

CBRE CORPORATE OUTSOURCING APS  
Roskildevej 14  
2620 Albertslund

Annual report for 2017

Adopted at the annual general meeting on  
8 June 2018



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chairman

CVR-nr. 31 05 82 01

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## STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory and executive boards have today discussed and approved the annual report of CBRE Corporate Outsourcing ApS for the financial year 1 January - 31 December 2017.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017.

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

Management recommends that the annual report should be approved at the annual general meeting.

Albertslund, 8 June 2018

### Executive board

Tony Harold Brearley  
Director

Two handwritten signatures in blue ink. The first signature is on the left, appearing to be 'THB' with a vertical line extending downwards. The second signature is on the right, a more fluid cursive signature.

### Supervisory board

Tony Harold Brearley

Claire Louisa Lloyd

## INDEPENDENT AUDITOR'S REPORT

*To the shareholder of CBRE Corporate Outsourcing ApS*

### **Opinion**

We have audited the financial statements of CBRE Corporate Outsourcing ApS for the financial year 1 January - 31 December 2017, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2017 and of the results of the company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

### **Basis for Opinion**

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

### **Management's responsibilities for the financial statements**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

## INDEPENDENT AUDITOR'S REPORT

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

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

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.

### **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.

## INDEPENDENT AUDITOR'S REPORT

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

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

Based on the work we have performed, we conclude that management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 8 June 2018

**KPMG**  
Statsautoriseret Revisionspartnerselskab



Mark Palmberg  
State Authorised Public Accountant  
MNE no. mne34319



Jette Kjær Bach  
State Authorised Public Accountant  
MNE no. mne19812

## COMPANY DETAILS

The company	<p>CBRE Corporate Outsourcing ApS Roskildevej 14 2620 Albertslund</p> <p>Telephone: 35265222</p> <p>Website: <a href="http://www.cbre.com">www.cbre.com</a></p> <p>CVR no.: 31 05 82 01</p> <p>Reporting period: 1 January - 31 December 2017</p> <p>Domicile: Albertslund</p>
Supervisory board	<p>Tony Harold Brearley Claire Louisa Lloyd</p>
Executive board	<p>Tony Harold Brearley, director</p>
Auditors	<p>KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 2100 København Ø</p>
Consolidated Financial Statement	<p>The Company is included in the Group annual report of Relam Amsterdam Holdings B.V., Prinse Bernhardplein 200, 1097JB Amsterdam, Netherlands</p> <p>The consolidated Financial Statements of CBRE inc. are available on the Company's adress or the Company's website <a href="http://www.cbre.com">www.cbre.com</a>.</p> <p>The Company's related parties transactions are all carried out on an arm's lenght basis.</p>

## FINANCIAL HIGHLIGHTS

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2017	2016	2015	2014	2013
	TDKK	TDKK	TDKK	TDKK	TDKK
<b>KEY FIGURES</b>					
Gross profit/loss	29,085	43,399	6,094	-413	426
Operating profit/loss	3,854	15,568	2,411	-413	426
Net financials	-526	-272	-892	-13	0
Profit/loss for the year	2,624	11,919	1,178	-328	227
<b>Balance sheet</b>					
Balance sheet total	236,051	215,548	186,386	4,838	7,523
Investment in property, plant and equipment	0	2,636	339	0	0
Equity	15,980	13,356	1,435	257	584
Solvency ratio	6,8%	6,2%	0,8%	5,3%	7,8%
Return on equity	17,9%	161,2%	139,2%	-78,0%	48,2%

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.



## **MANAGEMENT'S REVIEW**

### **Business activities**

The principal activity of the company is to provide facility and property management and, directly or indirectly, in the opinion of the board of directors to carry out any other activities, in relation thereto.

### **Business review**

The Company's income statement for the year ended 31 December shows a profit of TDKK 2.624, and the balance sheet at 31 December 2017 shows equity of TDKK 15.980.

### **Financial review**

#### **The year at a glance and follow-up on expectations expressed last year**

In September 2015 the company purchased the Global Workplace Solutions business. This strengthened the ability to offer a fully integrated range of commercial property solutions and created an opportunity to provide an extended range of services to a growing customer base. 2016 saw a period of integration between the two parts of the business and growth in both the existing business and new clients. Going forward it is expected that the business will continue to grow.

#### **Significant events occurring after end of reporting period**

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

## ACCOUNTING POLICIES

The annual report of CBRE Corporate Outsourcing ApS for 2017 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied are consistent with those of last year.

The annual report for 2017 is presented in TDKK

### **Income statement**

#### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, production costs and other operating income.

#### **Revenue**

Income for services is recognised on a straightline basis at delivery.

#### **Cost of productions**

Cost of productions 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.

