

# Annual Report 2015

LEMAN International System Transport A/S



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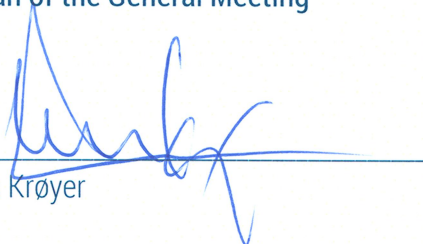
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# LEMAN International System Transport A/S Annual Report 2015 CBR No. 41 95 56 19

The Annual General Meeting adopted the annual report on 12th May 2016

**Chairman of the General Meeting**



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Thomas Krøyer

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*The natural alternative to multinational transport and logistics companies*



## Contents

Entity details .....	4
Statement by Management on the annual report.....	5
Independent auditor's reports .....	6
Management commentary.....	8
Accounting policies.....	12
Consolidated income statement for 2015 .....	20
Consolidated balance sheet at 31.12.2015 .....	21
Consolidated statement of changes in equity for 2015.....	23
Consolidated cash flow statement for 2015 .....	24
Notes to consolidated financial statements.....	26
Parent income statement for 2015.....	32
Parent balance sheet at 31.12.2015.....	33
Parent statement of changes in equity for 2015 .....	35
Notes to parent financial statements.....	36

# Entity details

## Entity

LEMAN International System Transport A/S  
Ventrupvej 6, 2670 Greve  
Central Business Registration No: 41955619  
Registered in: Greve  
Financial year: 01.01.2015 - 31.12.2015

## Board of Directors

Philippe Ziegler, Chairman  
Charles Duro  
Hardy Petersen

## Executive Board

Thomas Krøyer, Chief Executive Officer

## Entity auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
0900 Copenhagen C

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of LEMAN International System Transport A/S for the financial year 01.01.2015 - 31.12.2015.

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

In our opinion, the consolidated financial statements and the Parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2015 and of the results of their operations and the Group's cash flows for the financial year 01.01.2015 - 31.12.2015.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Greve, 12.05.2016

Executive Board



Thomas Krøyer  
Chief Executive Officer

Board of Directors



Philippe Ziegler  
Chairman

  
Charles Duro  
Hardy Petersen

# Independent auditor's reports

To the shareholders of LEMAN International System Transport A/S

## Report on the financial statements

We have audited the consolidated financial statements and parent financial statements of LEMAN International System Transport A/S for the financial year 01.01.2015 - 31.12.2015, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent and the consolidated cash flow statement. The consolidated financial statements and parent financial statements are prepared in accordance with the Danish Financial Statements Act.

## Management's responsibility for the consolidated financial statements and parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent 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 parent 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 about whether consolidated financial statements and parent 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 financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements and parent 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 entity'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 the overall presentation of the consolidated financial statements and parent financial statements.

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

Our audit has not resulted in any qualification.



### Opinion

In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2015, and of the results of their operations and the Group's cash flows for the financial year 01.01.2015 - 31.12.2015 in accordance with the Danish Financial Statements Act.

### Statement on the management commentary

Pursuant to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the consolidated financial statements and parent financial statement.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the consolidated financial statements and parent financial statement.

Copenhagen, 12.05.2016

Deloitte

Statsautoriseret Revisionspartnerselskab



Anders Kreiner

State Authorised Public Accountant

CVR-nr. 33963556

# Management commentary

## Financial highlights

	2015	2014	2013	2012	2011
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Revenue	1.913.667	1.567.191	1.381.800	1.410.400	1.251.900
Gross profit/loss	452.651	360.747	315.510	311.532	279.350
EBIT	41.944	51.251	36.500	32.200	35.500
Net financials	7.603	4.654	2.200	2.300	3.200
EBT	49.547	55.905	38.692	34.533	38.728
Profit/loss for the year	34.368	39.843	27.900	24.200	27.700
Total assets	648.908	571.823	471.000	457.600	430.500
Investments in property, plant and equipment	46.149	33.446	11.617	14.234	13.498
Equity	357.081	317.790	272.500	247.600	223.500
Employees in average	597	518	483	494	440
<b>Ratios</b>					
Gross margin (%)	23,7	23,0	22,8	22,1	22,3
Return on equity (%)	10,2	13,5	10,7	10,3	13,3
Equity ratio (%)	55,0	55,6	57,9	54,1	51,9

## Management commentary

### Primary activities

The Parent and all its subsidiaries operate within transportation and freight forwarding.

