G.S.V. Holding A/S
Baldersbuen 5
DK-2640 Hedehusene

G.S.V. Holding A/S

Annual report for the period 2 March – 31 December 2015

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

on 9 March 20 16

chairman

CVR no. 35 87 58 91

Contents

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 G.S.V. Holding A/S for the financial year 2 March – 31 December 2015.

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

It is our opinion that 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 assets, liabilities and financial position at 31 December 2015 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 2 March – 31 December 2015.

In our opinion, the Management's review includes a fair review of the development in the Group's and the Parent Company's operations and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

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

Hedehusene, 19 February 2016
Executive Board:

Dan Protin	Jimmy Drevfors

Board of Directors:

Carsten Nygaard Knudsen Chairman	Peter Ryttergaard Deputy chairman	Vilhelm Eigil Hahn-Petersen
Jens Nyhus	Dan Protin	

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
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Independent auditor's report

To the shareholders of G.S.V. Holding A/S

Independent auditor's report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of G.S.V. Holding A/S for the financial year 2 March – 31 December 2015. The consolidated financial statements and parent company financial statements comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and the parent company 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 the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company 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 consolidated financial statements and the parent company 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 consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent company financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and parent company 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 consolidated financial statements and parent company 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 consolidated financial statements and parent company financial statements.

KPMG

Independent auditor's report

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 consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 2 March – 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 consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 19 February 2016
KPMG
Statsautoriseret Revisionspartnerselskab

Henrik O. Larsen
State Authorised
Public Accountant

Klaus Rytz
State Authorised
Public Accountant

Management's review

Company details

G.S.V. Holding A/S
Baldersbuen 5
2640 Hedehusene

CVR no.:	35 87 58 91
Established:	2 March 2015
Registered office:	Høje Taastrup
Financial year:	1 January – 31 December

Executive Board

Dan Protin
Jimmy Drevfors

Board of Directors

Carsten Nygaard Knudsen, Chairman
Peter Ryttergard, Deputy chairman
Vilhelm Eigil Hahn-Petersen
Jens Nyhus
Dan Protin

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København

Annual general meeting

The annual general meeting will be held on 9 March 2016.

Management's review

Financial highlights for the Group

DKKm	2015 (*)	FY2015 (**)	FY2014 (**)
Key figures			
Revenue	476	644	535
Gross profit	226	282	256
EBITDA (normalised)	**153**	**190**	**157**
Depreciation	-86	-120	-109
EBITA (normalised)	**67**	**70**	**48**
Amortisation	-10	-10	0
EBIT (normalised)	**57**	**60**	**48**
Integration costs and "non-recurring costs"	-6	-6	0
Ordinary profit	51	55	49
Net financials	-10	-14	-12
Profit for the year	31	31	33
Total assets	1,077	1,077	735
CAPEX	-168	176	176
Equity	405	405	237
Cash flows from operating activities	157	153	132
Cash flows from investing activities	-670	-713	-151
Cash flows from financing activities	566	613	48
Total cash flows	53	53	29
Gross margin	47%	44%	48%
EBITDA margin (normalised)	32%	30%	29%
EBITA margin (normalised)	14%	28%	29%
EBIT margin (normalised)	12%	9%	9%
Profit margin	7%	5%	6%
Return on assets	5%	5%	7%
Acid test	95%	95%	80%
Return on equity	8%	8%	14%
Solvency ratio	38%	38%	32%
Average number of full-time employees	258	258	249

* The figures for 2015 relate to the period from the acquisition of the G.S.V. Group at 20 April 2015 to 31 December 2015.

** The proforma figures for FY2015 and FY2014 are for the two merged companies consolidated.

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

Management's review

Operating review

Takeover of the companies by Danish Private Equity Fund CataCap

In April 2015, CataCap acquired G.S.V. Materieludlejning A/S and Pitzner Materiel A/S through CC TOOL Holding A/S. Afterwards, the name was changed to G.S.V. Holding A/S.

CC Tool Invest A/S, a wholly-owned company by the private equity fund CataCap, owns 38.52% of G.S.V. Holding A/S and the Board of Directors owns 6%. Upon shareholders' agreement, CataCap has controlling interest of the Company. The purpose of the ownership structure is to ensure Management's full commitment in order to capitalise on the Company's full potential. CataCap is a member of DVCA (Danish Venture Capital and Private Equity Association). G.S.V. Holding A/S follows the DVCA guidelines for governance. For further information of the DVCA guidelines, visit the homepage at www.dvca.dk.