Cost of productions also includes research and development costs that do not qualify for capitalisation as well as amortisation of capitalised development costs. Furthermore, amortisation of goodwill is included to the extent that goodwill relates to production activities. Finally, provisions for losses on contract work are recognised.

#### **Administrative costs**

Administrative costs comprise expenses for Management, administrative staff, office expenses and depreciation.

#### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses.

#### **Corporation tax and deferred tax**

The company is jointly taxed with Danish affiliated companies

The net tax of the jointly taxed income is allocated proportionally between the Danish companies with a positive income. Companies with a tax loss in the joint taxation are refunded an amount equal to the gained tax savings.

## ACCOUNTING POLICIES

Tax for the year comprising current tax and changes in deferred tax is recognised in the income statement attributable to the net profit for the year, and directly in equity at the amount attributable to entities directly recognised in equity.

### Balance sheet

#### Intangible assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed to be 10 years. The amortisation period is based on an assessment of the acquiree's market position and earnings capacity.

#### Property, plant and equipment

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual parts of an item of property, plant and equipment have different useful lives, the cost is divided into separate parts, which are depreciated separately.

The basis of depreciation, which is calculated as cost less any projected residual values after the end of the useful life, is depreciated on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

	Useful life	Scrap value
Other fixtures and fittings, tools and equipment	5 years	0

Depreciation is recognised as production cost, distribution cost and administrative expenses in the income statement.

Gains or losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised as operating income or other operating costs, respectively in the income statement.

#### Receivables and prepayments

Prepayments are recognised under assets, including prepaid expenses relating to the subsequent financial year.

Trade receivables are measured at amortised cost, which usually corresponds to nominal value. Bad debts are written down to net realised value.

## ACCOUNTING POLICIES

### **Income tax and deferred tax**

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss allowed for carry forward are measured at the value to which the asset is expected to be realised, either by elimination in tax on future income or by offsetting against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement.

### **Liabilities**

Liabilities to suppliers and other liabilities are measured at amortised cost, normally corresponding to nominal value.

## ACCOUNTING POLICIES

### 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 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 the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses. Upon recognition of foreign subsidiaries and associates which are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity. Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity. Upon recognition of foreign subsidiaries which are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

Foreign currency transactions are translated using the rate of exchange applicable at the date of transaction.

Receivables, liabilities other than provisions and other monetary items in foreign currencies, which have not been settled at the balance sheet date, are translated using the rate of exchange applicable at the balance sheet date.

Property, plant and equipment purchased in foreign currencies are translated using the exchange rate applicable at the date of transaction.

### Cash flow statement

No cash flow statement has been prepared for the company, as the company's cash flows are included in the consolidated cash flow statement in the Financial Statement of, Relam Amsterdam Holdings B.V.

## ACCOUNTING POLICIES

### FINANCIAL HIGHLIGHTS

Definitions of financial ratios.

Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$

## INCOME STATEMENT 1 JANUARY 2017 - 31 DECEMBER 2017

	<u>Note</u>	<u>2017</u> TDKK	<u>2016</u> TDKK
<b>Gross profit</b>		<b>29.085</b>	<b>43.399</b>
Administrative costs		<u>-25.231</u>	<u>-27.831</u>
<b>Operating profit/loss</b>		<b>3.854</b>	<b>15.568</b>
Financial costs	1	<u>-526</u>	<u>-272</u>
<b>Profit before tax</b>		<b>3.328</b>	<b>15.296</b>
Tax on profit for the year	2	<u>-704</u>	<u>-3.377</u>
<b>Net profit for the year</b>		<b><u>2.624</u></b>	<b><u>11.919</u></b>

## BALANCE SHEET AT 31 DECEMBER 2017

	Note	2017 TDKK	2016 TDKK
<b>ASSETS</b>			
Goodwill		58.010	65.575
Development projects in progress		663	0
<b>Intangible assets</b>	4	<b>58.673</b>	<b>65.575</b>
Other fixtures and fittings, tools and equipment		0	2.636
<b>Tangible assets</b>		<b>0</b>	<b>2.636</b>
<b>Fixed assets total</b>		<b>58.673</b>	<b>68.211</b>
Trade receivables		134.188	110.902
Receivables from group enterprises		816	4.262
Other receivables		1.114	992
Prepayments	6	-31	1.384
<b>Receivables</b>		<b>136.087</b>	<b>117.540</b>
<b>Cash at bank and in hand</b>		<b>41.291</b>	<b>29.797</b>
<b>Current assets total</b>		<b>177.378</b>	<b>147.337</b>
<b>Assets total</b>		<b>236.051</b>	<b>215.548</b>