### Development in activities and finances

The consolidated revenue for the year amounts to DKK 1,914 million against DKK 1,567 million last year. In addition to increasing the revenue, LEMAN has been able to improve the gross profit margin from 23.0% to 23.7%. The profit before tax amounts to DKK 49.5 million against DKK 55.9 million last year, which is approximately 12% better than the Company's original expectations both top and bottom line.

As mentioned in the 2014 Management's commentary, the 2015 profit was expected to be lower than 2014, due to significant investments in IT, new offices and expansion of the terminal in Taulov Denmark, as well as the Pharma Warehouse in Greve Denmark.

The merge and integration of Dan Cargo A/S started at the end of 2014 and completed in 2015. The planned synergies have already shown positive trends and developments towards the end of 2015.

On 1st July 2015 the Company acquired all the assets of the British freight forwarding company, RSH Freight Masters Ltd and associated subsidiary PRINCIPAL Freight Ltd., and the merge with LEMAN International Transport Ltd. took place as of the same date.

On 20th October 2015 the Company acquired all the shares of another British freight forwarding company DALPA Freight Ltd., and the merge took place on 1st January 2016.

In addition, LEMAN opened new offices in Miami, FL, USA on 1st April 2015 and in Turku, Finland on 1st August 2015.

Management considers the profit very satisfying in view of the continued volatile market conditions.

### Outlook

The Company has with the end of 2014 and during 2015 launched a series of profitable growth initiatives to strengthen the diversification and the solid foundation across the LEMAN Group.

Management expects that the world economy will remain highly volatile and an overall modest growth and associated competitive market conditions both nationally and internationally in 2016, why the Company is cautiously optimistic about earnings and revenue of 2016.

# Management commentary

## Particular risks

### Financial risks

The Group is only exposed to changes in interest rates to a limited extent as the Group's equity ratio and financial resources are considered very satisfactory.

### Currency risks

Purchase and sales transactions are carried out in DKK, EUR, USD and USD-related currencies. Further, the Company has made investments in USD, GBP, SEK, EUR and NOK. Management's policy is generally not to hedge currency risks by way of derivative financial instruments.

The Company's foreign currency exposures relating to sales transactions have as far as possible been hedged by offsetting purchase transactions in USD and USD-related currencies.

## Intellectual capital

To ensure continued growth and future development, it is important to the Company to be able to retain and attract highly skilled employees.

An important part of the Company's permanent staff is made up by experienced employees with many years of employment in the Company.

## Environmental issues

As a forwarding agent the Company is not directly impacting the external environment. However, Management and employees are focusing on any impact on the external environment of daily activities, including transport activities where the Company itself acts as the carrier.

## Statutory statement regarding social responsibility

LEMAN wants to meet the laws and regulations of the countries and local communities in which the Company operates. However the Company strategy does not comprise any agreed policies for voluntary integration of social responsibility.

## Women in Management and Board

In LEMAN we believe that our staff is the road to success. Our goal is to create an open and inspiring workplace where staff members can develop their full potential, and where, through a transparent structure, we work to ensure that there are relatively equal numbers of women and men in the various levels of management.

## Management commentary

LEMAN want to develop a diversity and through the years to encourage and develop more female leaders. In this context, we aim at, no later than the year 2019, that 40% of the board is women. The number of female managers currently represents 20%, and the goal would be 30%.

Our equal opportunities policy is put into practice in the Company's employee manual. Based on the limited time frame, it has not yet been possible to record any effect of the above.

The staff at LEMAN must also find that the Company has an open and open-minded culture in which the individual can use his or hers skills best possible, regardless of gender.

### Events after balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

According to section 98b(3) of the Danish Financial Statements Act, remuneration for the Executive Board has not been disclosed in the Group's entities.

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year. However, some restatement of items in the consolidated financial statements and parent financial statements has been made for the comparative figures for 2014. The restatement has no effect on net income and equity.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Consolidated financial statements

The consolidated financial statements comprise the Parent and the Group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' fair value of net assets and net liabilities at the date of acquisition.

### Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

### Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises, provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

### Income statement

#### Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

## Accounting policies

The primary activities of the LEMAN Group comprise transportation and logistics to and from foreign destinations for Danish and foreign customers in Europe and USA. The transportations are arranged through an extended network of cooperation among agents.

The services rendered by the Company and the Group, respectively, comprise fairly uniform transport services which do not differ from each other significantly.

### Other operating income

Other operating income comprises salary refunds, external IT services, etc.

### Cost of sales

Cost of sales comprises costs for carrier, expenses as well as provisions for transport services rendered.

### Other external expenses

Other external expenses include expenses relating to the Group's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

### Income from investments in group enterprises

Income from investments in group enterprises comprise the pro rata share of the individual enterprises' profit/loss after full elimination of internal profits or losses.

### Other financial income

Other financial income comprises dividends etc. received on other investments, interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.



### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

### Income taxes

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent, LEMAN Holding A/S, is jointly taxed with all Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

## Balance sheet

### Goodwill

Goodwill is amortised straight-line over its estimated useful life which is fixed based on the experience gained by Management for each business area. The amortisation period is usually ten years based on acquired market positions and a long-term earnings profile.

Goodwill is written down to the lower of recoverable amount and carrying amount.

### Property, plant and equipment

Land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, sub suppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	39-50 years
Plant and machinery	5 years
Other fixtures and fittings, tools and equipment	8 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

# Accounting policies

## Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill and minus or plus unrealised intra-group profits or losses.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method under equity.

## Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less write-downs for bad and doubtful debts.

## Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

## Other investments

Other investments are measured at market value of the investment.

## Cash

Cash comprises cash in hand and bank deposits.

## Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax relating to re-taxation of previously deducted losses of foreign subsidiaries is recognised based on a specific assessment of the purpose of the individual subsidiary.

## Other provisions

Other provisions comprise anticipated additional costs of completion of transports in progress or completed.

## Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction cost incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of

the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

#### Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

#### Income tax receivable or payable

Current tax payable or receivable is recognised in the balance sheet, stated as tax calculated in this year's taxable income, adjusted for prepaid tax.

#### Deferred income

Deferred income comprises received income for recognition in subsequent financial years. Deferred income is measured at cost.

#### Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs as well as the raising of loans, inception of finance leases, instalments on interest-bearing debt, purchase of treasury shares, and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.

# Accounting policies

## Financial highlights

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Ratios reflect
Gross margin (%)	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$	The Entity's operating gearing.
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The Entity's return on capital invested in the Entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the Entity.

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*An open and open-minded culture encourages a better working environment*



## Consolidated income statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
Revenue	1	1.913.667	1.567.191
Cost of sales		-1.461.016	-1.206.444
<b>Gross profit/loss</b>		<b>452.651</b>	<b>360.747</b>
Staff costs	2	-285.623	-223.651
Other operating income		3.955	3.876
Other external expenses		-110.643	-74.326
Depreciation, amortisation and impairment losses	3	-18.396	-15.395
<b>EBIT</b>		<b>41.944</b>	<b>51.251</b>
Other financial income	5	8.504	5.971
Other financial expenses	6	-901	-1.317
<b>EBT</b>		<b>49.547</b>	<b>55.905</b>
Tax on profit/loss from ordinary activities	7	-15.179	-16.062
<b>Profit/loss for the year</b>		<b>34.368</b>	<b>39.843</b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		34.368	39.843
		<b>34.368</b>	<b>39.843</b>
Fees to the auditors	4		

## Consolidated balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Goodwill		38.234	27.602
<b>Intangible assets</b>	8	<b>38.234</b>	<b>27.602</b>
Land and buildings		37.850	16.285
Plant and machinery		19.314	20.554
Other fixtures and fittings, tools and equipment		29.164	25.524
<b>Property, plant and equipment</b>	9	<b>86.328</b>	<b>62.363</b>
Deposits		465	2.205
<b>Fixed asset investments</b>	10	<b>465</b>	<b>2.205</b>
<b>Fixed assets</b>		<b>125.027</b>	<b>92.170</b>
Trade receivables		258.758	223.774
Receivables from group enterprises		104.666	107.680
Deferred tax assets		146	907
Other short-term receivables		4.257	4.012
Income tax receivable		682	2.272
Prepayments	12	16.780	13.452
<b>Receivables</b>		<b>385.289</b>	<b>352.097</b>
Other investments		117	212
<b>Other investments</b>		<b>117</b>	<b>212</b>
Cash		138.475	127.344
<b>Current assets</b>		<b>523.881</b>	<b>479.653</b>
<b>Assets</b>		<b>648.908</b>	<b>571.823</b>

