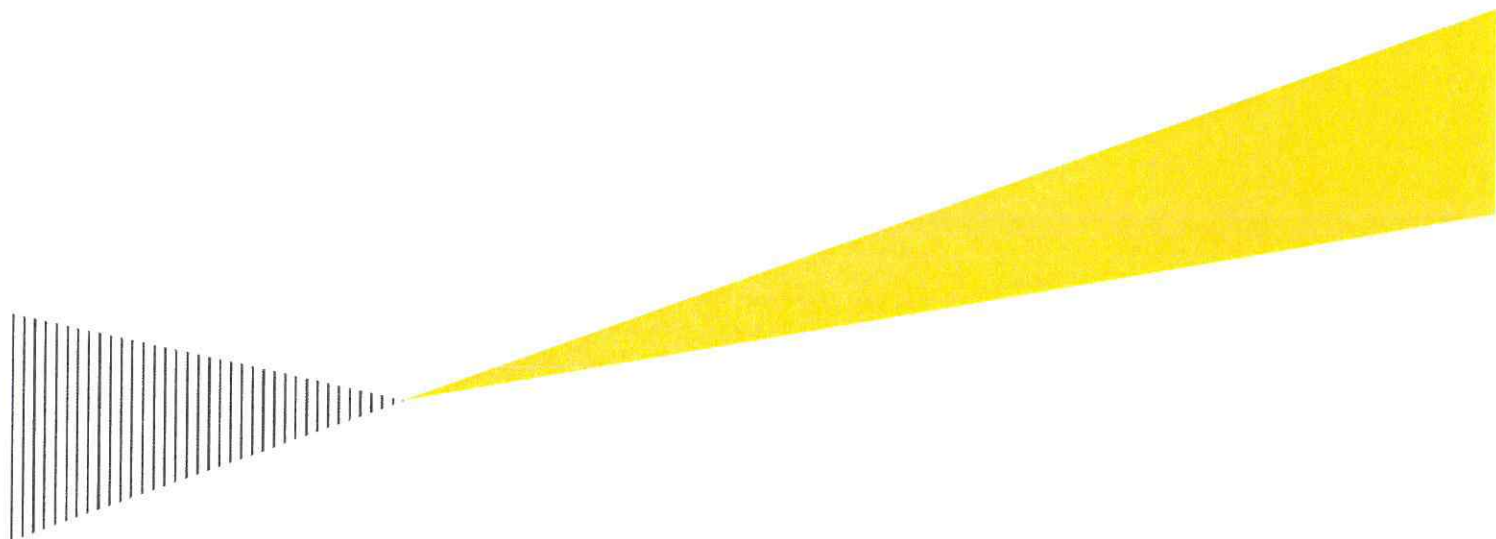


Reed Elsevier Denmark ApS under frivillig likvidation

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

CVR no. 34 62 20 35



Annual report 2016

Approved at the annual general meeting of shareholders on 31 May 2017

Chairman:

Tina Øster Larsen



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Statement by the ~~Board of Directors~~ *liquidator*

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Reed Elsevier Denmark ApS under frivillig likvidation for the financial year 1 January - 31 December 2016.

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

In my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

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

I recommend that the annual report be approved at the annual general meeting.

Copenhagen, 31 May 2017

Board of Directors:

liquidator

Tina Øster Larsen

Independent auditor's report

To the shareholders of Reed Elsevier Denmark ApS under frivillig likvidation

Opinion

We have audited the financial statements of Reed Elsevier Denmark ApS under frivillig likvidation for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's 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 the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional 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.

Independent auditor's report

- ▶ 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 conclusion is 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 note 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 the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

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

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 31 May 2017

Ernst & Young

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Lone Nørgaard Eskildsen
State Authorised Public Accountant



Management's review

Company details

Name	Reed Elsevier Denmark ApS under frivillig likvidation
Address, Postal code, City	c/o Bech-Bruun Langelinie Allé 35, 2100 København Ø
CVR no.	34 62 20 35
Established	15 July 2012
Registered office	København
Financial year	1 January - 31 December
<i>Liquidation</i> Board of Directors	Tina Øster Larsen
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management commentary

Business review

The Company's primary activity has been to hold investments in subsidiary. The subsidiary was sold to another group enterprise at the end of 2015, and there is no activity left in the Company in 2016.