Effective from 20 April 2015, G.S.V. Materieludlejning A/S and Pitzner Materiel A/S has been merged into one company under the name of G.S.V. Materieludlejning A/S.

Principal activities of the Company

G.S.V. Materieludlejning A/S is the market leader within equipment rental for building and construction. The main activity consists of rental of earthmoving and construction equipment, site and office huts, mobile huts, pavilions, lifts, cranes, platforms and scaffolding to the building and construction industry, the industrial sector, the service sector and the public sector. The Company operates 15 branches across Denmark with the broadest product range in the rental industry and has 270 employees at the end of 2015. For further information, visit the Company's homepage at www.gsv.dk.

Development in activities and financial position

Group

Revenue for the period 2 March to 31 December amounts to DKK 476 million with an EBITDA of DKK 153 million.

12 months' normalised revenue for 2015 amount to DKK 644 million compared to revenue of DKK 535 million in 2014.

The Company realised a normalised EBITDA before integration and non-recurring items of DKK 190 million in 2015 compared to DKK 157 million in 2014.

Integration and non-recurring items relate to integration costs pertaining to the merger between G.S.V. Materieludlejning A/S and Pitzner Materiel A/S.

Cash flows for the year amounts to DKK 53 million in 2015 and are particularly affected by substantial investments in rental equipment.

Management's review

Operating review

The Group's credit facilities have related covenants, which all have been met.

The annual report will be available on the Company's website, www.gsv.dk.

GSV Materieludlejning A/S

Revenue for the year amounts to DKK 644 million compared to revenue of DKK 204 million in 2014. The Company realised an EBITDA of DKK 174 million compared to DKK 61 million in 2014.

On a comparative basis, revenue in 2015 amounts to DKK 644 million against DKK 535 million in 2014. The Company realised a normalised EBITDA before integration and non-recurring items of DKK 190 million in 2015 compared to DKK 157 million in 2014.

Integration and non-recurring items relate to integration costs pertaining to the merger between G.S.V. Materieludlejning A/S and Pitzner Materiel A/S.

During the year, the average number of employees has increased from 249 in 2014 to 256 in 2015 for the combined business. It is Management's opinion that the increase in employees follows the general growth of the Company.

The profit development is considered satisfactory.

For further information, reference is made to the income statement, cash flow statement and balance sheet with related notes.

Investments

G.S.V. Materieludlejning A/S prioritises to offer an updated and functional fleet in order to support being the customers' preferred rental partner.

During 2015, the Group made investments in rental equipment of DKK 167 million.

Capital resources

The Company has secured financing to meet the expected growth in 2016.

Outlook

During 2015, the Company has increased both sales and earnings. Several operational initiatives have been implemented during the second half of 2015. It is expected that these operational improvements will benefit our customers, but also support further growth and increasing margins.

Management expects to continue the growth path in 2016 in respect of sales and earnings.

Management's review

Operating review

Risks

Generally, the customers of the Company operate in the building and construction sector, where the production output is very dependent on economic trends, which may affect the Company's sales potential and thus earnings. Moreover, the Company depends on the procurement of necessary funding on terms that match market demands for leasing terms.

The Company's Executive Board and Board of Directors continuously address the development of the business in respect of customers and market to identify potential risks and to secure that the Company has adequate resources allocated to adapt to the macro economic trends.

Financial risks

The Group's financing structure is common for private equity-owned groups. The Group tests the financial covenants against target on a quarterly basis. The Group has complied with all covenants in 2015 and expects to do so too for the year 2016.

The Executive Board and Board of Directors regularly evaluate whether the capital structure supports the Company's concordance with the overall targets and long-term sustainable economic growth. The Company is financed through its own capital with a solvency of more than 35% at group level, 5-year acquisition loans, overdraft facility, supplier credit, etc. Duration and interest risk are evaluated as appropriate for the Company and the group. At the balance sheet date, the net interest-bearing debt was DKK 502 million which is evaluated to be an appropriate level in relation to the total balance (capital structure).