## Consolidated balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Contributed capital		10.000	10.000
Retained earnings		347.081	307.790
<b>Equity</b>		<b>357.081</b>	<b>317.790</b>
Provisions for deferred tax		4.481	3.899
Other provisions		3.217	1.310
<b>Provisions</b>		<b>7.698</b>	<b>5.209</b>
Mortgage debts		2.336	3.177
<b>Non-current liabilities other than provisions</b>	13	<b>2.336</b>	<b>3.177</b>
Current portion of long-term liabilities other than provisions	13	1.209	1.007
Trade payables		210.429	178.690
Payables to group enterprises		10	9.284
Income tax payable		7.621	1.475
Other payables		62.093	51.832
Deferred income	14	431	3.359
<b>Current liabilities other than provisions</b>		<b>281.793</b>	<b>245.647</b>
<b>Liabilities other than provisions</b>		<b>284.129</b>	<b>428.824</b>
<b>Equity and liabilities</b>		<b>648.908</b>	<b>571.823</b>
Subsidiaries	11		
Unrecognised rental and lease commitments	16		
Contingent liabilities	17		
Consolidation	18		



## Consolidated statement of changes in equity for 2015

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	10.000	307.790	317.790
Exchange rate adjustments	0	5.984	5.984
Other adjustments	0	-1.061	-1.061
Profit/loss for the year	0	34.368	34.368
<b>Equity end of year</b>	<b>10.000</b>	<b>347.081</b>	<b>357.081</b>

## Consolidated cash flow statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
EBIT		41.944	51.251
Amortisation, depreciation and impairment losses		18.396	15.395
Working capital changes	15	4.831	-29.670
Other adjustments		1.061	530
<b>Cash flow from ordinary operating activities</b>		<b>66.232</b>	<b>37.506</b>
Financial income received		8.504	5.971
Financial income paid		-901	-1.317
Income taxes refunded/(paid)		-6.100	-11.681
<b>Cash flows from operating activities</b>		<b>67.735</b>	<b>30.479</b>
Acquisition etc of intangible assets		-14.256	0
Acquisition etc of property, plant and equipment		-46.149	-33.446
Sale of property, plant and equipment		2.700	12.956
Dividends received		0	-334
Other cash flows from investing activities		1.740	-11.571
<b>Cash flows from investing activities</b>		<b>-55.965</b>	<b>-32.395</b>
Instalments on loans etc		-639	-937
<b>Cash flows from financing activities</b>		<b>-639</b>	<b>-937</b>
<b>Increase/decrease in cash and cash equivalents</b>		<b>11.131</b>	<b>-2.853</b>
Cash and cash equivalents beginning of year		127.344	129.877
Currency translation adjustments of cash and cash equivalents		0	320
<b>Cash and cash equivalents end of year</b>		<b>138.475</b>	<b>127.344</b>

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*A stronger LEMAN through  
organic growth and exciting acquisitions*



## Notes to consolidated financial statements

	2015 DKK'000	2014 DKK'000
<b>1. Revenue</b>		
Denmark	1.007.569	862.889
Other countries	906.098	704.302
	<b>1.913.667</b>	<b>1.567.191</b>

The Group operates only within the activity of global transportation and logistics.

	2015 DKK'000	2014 DKK'000
<b>2. Staff costs</b>		
Wages and salaries	246.907	195.393
Pension costs	16.051	14.607
Other social security costs	18.889	13.651
Other staff costs	3.776	0
	<b>285.623</b>	<b>223.651</b>

Average number of employees	597	518
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	2015 DKK'000	2014 DKK'000
<b>3. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	4.065	2.973
Depreciation of property, plant and equipment	15.088	12.679
Profit/loss from sale of intangible assets and property, plant and equipment	-757	-257
	<b>18.396</b>	<b>15.395</b>