Financial statements for the period 1 January - 31 December

Income statement

Note	DKK'000	2016	2015
2	Staff costs	0	0
3	Financial expenses	-47	-3,242
	Profit/loss before tax	-47	-3,242
4	Tax for the year	-59	2,430
	Profit/loss for the year	-106	-812
	Recommended appropriation of profit/loss	15,291	0
	Extraordinary dividend distributed in the year	-15,397	-812
	Retained earnings/accumulated loss	-106	-812



Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	2016	2015
	ASSETS		
	Non-current assets		
	Financial assets		
	Deferred tax assets	1,025	1,084
		<u>1,025</u>	<u>1,084</u>
	Total non-current assets	<u>1,025</u>	<u>1,084</u>
	Current assets		
	Receivables		
	Receivables from group enterprises	1,508	15,490
	Corporation tax receivable	0	1,352
		<u>1,508</u>	<u>16,842</u>
	Cash	47	51
	Total current assets	<u>1,555</u>	<u>16,893</u>
	TOTAL ASSETS	<u>2,580</u>	<u>17,977</u>



Financial statements for the period 1 January - 31 December

Balance sheet

Note	DKK'000	<u>2016</u>	<u>2015</u>
	EQUITY AND LIABILITIES		
	Equity		
5	Share capital	80	80
	Retained earnings	2,500	17,897
	Dividend proposed	<u>0</u>	<u>0</u>
	Total equity	<u>2,580</u>	<u>17,977</u>
	Current liabilities		
	TOTAL EQUITY AND LIABILITIES	<u><u>2,580</u></u>	<u><u>17,977</u></u>

- 1 Accounting policies
- 6 Contractual obligations and contingencies, etc.
- 7 Collateral
- 8 Related parties

Financial statements for the period 1 January - 31 December

Statement of changes in equity

DKK'000	Share capital	Retained earnings	Dividend proposed	Total
Equity at 1 January 2015	80	18,709	0	18,789
Transfer through appropriation of loss	0	-812	0	-812
Equity at 1 January 2016	80	17,897	0	17,977
Transfer through appropriation of loss	0	-15,397	0	-15,397
Dividend distributed	0	0	-15,291	-15,291
Proposed extraordinary dividend recognised under equity	0	0	15,291	15,291
Equity at 31 December 2016	80	2,500	0	2,580

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Reed Elsevier Denmark ApS under frivillig likvidation for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

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

Income statement

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial expenses

Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Receivables

Receivables are measured at amortised cost.

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

Financial statements for the period 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses 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.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Securities and investments

Securities and investments consisting in listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base 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. Deferred tax assets 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 in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Financial statements for the period 1 January - 31 December

Notes to the financial statements

2 Staff costs

The Company has no employees.

DKK'000	2016	2015
3 Financial expenses		
Interest expenses, group entities	0	3,105
Exchange losses	44	101
Other financial expenses	3	36
	<u>47</u>	<u>3,242</u>
4 Tax for the year		
Estimated tax charge for the year	0	1,352
Deferred tax adjustments in the year	59	-3,782
	<u>59</u>	<u>-2,430</u>

5 Share capital

The Company's share capital has remained DKK 80 thousand over the past 5 years.

6 Contractual obligations and contingencies, etc.

Other contingent liabilities

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes for income year 2013 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 31 December 2016.

7 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2016.

8 Related parties

Reed Elsevier Denmark ApS under frivillig likvidation's related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
RELX Overseas B.V	Radarweg 29, 1043 NX Amsterdam, Netherlands	Participating interest

Information about consolidated financial statements

Parent	Domicile
RELX Group plc	Grand Buildings, 1-3 Strand, London, United Kingdom WC2N 5JR