Corporate governance

Our Executive Board and Board of Directors constantly monitor the management structure and control systems of the Company to ensure that they are appropriate and well-functioning.

The tasks of Management are based on the Danish Companies Act, the Danish Financial Statements Act, the articles of association and the rules of procedure of the Executive Board. Further, due to its status as a company partly owned by a capital fund, the Company is also subject to DVCA's code for responsible ownership and good corporate management. Based on this, a set of internal procedures have been developed and are continuously updated in order to secure active, safe and profitable governance.

The owner of the Company is CC Tool Invest ApS which is 39% owned by the capital fund CataCap, whereas 55% is owned by a majority of the ceding company and 6% by the group management. Upon shareholders' agreement, CataCap has controlling influence on the Company.

The composition of the Board of Directors is described below.

Management's review

Operating review

The Board of Directors assures that the Executive Board follows the defined objectives, strategies and business procedures. Feedback from the Executive Board takes place systematically in meetings and through written and verbal reports. Furthermore, the banks of the Company are regularly informed. The Board of Directors considers that this, along with the internal procedures, provides for an adequate and effective risk management and appropriate internal controls.

Board meetings follow a fixed schedule with at least six annual meetings, one of which deals with strategy where visions, goals and strategic plans are defined.

The chairmanship has a close and continuous dialogue with the general management of the Company.

In order to attract and retain managerial talents and competence in the Company, the remuneration of the Executive Board and other executives is determined according to tasks, value creation and conditions in comparable companies and has an element of performance related fee.

Considering the size and complexity of the Company and the close dialogue between owners, Board of Directors, chairmanship and Executive Board, the Board of Directors has decided not to engage an audit committee currently, and no internal audit department has been established.

The Board of Directors of G.S.V. Holding A/S has decided to take on the audit committee tasks jointly. Consequently, the Chairman of the Board of Directors is also the Chairman of the Audit Committee. The Board's decision to take on the audit committee tasks jointly should be viewed in the light of the Company's size, transparency of reporting and clear procedures, due to which the Company's Board of Directors finds no need for a separate Audit Committee.

Executive Board:

Dan Protin (joined 30 April 2015):

Executive Board, DOV Holding ApS
Executive Board and member of the Board of Directors, GSV Materieludlejning A/S
Board of Directors, The Danish Construction Association, Rental Section

Jimmy Drevfors (joined 1 January 2016):

Executive Board, Drevfors Holding ApS
Executive Board, GSV Materieludlejning A/S

Management's review

Operating review

Board of Directors:

Carsten Nygaard Knudsen, Chairman (joined 30 April 2015):

Executive Board, Søgaarden-Sjælsø ApS
Executive Board, Dane Topco ApS
Board of Directors, Glunz & Jensen A/S
Board of Directors, GSV Materieludlejning A/S
Board of Directors, Bladt Holding A/S
Board of Directors, Lyngsoe Systems Holding A/S
Board of Directors, Lyngsoe Systems A/S
Board of Directors, Black Topco A/S
Board of Directors, Bladt Industries A/S
Board of Directors, Bladt Industries Holding A/S

Peter Ryttergaard, Deputy Chairman (joined 29 June 2015):

Executive Board, Catacap Op ApS
Executive Board, Catacap Dm ApS
Executive Board, Mobylife Dm ApS
Executive Board, Ballou Invest ApS
Executive and member of the Board of Directors, Catacap Management A/S
Executive and member of the Board of Directors, CC Explorer Invest ApS
Executive and member of the Board of Directors, CC Tool Invest A/S
Executive and member of the Board of Directors, X Sky Invest ApS
Executive and member of the Board of Directors, CC Sky Invest ApS
Executive and member of the Board of Directors,Ryttergaard Invest A/S
Board of Directors, GSV Materieludlejning A/S
Board of Directors, CC Orange Invest ApS
Board of Directors, Mobylife Holding A/S
Board of Directors, Handicap Befordring Holding A/S
Board of Directors, Handicap Befordring A/S
Board of Directors, Mobylife ApS
Board of Directors, Kjærulf Pedersen A/S
Board of Directors, Mobylife Ljungby AB
Board of Directors, Mobylife AB
Board of Directors, Mobylife Holding AS
Board of Directors, Mobylife Drammen AS
Board of Directors, Mobylife Kongsberg AS
Board of Directors, Mobylife OY
Board of Directors, Mobylife Helsinki OY