	2015 DKK'000	2014 DKK'000
<b>4. Fees to the auditor appointed by the Annual General Meeting</b>		
Statutory audit services	704	1.245
Other assurance engagements	56	0
Tax services	114	9
Other services	448	143
	<b>1.322</b>	<b>1.397</b>

## Notes to consolidated financial statements

	2015 DKK'000	2014 DKK'000
<b>5. Other financial income</b>		
Financial income arising from group enterprises	4.550	3.089
Interest income	3.954	2.882
	<b>8.504</b>	<b>5.971</b>

	2015 DKK'000	2014 DKK'000
<b>6. Other financial expenses</b>		
Interest expenses	901	1.317
	<b>901</b>	<b>1.317</b>

	2015 DKK'000	2014 DKK'000
<b>7. Tax on profit/loss from ordinary activities</b>		
Tax on current year taxable income	14.763	15.764
Change in deferred tax for the year	401	285
Adjustment concerning previous years	15	13
	<b>15.179</b>	<b>16.062</b>

	Goodwill DKK'000
<b>8. Intangible assets</b>	
Cost beginning of year	35.523
Additions	14.256
<b>Cost end of year</b>	<b>49.779</b>
Amortisation and impairment losses beginning of year	-7.921
Exchange rate adjustments	441
Amortisation for the year	-4.065
<b>Amortisation and impairment losses end of year</b>	<b>-11.545</b>
<b>Carrying amount end of year</b>	<b>38.234</b>

## Notes to consolidated financial statements

	Land and buildings DKK'000	Plant and machinery DKK'000	Other fix- tures and fittings, tools and equipment DKK'000
<b>9. Property, plant and equipment</b>			
Cost beginning of year	21.106	42.258	72.823
Exchange rate adjustments	2.380	0	2.598
Additions	20.397	4.606	21.146
Disposals	0	-5.810	-13.092
<b>Cost end of year</b>	<b>43.883</b>	<b>41.054</b>	<b>83.475</b>
Depreciation and impairment losses beginning of the year	-4.821	-21.704	-54.706
Exchange rate adjustments	-567	0	-2.157
Depreciation for the year	-645	-4.959	-9.484
Reversal regarding disposals	0	4.923	12.036
<b>Depreciation and impairment losses end of the year</b>	<b>-6.033</b>	<b>-21.740</b>	<b>-54.311</b>
<b>Carrying amount end of year</b>	<b>37.850</b>	<b>19.314</b>	<b>29.164</b>
<b>10. Fixed asset investments</b>			
Cost beginning of year			2.205
Disposals			-1.740
<b>Cost end of year</b>			<b>465</b>
<b>Carrying amount end of year</b>			<b>465</b>

## Notes to consolidated financial statements

	Registered in	Corporate form	Equity Interest
<b>11. Subsidiaries</b>			
LEMAN U.S.A. Inc.	Sturtevant	Inc.	100
LEMAN International Transport Limited	Leeds	Ltd.	100
- Dalpa International Limited	Leeds	Ltd.	100
LEMAN Int. System Transport AB	Helsingborg	AB	100
LEMAN Finland Oy	Helsinki	Oy	100
LEMAN Norge AS	Drammen	AS	100

### 12. Prepayments

Prepayments comprise prepaid expenses.

	Instalments within 12 months 2015 DKK'000	Instalments within 12 months 2014 DKK'000	Instalments beyond 12 months 2015 DKK'000
<b>13. Long-term liabilities other than provisions</b>			
Mortgage debts	1.209	1.007	2.336
	<b>1.209</b>	<b>1.007</b>	<b>2.336</b>

### 14. Short-term deferred income

Deferred income comprise prepaid income.

	2015 DKK'000	2014 DKK'000
<b>15. Change in working capital</b>		
Increase/decrease in receivables	-35.543	-32.112
Increase/decrease in trade payables etc	29.798	37.728
Other changes	10.576	-35.286
	<b>4.831</b>	<b>-29.670</b>

## Notes to consolidated financial statements

	2015 DKK'000	2014 DKK'000
<b>16. Unrecognised rental and lease commitments</b>		
Commitments under rental agreements or leases with group enterprises until expiry	36.131	43.117
	<b>36.131</b>	<b>43.117</b>

	2015 DKK'000	2014 DKK'000
<b>17. Contingent liabilities</b>		
Recourse and non-recourse guarantee commitments	26.332	7.188
	<b>26.332</b>	<b>7.188</b>

