialise there is a risk that investment in subsidiaries will be impaired.

It is the opinion of Management that the valuation is fair and based on reasonable assumptions.

Financial resources

The Company's investments are financed by loans from the parent company.

Loxam S.A.S. will not demand repayment of the loans granted until Loxam Denmark Holding A/S has sufficient liquidity to repay the balance, or part thereof, without this being detrimental to its ability to meet its other financial obligations.

Financial statements 1 January – 31 December

Accounting policies

The annual report of Loxam Denmark Holding A/S for 2015 has been presented in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Consolidated annual report

The annual report of Loxam Denmark Holding A/S is part of Loxam S.A.S. Pursuant to section 112 of the Danish Financial Statements Act, consolidated financial statements for Loxam Holding A/S have not been prepared. The consolidated financial statements for Loxam S.A.S, which include Loxam Denmark Holding A/S and its subsidiaries, are filed with these financial statements.

Recognition and measurement

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

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

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

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in

Financial statements 1 January – 31 December

Accounting policies

the latest financial statements is recognised in the income statement as financial income or financial expenses.

Non-current assets acquired in foreign currency are measured at the exchange rates at the transaction date.

Income statement

Other external costs

Other external costs comprise administration expenses, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

The Company is covered by the Danish rules on compulsory joint taxation of the Loxam Group's Danish subsidiaries.

The current Danish corporation tax is allocated by settlement of joint taxation contribution between the jointly taxed companies in proportion to their taxable income. In this relation, companies with tax loss carryforwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits.

Tax for the year comprises current tax, joint taxation contributions for the year and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement.

Balance sheet

Investments

Investments comprise equity investments in subsidiaries.

Equity investments in subsidiaries are recognised at cost.

Write-downs are made if the recoverable amount is lower than the carrying amount.

Financial statements 1 January – 31 December

Accounting policies

Receivables

Receivables are measured at amortised cost, which normally corresponds to the nominal value. Write-down to net realisable value if the receivable is not recoverable.

Equity – dividend

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

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

Joint taxation contributions payable and receivable are recognised in the balance sheet as joint taxation contributions payable or receivable.

Deferred tax is recognised and measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. The tax value of the assets is calculated based on the planned use of the asset.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities.

Liabilities other than provisions

Loans are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2015	2014
Other operating costs	1	-44	-81
Operating loss		-44	-81
Financial income	2	11,318	4,475
Financial expenses	3	-40,017	-25,798
Income from investment in subsidiary		24,000	11,343
Loss before tax		-4,743	-10,061
Tax on loss for the year	4	-84	5,164
Loss for the year		-4,827	-4,897
 Proposed distribution of loss			
Retained earnings		-4,827	-4,897
		-4,827	-4,897

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2015	2014
ASSETS			
Non-current assets			
Investments			
Investments in subsidiary	5	952,396	952,396
Total non-current assets		<u>952,396</u>	<u>952,396</u>
Current assets			
Receivables			
Joint taxation contribution receivable		0	6,843
Loans to subsidiary		243,626	191,453
Receivable income tax		315	0
Deferred tax asset		2,180	706
		<u>246,121</u>	<u>199,002</u>
Cash at bank and in hand		<u>30</u>	<u>3,307</u>
Total current assets		<u>246,151</u>	<u>202,309</u>
TOTAL ASSETS		<u>1,198,547</u>	<u>1,154,705</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2015	2014
EQUITY AND LIABILITIES			
Equity			
	6		
Share capital		30,450	30,450
Retained earnings		131,577	136,404
Total equity		<u>162,027</u>	<u>166,854</u>
Long-term liabilities other than provisions			
	7		
Loans from parent company		400,000	442,308
		<u>400,000</u>	<u>442,308</u>
Current liabilities other than provisions			
	7		
Loans from parent company		635,157	543,951
Joint taxation payable		1,291	0
Income tax payables		0	1,520
Other payables		72	72
		<u>636,520</u>	<u>545,543</u>
Total liabilities other than provisions		<u>1,036,520</u>	<u>987,851</u>
TOTAL EQUITY AND LIABILITIES		<u>1,198,547</u>	<u>1,154,705</u>
Contractual obligations, contingencies, etc.	8		
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Financial statements 1 January – 31 December

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1 Other external cost

There are no employees in the Company, and no fees have been paid to the Board of Directors or the Executive Board.

DKK'000	2015	2014
2 Financial income		
Interest income from group companies	11,318	4,475
	11,318	4,475
3 Financial expenses		
Interest expense to parent company	39,891	25,791
Other financial expenses	126	7
	40,017	25,798
4 Tax on loss for the year		
Joint taxation contribution for the year	0	4,458
Corporation tax	0	0
Adjustment related to previous year	2,264	0
Adjustment of deferred tax	-2,180	706
	84	5,164
5 Investments in subsidiaries		
Cost at 1 January	1,378,008	1,378,008
Cost at 31 December	1,378,008	1,378,008
Write-down at 1 January	-112,500	-112,500
Write-down at 31 December	-112,500	-112,500
Dividend at 1 January	-313,112	-290,455
Dividend	0	-22,657
Dividend at 31 December	-313,112	-313,112
Carrying amount at 31 December	952,396	952,396

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5 Investments in subsidiaries (continued)

Subsidiary	Owner- ship interest	Equity	Profit
		DKK'000	DKK'000
Loxam A/S, Karlslunde, Denmark	100%	12,744	351

6 Equity

DKK'000	Share capital	Retained earnings	Total
Equity at 1 January 2015	30,450	136,404	166,854
Transferred; see distribution of loss	-	-4,827	-4,827
Equity at 31 December 2015	30,450	131,577	162,027

The share capital comprises 340,500 shares of DKK 100 each.

DKK'000	2015	2014
7 Loans for parent company		
The loans fall due as follows:		
0-1 year	635,157	543,951
1-5 year	0	42,308
> 5 year	400,000	400,000
	1,035,157	986,259

Loxam S.A.S. will not demand repayment of the loans granted until Loxam Denmark Holding A/S has sufficient liquidity to repay the balance, or part thereof, without this being detrimental to its ability to meet its other financial obligations.

Financial statements 1 January – 31 December

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8 Contractual liabilities and contingencies, etc.

Contingent liabilities

The parent company is jointly taxed with Loxam A/S and Dansk Lift A/S. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes.

Any subsequent corrections of the taxable income subject to joint taxation may entail that the companies' liability will increase. The Group as a whole is not liable to others.

9 Related party disclosures

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:

- Loxam S.A.S., 256 Rue Nicolas Coatanlem, 56850 Caudan, France.

The ultimate owner of the Company is:

- Loxam S.A.S., France.

The Company's annual report is included in the consolidated financial statements of Loxam S.A.S.

The Group's annual report is filed with this annual report.