Management's review

Operating review

Vilhelm Eigil Hahn-Petersen (joined 2 March 2015):

Executive Board, Catacap Op ApS
Executive Board, Catacap Dm ApS
Executive Board, Mobylife Dm ApS
Executive Board, Myco ApS
Executive and member of the Board of Directors, Catacap Management A/S
Executive and member of the Board of Directors, CC Orange Invest ApS
Executive and member of the Board of Directors, CC Track Invest ApS
Board of Directors, Capacent People A/S
Board of Directors, GSV Materieludlejning A/S
Board of Directors, Mobylife Holding A/S
Board of Directors, CC Explorer Invest ApS
Board of Directors Lyngsoe Systems Holding A/S
Board of Directors, CC Tool Invest A/S
Board of Directors, CC X Invest ApS
Board of Directors, CC Sky Invest ApS
Board of Directors Skybrands Holding A/S
Board of Directors, Mobylife A/S
Board of Directors, Lyngsoe Systems A/S
Board of Directors, Mobylife Ljungby AB
Board of Directors, Mobylife AB
Board of Directors, Mobylife Holding AS
Board of Directors, Mobylife Drammen AS
Board of Directors, Mobylife Kongsberg AS
Board of Directors, Mobylife OY
Board of Directors, Mobylife Helsinki OY

Jens Nyhus (joined 25 September 2015):

Executive Board, Carlsberg Byen I A/S
Executive Board, Carlsberg Byen Komplementar A/S
Executive Board, Carlsberg Byen Komplementar I A/S
Executive Board, Carlsberg Byen Komplementar Byggefelt 8 ApS
Executive and member of the Board of Directors, Carlsberg Byen Campus A/S
Executive and member of the Board of Directors, Komplementar Carlsberg Byen Ba 13 ApS
Executive and member of the Board of Directors, Komplementar Carlsberg Byen Ba 16 ApS
Executive and member of the Board of Directors, Komplementar Carlsberg Byen Ba 17 ApS
Executive and member of the Board of Directors, Komplementar Carlsberg Byen Ba 3 ApS
Board of Directors, Archimed A/S

Dan Protin (joined 30 April 2015):

Executive Board, DOV Holding ApS
Executive Board and member of the Board of Directors, GSV Materieludlejning A/S

Management's review

Operating review

Corporate social responsibility

Strategy

The overall strategy formed in conjunction with the merger of G.S.V. Materieludlejning A/S and Pitzner Materiel A/S is to form the platform for a one-stop-shop rental business, where G.S.V. Materieludlejning A/S is the customers' preferred rental partner in respect of rental of earthmoving and construction equipment, site and office huts, mobile huts, pavilions, lifts, cranes, platforms and scaffolding to the building and construction industry, the industrial sector, the service sector and the public sector.

The Board is focused on ensuring that our Company delivers shareholder value while also responsibly meeting our obligations to stakeholders. The Board regularly reviews our Company's short-term and long-term strategy and assesses a wide range of our business activities, taking a more in-depth look at certain particularly critical business areas.

Corporate social responsibility

The corporate social responsibility forms an integrated part of the Company's values and our business strategy. The Company has drawn up a corporate social responsibility policy which is described in our employee handbook which is presented to all employees. Further, the Company holds a DRA certification.

DRA certification is tailored to rental companies and builds on ISO 9001, ISO 14001, OHSAS 18001, and Lift control and machine control schemes. In addition to checking the safety of products and quality, DRA certification includes all the workflows and business processes that are important for quality, environment and safety. Certification and control are handled by the independent Force Technology.

A part of the DRA certification relates to the rental companies' environmental management. With intervals not exceeding three years, the environmental impacts are identified. In addition, in each company, an environmental organisation at least once a year prepares a ranking of the most significant environmental impacts. These priorities should form part of Management's basis for decision for environmental performance.

GSV focuses on the energy consumption of equipment and buildings, general resources, hazardous waste management and facilities to avoid wastage. The goal is to reduce GSV consumption and environmental impact as much as possible.

Under DRA, Management shall ensure the establishment of a working organisation by WEA rules.