### 18. Consolidation

Name and registered office of the Parent preparing consolidated financial statements for the largest group:  
LEMAN Holding A/S, Greve



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*We work with compliance as  
an integrated part of our global logistics*



## Parent income statement for 2015

	Notes	2015 DKK'000	2014 DKK'000
Revenue		1.007.569	862.889
Cost of sales		-779.010	-660.135
<b>Gross profit/loss</b>		<b>228.559</b>	<b>202.754</b>
Staff costs	1	-156.659	-127.710
Other operating income		9.660	6.741
Other external expenses		-53.164	-39.618
Depreciation, amortisation and impairment losses	2	-13.179	-11.033
<b>EBIT</b>		<b>15.217</b>	<b>31.134</b>
Income from investments in group enterprises		17.516	13.512
Other financial income	3	8.516	4.743
Other financial expenses	4	-335	-356
<b>EBT</b>		<b>40.914</b>	<b>49.033</b>
Tax on profit/loss from ordinary activities	5	-6.546	-9.190
<b>Profit/loss for the year</b>		<b>34.368</b>	<b>39.843</b>
<b>Proposed distribution of profit/loss</b>			
Reserve for net revaluation according to the equity method		17.823	13.512
Retained earnings		16.545	26.331
		<b>34.368</b>	<b>39.843</b>

## Parent balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Goodwill		23.048	15.013
<b>Intangible assets</b>	6	<b>23.048</b>	<b>15.013</b>
Land and buildings		379	179
Plant and machinery		19.314	20.555
Other fixtures and fittings, tools and equipment		17.838	11.429
<b>Property, plant and equipment</b>	7	<b>37.531</b>	<b>32.163</b>
Investments in group enterprises		113.242	80.151
Deposits		394	1.748
<b>Fixed asset investments</b>	8	<b>113.636</b>	<b>81.899</b>
<b>Fixed assets</b>		<b>174.215</b>	<b>129.075</b>
Trade receivables		121.668	93.086
Receivables from group enterprises		129.025	125.427
Other short-term receivables		490	279
Prepayments	9	2.372	3.743
<b>Receivables</b>		<b>253.555</b>	<b>222.535</b>
Other investments		117	212
<b>Other investments</b>		<b>117</b>	<b>212</b>
Cash		85.148	92.781
<b>Current assets</b>		<b>338.820</b>	<b>315.528</b>
<b>Assets</b>		<b>513.035</b>	<b>444.603</b>

## Parent balance sheet at 31.12.2015

	Notes	2015 DKK'000	2014 DKK'000
Contributed capital		10.000	10.000
Reserve for net revaluation according to the equity method		68.632	45.886
Retained earnings		278.449	261.904
<b>Equity</b>		<b>357.081</b>	<b>317.790</b>
Provisions for deferred tax		1.604	1.320
Other provisions	10	3.217	1.310
<b>Provisions</b>		<b>4.821</b>	<b>2.630</b>
Trade payables		108.211	83.009
Payables to group enterprises		0	2.200
Income tax payable		6.262	9.284
Other payables		36.229	29.374
Deferred income	11	431	316
<b>Current liabilities other than provisions</b>		<b>151.133</b>	<b>124.183</b>
<b>Liabilities other than provisions</b>		<b>151.133</b>	<b>124.183</b>
<b>Equity and liabilities</b>		<b>513.035</b>	<b>444.603</b>
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Related parties with controlling interest	14		
Ownership	15		

## Parent statement of changes in equity for 2015

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	10.000	45.886	261.904	317.790
Exchange rate adjustments	0	5.984	0	5.984
Other adjustments	0	-1.061	0	-1.061
Profit/loss for the year	0	17.823	16.545	34.368
<b>Equity end of year</b>	<b>10.000</b>	<b>68.632</b>	<b>278.449</b>	<b>357.081</b>

