

Nordisk Ejendomsholding A/S

Amaliegade 15, 2. sal, 1256 København K

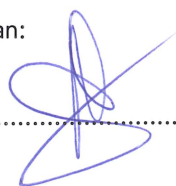
CVR no. 33 38 89 34



Annual report 2015

Approved at the annual general meeting of shareholders on 11 May 2016

Chairman:





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Statement by the Board of Directors and the Executive Board

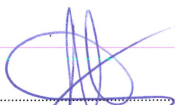
The Board of Directors and the Executive Board have today discussed and approved the annual report of Nordisk Ejendomsholding A/S for the financial year 1 January - 31 December 2015.

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 2015 and of the results of the Company's operations for the financial year 1 January - 31 December 2015.

We recommend the adoption of the annual report at the annual general meeting.

Copenhagen, 11 May 2016
Executive Board:



Mette Krog Hansen

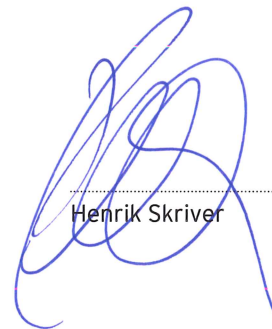
Board of Directors:



Robert McCorduck
Chairman



Mette Krog Hansen



Henrik Skriver

Independent auditors' report on the financial statements

To the shareholders of Nordisk Ejendomsholding A/S

We have audited the financial statements of Nordisk Ejendomsholding A/S for the financial year 1 January - 31 December 2015, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. 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.

Auditors' 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 regulations. 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 auditors' 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 auditors consider 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.

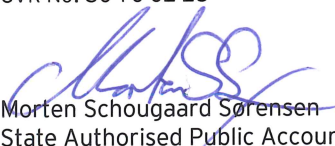
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 financial position at 31 December 2015 and of the results of its operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Odense, 11 May 2016
ERNST & YOUNG
Godkendt Revisionspartnerselskab
CVR No. 30 70 02 28



Morten Schougaard Sørensen
State Authorised Public Accountant



Management's review

Name	Nordisk Ejendomsholding A/S
Address, Postal code, City	Amaliegade 15, 2. sal, 1256 København K
CVR No.	33 38 89 34
Established	1 January 2011
Registered office	Copenhagen
Financial year	1 January - 31 December
Board of Directors	Robert McCorduck, Chairman Mette Krog Hansen Henrik Skriver
Executive Board	Mette Krog Hansen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Englandsgade 25, P O Box 200, 5100 Odense C, Denmark

Financial statements for the period 1 January - 31 December

Income statement

Note	DKK	2015	2014
	Gross profit/loss	-1,247,707	-2,682,961
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-328,325	-81,192
	Operating profit/loss	-1,576,032	-2,764,153
	Income from investments in group entities	-4,865,811	-12,487,929
3	Financial income	617,650	756,923
4	Financial expenses	-1,312,326	-185,339
	Profit/loss before tax	-7,136,519	-14,680,498
5	Tax for the year	391,238	-30,952
	Profit/loss for the year	<u>-6,745,281</u>	<u>-14,711,450</u>
	Proposed profit appropriation/distribution of loss		
	Proposed dividend recognised under equity	0	9,351,000
	Retained earnings/accumulated loss	-6,745,281	-24,062,450
		<u>-6,745,281</u>	<u>-14,711,450</u>

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	<u>2015</u>	<u>2014</u>
	ASSETS		
	Non-current assets		
6	Property, plant and equipment		
	Land and buildings	17,992,997	18,096,621
		<u>17,992,997</u>	<u>18,096,621</u>
7	Investments		
	Investments in group entities, net asset value	198,297,167	203,162,820
		<u>198,297,167</u>	<u>203,162,820</u>
	Total non-current assets	<u>216,290,164</u>	<u>221,259,441</u>
	Current assets		
	Receivables		
	Receivables from group entities	15,161,873	15,978,802
	Deferred tax assets	406,745	17,862
		<u>15,568,618</u>	<u>15,996,664</u>
	Cash	<u>1,760,369</u>	<u>2,925,250</u>
	Total current assets	<u>17,328,987</u>	<u>18,921,914</u>
	TOTAL ASSETS	<u><u>233,619,151</u></u>	<u><u>240,181,355</u></u>

Financial statements for the period 1 January - 31 December

Balance sheet

Notes	DKK	2015	2014
	EQUITY AND LIABILITIES		
	Equity		
8	Share capital	11,000,000	11,000,000
	Retained earnings	194,298,671	201,043,952
	Dividend proposed for the year	0	9,351,000
	Total equity	<u>205,298,671</u>	<u>221,394,952</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group entities	28,088,480	17,722,918
	Income taxes payable	0	47,235
	Other payables	232,000	1,016,250
		<u>28,320,480</u>	<u>18,786,403</u>
	Total liabilities other than provisions	<u>28,320,480</u>	<u>18,786,403</u>
	TOTAL EQUITY AND LIABILITIES	<u>233,619,151</u>	<u>240,181,355</u>

- 1 Accounting policies
- 2 The Company's principal activities
- 9 Collateral
- 10 Contractual obligations and contingencies, etc.
- 11 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Dividend proposed for the year	Total
Equity at 1 January 2014	11,000,000	225,106,402	0	236,106,402
Profit/loss for the year	0	-24,062,450	9,351,000	-14,711,450
Equity at 1 January 2015	11,000,000	201,043,952	9,351,000	221,394,952
Profit/loss for the year	0	-6,745,281	0	-6,745,281
Dividend distributed	0	0	-9,351,000	-9,351,000
Equity at 31 December 2015	11,000,000	194,298,671	0	205,298,671

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Nordisk Ejendomsholding A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act as regards reporting class B enterprises.