Management's review

Operating review

In addition, we have prepared a contingency plan which as a minimum relates to accidents, fires, gas leaks, explosions and pollution. At least once a year, GSV conducts emergency drills which ensures that employees always know how to act in case of accidents and incidents.

GSV's safety management also includes procedures for handling chemicals, a smoking policy and a guarantee that the employees always have appropriate protective equipment available.

Due to the merger not all departments (previously Pitzner Materiel A/S) are DRA certified. Within first half of 2016 all departments will be DRA certified.

Human rights

The Group recognises the international human rights such as the right to education and freedom of speech and ensures that no discrimination based on race, religion or political opinion takes place. Management is not aware of any violation of the policy during 2015.

Anti-corruption

The Group recognises the need to ensure that we act according to high ethical standards and clearly forbid the participation in any kind of bribery or facility payments – both directly and indirectly. Furthermore, we provide guidance to employees on how to react if and when offered extraordinary gifts. Management is not aware of any violation of the anti-corruption policy during 2015.

Goals and policies for the underrepresented gender

In accordance with the Danish Financial Statements Act, the Group has chosen to report on the underrepresented gender at Company level and thus, in accordance with the Danish Companies Act, only informs of the target figure for the parent company which is fixed at 20% in 2020.

Currently, the underrepresented gender is neither represented in the Board of Directors nor in the Executive Management.

The Company will strive to achieve the target figure in 2020 and will at all times ensure to have the most qualified board members and executive management.

Events after the balance sheet date

The Company has signed a share purchase agreement to acquire Bramsnæs Entreprenørmateriel ApS and A. Linnet og Sønner A/S. The acquisition of the companies is pending competition authority approval.

No further events have occurred after the balance sheet date that materially affect the Company's financial position.

Consolidated financial statements and parent company financial statements 2 March – 31 December

Accounting policies

The annual report of G.S.V. Holding A/S for 2015 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, G.S.V. Holding A/S, and subsidiaries in which G.S.V. Holding A/S directly or indirectly holds more than 50% of the votes or in some other way exercises control.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Equity investments in subsidiaries are set off against the proportionate share of subsidiaries' fair value of net assets and liabilities at the date of acquisition.

Business combinations

Newly acquired or newly established entities are recognised in the consolidated financial statements at the date of acquisition or establishment. Comparative figures are not restated to reflect acquisitions.

When acquiring new entities, the purchase method is applied under which identifiable assets and liabilities are measured at fair value at the date of acquisition. Provisions are recognised to cover costs arising from planned and announced restructuring processes in the acquired entity as part of the acquisition. The tax effect of revaluations is recognised as deferred tax.

Positive differences (goodwill) between cost and the fair value of identifiable assets and liabilities acquired, including restructuring provisions, are recognised as intangible assets and amortised systematically in the income statement based on an individual assessment of the useful life, however, not exceeding 20 years.

Goodwill and negative goodwill from acquired entities may be adjusted until the end of the year after the year of acquisition.

The uniting-of-interests method is applied to business combinations such as the acquisition and disposal of equity investments, mergers, demergers, contribution of assets, share exchanges, etc., between entities controlled by the Parent Company. Differences between the agreed consideration and the carrying amount of the acquired entity is recognised in equity. Moreover, comparative figures for previous financial years are restated.

Consolidated financial statements and parent company financial statements 2 March – 31 December

Accounting policies

Non-controlling interests

Items of subsidiaries are fully recognised in the consolidated financial statements. The non-controlling interests' proportionate share of the subsidiaries' profit/loss and equity is presented as separate items in the income statement and the balance sheet.

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 and 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.

Income statement

Revenue

Revenue from equipment rental is recognised in the income statement in accordance with the completed-contract method. Cut-off is made for pre-invoicing. Revenue is calculated excluding VAT and other duties.

All discounts granted are recognised in revenue.

Rental revenue and revenues from services related to the rental income are recognised in the period when the service is rendered to the customer.

The Company may in the course of its ordinary activities, routinely sell machinery or equipment which it has held for rental to others. Such assets shall be transferred to inventories at the carrying amount when they cease to be rented and become held for sale. Income from sales of rental machinery and equipment is recognised in net sales on a gross basis.

Revenue is recognised when the significant risks and benefits related to the ownership have been transferred to the buyer, and the Company no longer retains control or managerial involvement in the equipment, machinery, etc.