## BALANCE SHEET AT 31 DECEMBER 2017

	Note	2017 TDKK	2016 TDKK
<b>LIABILITIES AND EQUITY</b>			
Share capital		125	125
Retained earnings		15.855	13.231
<b>Equity</b>	7	<b>15.980</b>	<b>13.356</b>
Provision for deferred tax	8	1.947	1.238
<b>Provisions total</b>		<b>1.947</b>	<b>1.238</b>
Trade payables		73.577	84.878
Payables to group enterprises		112.042	89.402
Corporation tax		2.477	2.480
Other payables		30.028	24.194
<b>Short-term debt</b>		<b>218.124</b>	<b>200.954</b>
<b>Debt total</b>		<b>218.124</b>	<b>200.954</b>
<b>Liabilities and equity total</b>		<b>236.051</b>	<b>215.548</b>
Staff	9		
Contingent assets, liabilities and other financial obligations	10		
Related parties and ownership	11		

## STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2017	125	13.231	13.356
Net profit/loss for the year	0	2.624	2.624
Equity at 31 December 2017	<u>125</u>	<u>15.855</u>	<u>15.980</u>

## NOTES

	2017 TDKK	2016 TDKK
<b>1 FINANCIAL COSTS</b>		
Other financial costs	526	272
	526	272
 <b>2 TAX ON PROFIT FOR THE YEAR</b>		
Current tax for the year	64	2.480
Deferred tax for the year	681	897
Adjustment of deferred tax concerning previous years	28	0
<b>Tax of ordinary income or loss</b>	773	3.377
 Tax of extraordinary income or loss	-69	0
	704	3.377
 <b>3 DISTRIBUTION OF PROFIT</b>		
Retained earnings	2.624	11.919
	2.624	11.919
 <b>4 INTANGIBLE ASSETS</b>		
	Goodwill	Development projects in progress
Cost at 1 January 2017	75.649	0
Additions for the year	0	760
Cost at 31 December 2017	75.649	760

## NOTES

### 4 INTANGIBLE ASSETS (CONTINUED)

	Goodwill	Development projects in progress
Impairment losses and amortisation at 1 January 2017	10,074	0
Depreciation for the year	7,565	97
Impairment losses and amortisation at 31 December 2017	17,639	97
Carrying amount at 31 December 2017	58,010	663

### 5 TANGIBLE ASSETS

	Other fixtures and fittings, tools and equipment
Cost at 1 January 2017	2,949
Transfers for the year	-2,529
Cost at 31 December 2017	420
Impairment losses and depreciation at 1 January 2017	313
Depreciation for the year	107
Impairment losses and depreciation at 31 December 2017	420
Carrying amount at 31 December 2017	0

### 6 PREPAYMENTS

Prepayments comprise prepaid expenses regarding rent, insurance premiums, subscriptions and interest as well as fair value adjustments of derivative financial instruments with a positive fair value.

## NOTES

### 7 EQUITY

The share capital consists of 125.000 shares of a nominal value of TDKK 125.000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

	2017 TDKK	2016 TDKK
<b>8 PROVISION FOR DEFERRED TAX</b>		
Provision for deferred tax at 1 January 2017	1.238	341
Provision in year	709	897
<b>Provision for deferred tax at 31 December 2017</b>	<b>1.947</b>	<b>1.238</b>

### 9 STAFF

Wages and Salaries	114.396	119.675
Pensions	9.351	9.079
Other social security expenses	4	371
Other staff expenses	11.547	12.852
	<b>135.298</b>	<b>141.977</b>

Wages and Salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:

Cost of sales	120.756	123.171
Administrative expenses	14.542	18.806
	<b>135.298</b>	<b>141.977</b>

The executive and supervisory boards did not receive any remunerations in 2017.

Average number of employees	228	257
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## NOTES

### 10 CONTINGENT ASSETS, LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

#### **Contractual obligations**

Lease obligations (operational lease) falling due until the end of the contract totalling TDKK 4,377. Obligations on rent falling until the end of contract totalling TDKK 568.

#### **Recourse and non-recourse guarantee commitments**

The company is jointly taxed with the other Danish companies in the CBRE group. The Danish companies of the group are jointly and severally liable for the Group's jointly taxed income etc. The total payable corporate tax is shown in CBRE A/S' annual report, CVR-no. 14 79 90 79, which is the administration company in relation to the joint taxation. Furthermore, the Danish companies of the Group are jointly and severally liable for the Danish withholding taxes in the form of dividend tax, royalty tax and interest tax. Any future corrections to the corporate taxes and withholdings taxes may result in the company's tax increasing.

### 11 RELATED PARTIES AND OWNERSHIP

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

#### **Consolidated financial statements**

The Company is included in the Group annual report of Relam Amsterdam Holdings B.V., Prinse Bernhardplein 200, 1097JB Amsterdam, Netherlands

The consolidated Financial Statements of CBRE inc. are available on the Company's adress or the Company's website [www.cbre.com](http://www.cbre.com).

The Company's related parties transactions are all carried out on an arm's length basis.