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

Income statement

Revenue

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, the items 'Revenue', 'Cost of sale', 'Other external expenses' and 'Other operating income' are consolidated into one item designated 'Gross profit/loss'.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration etc.

Amortisation/depreciation and impairment of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

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

Buildings	50 years
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Land is not depreciated.

Income from investments in group entities

The item includes the entity's proportionate share of the profit/loss for the year in subsidiaries after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Investments in group entities

On initial recognition, investments in subsidiaries and associates are measured at cost and subsequently at the proportionate share of the enterprises' net asset values calculated in accordance with the parent company's accounting policies less or plus any residual value of positive or negative goodwill determined in accordance with the acquisition method. Subsidiaries and associates with a negative net asset value are measured at DKK 0 (nil), and any amounts owed by such enterprises are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the enterprise's deficit. Net revaluations of investments in subsidiaries and associates are transferred to the net revaluation reserve according to the equity method in so far as the carrying amount exceeds the acquisition cost.

Enterprises acquired or formed during the year are recognised in the financial statements from the date of acquisition or formation. Enterprises disposed of are recognised up to the date of disposal.

Acquisitions of new subsidiaries and associates are accounted for using the purchase method, according to which the assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of revaluations made is taken into account.

Impairment of fixed assets

Property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there is indications of impairment. The assets are written down to the higher of the value in use and net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable or a group of receivables is impaired. If there is objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables with no objective indication of individual impairment are tested for objective indication of impairment on a portfolio basis. The portfolios are primarily composed on the basis of debtors' domicile and credit ratings in accordance with the Company's risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Write-downs are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities which are subject to an insignificant risk of changes in value.

Corporation tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

Financial liabilities 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, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

2 The Company's principal activities

The principal activities of the company are to act as holding company, to perform investments and investments management, and other related activities.

DKK	2015	2014
3 Financial income		
Interest receivable, group entities	617,650	756,923
	617,650	756,923
4 Financial expenses		
Interest expenses, group entities	1,220,000	185,075
Other interest expenses	92,326	264
	1,312,326	185,339
5 Tax for the year		
Estimated tax charge for the year	0	47,235
Deferred tax adjustments in the year	-391,238	-16,283
	-391,238	30,952
6 Property, plant and equipment		
DKK		Land and buildings
Cost at 1 January 2015		18,177,813
Additions in the year		224,701
Cost at 31 December 2015		18,402,514
Impairment losses and depreciation at 1 January 2015		81,192
Amortisation/depreciation in the year		328,325
Impairment losses and depreciation at 31 December 2015		409,517
Carrying amount at 31 December 2015		17,992,997

Financial statements for the period 1 January - 31 December

Notes to the financial statements

7 Investments

DKK	Investments in group entities, net asset value
Cost at 1 January 2015	256,257,000
Cost at 31 December 2015	256,257,000
Value adjustments at 1 January 2015	-53,094,180
Share of the profit/loss for the year	-4,865,811
Other adjustments, investments	158
Value adjustments at 31 December 2015	-57,959,833
Carrying amount at 31 December 2015	198,297,167

DKK	Domicile	Interest	Equity	Profit/loss
Subsidiaries				
GR RD 1 ApS	Copenhagen	100.00 %	25,648,216	-2,776,959
GR RD 2 ApS	Copenhagen	100.00 %	19,985,276	-164,474
GR HB ApS	Copenhagen	100.00 %	73,247,155	1,098,172
GR BR F ApS	Copenhagen	100.00 %	79,416,520	-3,022,550

DKK	2015	2014
8 Share capital		
The share capital consists of the following:		
1,100 A- shares of DKK 1,000.00 each	1,100,000	1,100,000
9,900 B- shares of DKK 1,000.00 each	9,900,000	9,900,000
	<u>11,000,000</u>	<u>11,000,000</u>

Analysis of changes in the share capital over the past 5 years:

DKK	2015	2014	2013	2012	2011
Opening balance	11,000,000	11,000,000	500,000	500,000	500,000
Capital increase	0	0	10,500,000	0	0
	<u>11,000,000</u>	<u>11,000,000</u>	<u>11,000,000</u>	<u>500,000</u>	<u>500,000</u>

9 Collateral

The Company has placed land and buildings with a carrying amount of DKK 17,993 thousand as security for payables to group companies at 31 December 2015.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

10 Contractual obligations and contingencies, etc.

Other contingent liabilities

Guarantee has been provided in respect of bank commitments in a subsidiary. The total debt to banks and mortgage debt in this company is DKK 39,575 thousand.

The company is jointly taxed with other Danish group entities and is jointly and severally liable with other jointly taxed group entities for payment income taxes for the income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 1 July 2012.

11 Related parties

Nordisk Ejendomsholding A/S' related parties comprise the following:

Ownership

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

<u>Name</u>	<u>Domicile</u>
CPH GR P/S	Amaliegade 15, 2. sal, 1256 København K
GR Holding af 2012 ApS	Amaliegade 15, 2. sal, 1256 København K