Consolidated financial statements and parent company financial statements 2 March – 31 December

Accounting policies

Direct costs

Direct costs include costs which are directly related to the activity such as purchase of equipment and transport costs.

Other external costs

Other external costs comprise items secondary to the activities of the entities.

Other operating income

Other operating income comprises items secondary to the activities of the entities, including gains on the disposal of equipment.

Staff costs

Staff costs comprise salaries and wages, including holiday allowance, pension and other social security costs, etc. to the Company's employees excluding refunds from public authorities.

Income from other equity investments and securities

Income from other equity investments and securities comprises realised capital gains and losses from other equity investments and securities recognised as investments or current assets in the balance sheet.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets, rental equipment, other fixtures and fittings, tools and equipment and leasehold improvements.

Financial income and expenses

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

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expense, payables and transactions in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Consolidated financial statements and parent company financial statements 2 March – 31 December

Accounting policies

Tax on profit/loss for the year

The Parent Company is comprised by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax 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 used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly at the amount attributable to entries directly in equity.

Balance sheet

Intangible assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. The maximum amortisation period is 20 years and longest for strategically acquired entities with a strong market position and long-term earnings profile.

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

Consolidated financial statements and parent company financial statements 2 March – 31 December

Accounting policies

Property, plant and equipment

Rental equipment and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Rental equipment	4-12 years
Other fixtures and fittings, tools and equipment	3-25 years
Leasehold improvements	3-25 years

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

Gains and 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 in the income statement as other operating income or other operating costs, respectively.

Leases

On initial recognition, leases for non-current assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When the net present value is calculated, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other non-current assets.

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations, etc.

Consolidated financial statements and parent company financial statements 2 March – 31 December

Accounting policies

Investments

Investments comprise lease deposits.

Impairment of non-current assets

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and spare parts are measured at cost, comprising purchase price plus delivery costs.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a portfolio of receivables has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Receivables with no objective indication of individual impairment are assessed for objective indication of impairment on a portfolio basis. The portfolios are primarily based on the debtors' registered offices and credit rating. The objective indicators used in relation to portfolios are determined on the basis of historical loss experience.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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.

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Accounting policies

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Securities and equity investments

Other securities and equity investments included in investment comprise unlisted shares that Management considers investment securities. The equity investments are measured at fair value.

Other securities and equity investments recognised as current assets comprise listed securities measured at fair value at the balance sheet date, corresponding to market value.

Equity

Dividends

Proposed dividends are recognised as a liability at the date on which 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 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 based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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 as a result of changes in tax rates are recognised in the income statement or equity, respectively.

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Accounting policies

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the 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 cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligations are recognised as financial liabilities at amortised cost.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

Cash flows from operating activities

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

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise purchase and sale of treasury shares, payments relating to increases or reductions in capital and related costs as well as payment of dividends to shareholders and raising and repayment of interest-bearing debt.

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Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios have been calculated as follows:

Gross margin	$\frac{\text{Gross profit x 100}}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financial items x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financial items x 100}}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end x 100}}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year x 100}}{\text{Average equity}}$
Acid Test	$\frac{\text{Current assets total x 100}}{\text{Current liabilities}}$

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Income statement

DKK'000	Note	Group 2015	Parent Company 2015
Revenue		475,993	0
Direct costs		-227,127	0
Other operating income		11,705	2,040
Other external costs		-34,966	-127
Gross profit		225,605	1,913
Staff costs	3	-78,644	-2,127
Impairment and depreciation on goodwill		-9,818	0
Depreciation, amortisation and impairment losses on property, plant and equipment		-85,718	0
Profit/loss before financial income and expenses		51,425	-214
Financial income	4	336	2,224
Financial expenses	5	-10,745	-2,612
Profit/loss before tax		41,016	-602
Tax on profit/loss for the year	6	-9,706	273
Profit/loss for the year		31,310	-329
Proposed profit appropriation/distribution of loss			
Retained earnings		31,310	-329
		31,310	-329

Consolidated financial statements and parent company financial statements 2 March – 31 December