## Notes to parent financial statements

	2015 DKK'000	2014 DKK'000
<b>1. Staff costs</b>		
Wages and salaries	143.961	116.864
Pension costs	10.793	8.125
Other staff costs	1.905	2.721
	<b>156.659</b>	<b>127.710</b>
Average number of employees	330	293
	2015 DKK'000	2014 DKK'000
<b>2. Depreciation, amortisation and impairment losses</b>		
Amortisation of intangible assets	3.168	2.047
Depreciation of property, plant and equipment	10.768	9.147
Profit/loss from sale of intangible assets and property, plant and equipment	-757	-161
	<b>13.179</b>	<b>11.033</b>
	2015 DKK'000	2014 DKK'000
<b>3. Other financial income</b>		
Financial income arising from group enterprises	4.550	3.089
Interest income	3.966	1.654
	<b>8.516</b>	<b>4.743</b>
	2015 DKK'000	2014 DKK'000
<b>4. Other financial expenses</b>		
Interest expenses	335	356
	<b>335</b>	<b>356</b>

## Notes to parent financial statements

	2015 DKK'000	2014 DKK'000
<b>5. Tax on profit/loss from ordinary activities</b>		
Tax on current year taxable income	6.262	9.284
Change in deferred tax for the year	284	33
Effect of changed tax rates	0	-127
	<b>6.546</b>	<b>9.190</b>

	Goodwill DKK'000
<b>6. Intangible assets</b>	
Cost beginning of year	20.472
Additions	11.203
<b>Cost end of year</b>	<b>31.675</b>
Amortisation and impairment losses beginning of year	-5.459
Amortisation for the year	-3.168
<b>Amortisation and impairment losses end of year</b>	<b>-8.627</b>
<b>Carrying amount end of year</b>	<b>23.048</b>

## Notes to parent financial statements

	Land and buildings DKK'000	Plant and machinery DKK'000	Other fix- tures and fittings, tools and equipment DKK'000
<b>7. Property, plant and equipment</b>			
Cost beginning of year	296	42.257	39.188
Additions	249	4.606	12.843
Disposals	0	-5.810	-10.862
<b>Cost end of year</b>	<b>545</b>	<b>41.053</b>	<b>41.169</b>
Depreciation and impairment losses beginning of the year	-117	-21.702	-27.759
Depreciation for the year	-49	-4.959	-5.760
Reversal regarding disposals	0	4.922	10.188
<b>Depreciation and impairment losses end of the year</b>	<b>-166</b>	<b>-21.739</b>	<b>-23.331</b>
<b>Carrying amount end of year</b>	<b>379</b>	<b>19.314</b>	<b>17.838</b>



## Notes to parent financial statements

	Investments in group enterprises DKK'000	Deposits DKK'000
<b>8. Fixed asset investments</b>		
Cost beginning of year	34.265	1.748
Addition through merger and business combinations	4.165	0
Additions	16.180	0
Disposals	-10.000	-1.354
<b>Cost end of year</b>	<b>44.610</b>	<b>394</b>
Revaluations beginning of year	45.886	0
Exchange rate adjustments	5.984	0
Adjustments on equity	-1.061	0
Share of profit/loss for the year	17.516	0
Dividend	-270	0
Reversal regarding disposals	577	0
<b>Revaluations end of year</b>	<b>68.632</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>113.242</b>	<b>394</b>

### 9. Prepayments

Prepayments comprise prepaid expenses.

### 10. Other provisions

Other provisions comprise anticipated additional costs of completion of transports in progress or completed.

### 11. Short-term deferred income

Deferred income comprise prepaid income.

## Notes to parent financial statements

	2015 DKK'000	2014 DKK'000
<b>12. Unrecognised rental and lease commitments</b>		
Commitments under rental agreements or leases until expiry	14.264	1.897
	<b>14.264</b>	<b>1.897</b>
	2015 DKK'000	2014 DKK'000
<b>13. Contingent liabilities</b>		
Recourse and non-recourse guarantee commitments	17.061	5.073
	<b>17.061</b>	<b>5.073</b>

The Company is jointly taxed with the other entities of the LEMAN Group. The Company is unlimitedly, jointly and severally liable with the other jointly taxed entities for the Danish corporation tax etc. The jointly taxed entities' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

### 14. Related parties with controlling interest

Related parties with a controlling interest in LEMAN International System Transport A/S:  
LEMAN Holding A/S, Ventrupvej 6, 2670 Greve

### 15. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:  
LEMAN Holding A/S, Ventrupvej 6, 2670 Greve

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*At LEMAN, we strive to recruit and maintain the best possible employees*



“

*LEMAN Group - established in 1900  
More than 115 years of expertise*



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