Balance sheet

DKK'000	Note	Group 2015	Parent Company 2015
ASSETS			
Non-current assets			
Intangible assets			
Goodwill	7	284,718	0
		284,718	0
Property, plant and equipment	8		
Rental equipment		614,055	0
Other fixtures and fittings, tools and equipment		15,358	0
Leasehold improvements		8,190	0
		637,603	0
Investments			
Investments in subsidiaries	9	0	442,654
Deferred tax assets		132	132
Receivables from group entities		0	35,000
Deposits	10	3,074	0
		3,206	477,786
Total non-current assets		925,527	477,786
Current assets			
Inventories			
Goods for resale and spare parts		14,317	0
		14,317	0
Receivables			
Trade receivables		106,658	0
Receivables from group entities		0	39,958
Other receivables		1,115	654
Tax receivable		141	141
Prepayments	11	2,827	0
		110,741	40,753
Cash at bank and in hand		26,832	1,024
Total current assets		151,890	41,777
TOTAL ASSETS		1,077,417	519,563

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Balance sheet

DKK'000	Note	Group 2015	Parent Company 2015
EQUITY AND LIABILITIES			
Equity			
Share capital	12	4,407	4,407
Retained earnings		400,757	376,015
Proposed dividends for the financial year		0	0
Total equity		405,164	380,422
Provisions			
Provisions for deferred tax	13	51,901	0
Total provisions		51,901	0
Non-current liabilities other than provisions			
Banks		237,818	118,800
Lease obligations		203,572	0
Other debt		20,000	20,000
	14	461,390	138,800
Liabilities other than provisions			
Current portion of non-current liabilities	14	67,812	0
Trade payables		61,058	341
Corporation tax		12,695	0
Other payables		17,397	0
		158,962	341
Total liabilities other than provisions		620,352	139,141
TOTAL EQUITY AND LIABILITIES		1,077,417	519,563

Contractual obligations, contingencies, etc.	15
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Statement of changes in equity

DKK'000	Group		
	Share capital	Retained earnings	Total
Equity at 2 March 2015	500	0	500
Share capital increase	3,907	376,344	380,251
Transferred over the distribution of loss	0	-329	-329
Equity at 31 December 2015	4,407	376,015	380,422

DKK'000	Parent Company		
	Share capital	Retained earnings	Total
Equity at 2 March 2015	500	0	500
Net effect from fundamental error	0	0	
Share capital increase	3,907	376,344	380,251
Profit in subsidiary before acquisition	0	-6,897	-6,897
Transferred over the profit appropriation	0	31,310	31,310
Equity at 31 December 2015	4,407	400,757	404,664

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Cash flow statement

DKK'000	Note	2015
Profit for the year before tax		41
Depreciation, amortisation and impairment losses		96
Cash generated from operations before changes in working capital		137
Changes in working capital		21
Cash generated from operations		158
Corporation tax paid		-1
Cash flows from operating activities		157
Acquisition of intangible assets		-294
Acquisition of property, plant and equipment		-168
Disposal of property, plant and equipment		29
Acquisition of subsidiaries and activities		-237
Cash flows from investing activities		-670
External financing:		
Capital increase		363
Financial lease		50
Long-term debt		153
Cash flows from financing activities		566
Cash flows for the period		53
Cash and cash equivalents at the beginning of the year		-27
Cash and cash equivalents at year end		26

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Notes

1 Segment information

No information about segments is shown as the Company has only rental activities in Denmark.

DKK'000	Group 2015	Parent Company 2015

2 Fees to auditor appointed at the general meeting

	Group 2015	Parent Company 2015
Total fees to KPMG:		
Statutory audit	175	15
Tax assistance	0	0
Other assurance engagements	0	0
Non-audit services	0	0
	175	15

3 Staff costs

	Group 2015	Parent Company 2015
Wages and salaries	69,950	2,124
Pensions	6,625	0
Other social security costs	2,069	3
	78,644	5,124
Average number of full-time employees	258	2

Remuneration of the Parent Company's Executive Board and Board of Directors is included in the staff costs of G.S.V. Materieludlejning A/S. Remuneration totals DKK 3,094 thousand.

4 Financial income

	Group 2015	Parent Company 2015
Interest expense to group entities	0	2,224
Other interest income	336	0
	336	2,224

5 Financial expenses

	Group 2015	Parent Company 2015
Interest expense to group entities	0	0
Other interest expense	10,745	2,612
	10,745	2,612

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Notes

6 Tax on profit/loss for the year

DKK'000	Group 2015	Parent Company 2015
Current tax for the year	12,553	141
Adjustment to tax previous year	-2,325	0
Deferred tax adjustment for the year	-522	132
	9,706	273

7 Intangible assets

DKK'000	Group Goodwill
Cost at 2 March 2015	0
Additions on acquisition of subsidiary	294,536
Cost at 31 December 2015	294,536
Amortisation and impairment losses at 2 March 2015	0
Amortisation	-9,818
Amortisation and impairment losses at 31 December 2015	-9,818
Carrying amount at 31 December 2015	284,718

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8 Property, plant and equipment

	Group		
DKK'000	Rental equipment	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 2 March 2015	466,248	29,727	0
Net effect from merger	608,299	50,211	15,023
Additions	166,811	8,248	757
Disposals	-87,888	-12,714	0
Cost at 31 December 2015	1,153,470	75,472	15,780
Depreciation and impairment losses at 2 March 2015	187,845	22,234	0
Net effect from merger	295,950	41,823	6,565
Depreciation	111,464	6,260	1,025
Depreciation on disposals	-55,844	-10,203	0
Depreciation and impairment losses at 31 December 2015	539,415	60,114	7,590
Carrying amount at 31 December 2015	614,055	15,358	8,190
Assets held under finance leases	313,656	9,078	0

9 Equity investments in subsidiaries

DKK'000	Parent Company 2015
Cost at 2 March	0
Additions	442,654
Cost at 31 December	442,654
Carrying amount at 31 December	442,654

Name/legal form	Registered office	Voting rights and ownership interest	Equity	Profit for the year
			DKK'000	DKK'000
G.S.V. Materieludlejning A/S	Hedehusene	100%	182,679	30,073

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10 Deposits

DKK'000	Group 2015
Cost at 2 March	1,062
Net effect of merger	1,787
Additions for the year	354
Disposals for the year	-129
Cost at 31 December	3,074
Carrying amount at 31 December	3,074

11 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interests.

12 Share capital

The share capital consist of 4,299 A shares of nominal value of DKK 1 each and 108 B shares of nominal value of DKK 1 each.

DKK'000	Group 2015	Parent Company 2015
13 Deferred tax		
Deferred tax at 2 March	0	0
Deferred tax adjustment for the year	-522	-132
Acquisition of subsidiary	52,423	0
	51,901	-132
Provisions for deferred tax relate to:		
Property, plant and equipment	51,901	0
Tax loss carryforwards	0	-132
	51,901	-132

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14 Liabilities other than provisions

DKK'000	Group 2015	Parent Company 2015
	Total debt at 31/12 2015	Outstand-ing debt after 5 years
Vendor note	20,000	-
Banks	237,800	82,800
Lease obligations	271,402	20,048
	529,202	102,848

15 Contractual obligations, contingencies, etc.

Parent Company

A deed registered to the bank of all bank accounts secured on shares in G.S.V. Materieludlejning A/S and hereby included shares in G.S.V. Holding A/S have been registered as collateral for all balances with G.S.V. Materieludlejning A/S owed by the Group.

The Company has provided negative pledge as collateral for all amounts owed to G.S.V. Materieludlejning A/S by the Group.

The Company is jointly taxed with other Danish companies in the Group. As a jointly taxed company which wholly owns the administrative company, the Company has joint unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation unit. Any subsequent corrections of taxable joint taxation income or withholding taxes could result in a higher liability for the Company.

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Notes

15 Contractual obligations, contingencies, etc. (continued)

Consolidated – contractual obligations

The Company has entered into leases totalling DKK 33,406 thousand, of which DKK 14,419 thousand is to be paid in the initial year and DKK 75 thousand after five years.

The Company has entered into rent obligations totalling DKK 24,750 thousand in the termination period, of which DKK 10,664 thousand is to be paid in the initial year and DKK 14,085 thousand in the following years.

Under the Danish Companies Act, G.S.V. Materieludlejning A/S is liable for the obligations of Pitzner Materiel A/S which also existed at the time of the announcement of the merger, although not for more than the remaining net value at this time.

16 Related party disclosures

Other related parties

In addition, the Company's related parties comprise the Company's Board of Directors and Executive Board, executive employees and their family members. Further, related parties comprise companies in which above persons have substantial interests.