

# Nexans Denmark A/S

Savværksvej 18, 7130 Juelsminde

CVR no. 66 23 40 10

## Annual report 2016

Approved at the annual general meeting of shareholders on 25 April 2017

Chairman:

.....  
Vagn Thorup



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### Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Nexans Denmark A/S for the financial year 1 January - 31 December 2016.

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

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

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

Juelsminde, 25 April 2017  
Executive Board:

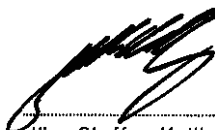


Ole Nielsen

Board of Directors:



Anne-Lise Aukner  
Chairman



Jörn Staffan Kullberg



Ole Nielsen

## Independent auditor's report

To the shareholders of Nexans Denmark A/S

### Opinion

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

We have audited the Financial Statements of Nexans Denmark A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

### Basis for opinion

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

### Statement on the Management's review

Management is responsible for Management's Review.

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

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

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

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

### Management's responsibilities for the financial statements

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

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

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

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

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

## Independent auditor's report

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Trekantområdet, 25 April 2017  
PRICEWATERHOUSECOOPERS  
Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31

  
Lars Amskou Ohmeyer  
State Authorised Public Accountant

## Management's review

### Company details

Name	Nexans Denmark A/S
Address, Postal code, City	Savværksvej 18, 7130 Juelsminde
CVR no.	66 23 40 10
Established	15 August 1980
Registered office	Hedensted
Financial year	1 January - 31 December
Website	<a href="http://www.nexans.dk">www.nexans.dk</a>
Telephone	+45 75 69 33 99
Telefax	+45 75 69 34 46
Board of Directors	Anne-Lise Aukner, Chairman Jörn Staffan Kullberg Ole Nielsen
Executive Board	Ole Nielsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Herredsvej 32 DK-7100 Vejle

## Management's review

### Financial highlights

DKKt	2016	2015	2014	2013	2012
<b>Key figures</b>					
Gross margin	38,102	42,910	32,185	31,241	37,066
Operating profit/loss	17,398	23,747	14,181	14,215	18,914
Net financials	-7	404	1,800	-1,523	-552
<b>Profit/loss for the year</b>	<b>13,556</b>	<b>18,454</b>	<b>12,051</b>	<b>9,510</b>	<b>13,739</b>
<b>Balance sheet</b>					
Total assets	121,492	100,700	121,927	126,404	96,561
Investment in property, plant and equipment	0	0	0	0	435
<b>Equity</b>	<b>46,617</b>	<b>51,061</b>	<b>44,607</b>	<b>41,656</b>	<b>45,146</b>
<b>Financial ratios</b>					
Solvency ratio	38.4%	50.7%	36.6%	33.0%	46.8%
Return on equity	27.8%	38.6%	27.9%	21.9%	31.1%
Return on assets	14.3%	23.6%	11.6%	11.2%	19.6%
<b>Average number of employees</b>	<b>28</b>	<b>32</b>	<b>30</b>	<b>29</b>	<b>29</b>

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

## Management's review

### Management commentary

#### Business review

Nexans Denmark A/S is a part of the worldwide Nexans Group located in Paris. Nexans is one of the world's largest cable producers with production in more than 30 countries and with commercial activities worldwide. Nexans employs about 26,000 persons worldwide. Nexans is listed on the Stock Exchange in Paris.

Nexans Denmark A/S produces customized telecommunication cables, signal cables and highly flexible cables. In addition, we market the products of group enterprises in Denmark. We have close cooperation with these companies who are also in charge of our research and development activities.

#### Financial review

The income statement for 2016 shows a profit of DKK 13,555,545 against DKK 18,454,092 last year, and the balance sheet at 31 December 2016 shows equity of DKK 46,616,520.

The profit is better than the forecast set out in the annual report for 2015 as well as the budget. The profit is satisfactory seen in the light of extremely fierce competition and market and product development.

#### Impact on the external environment

Nexans Denmark A/S has obtained certification according to DS/ISO 9001 and environmental certification according to DS/ISO 14001. Through these certifications, we expect to be in a strengthened position to meet new challenges and to be better prepared to face existing and future demands made by our customers with respects to quality and environment.

Each year, the Company voluntarily presents green accounts.

#### Outlook

Future results depends on the market situation, volume and prices, and results for 2017 are expected to be lower than the results for 2016.



## Financial statements for the period 1 January - 31 December

### Income statement

Note	DKK	2016	2015
	<b>Gross margin</b>	38,102,258	42,909,877
2	Distribution costs	-13,994,828	-12,195,285
2	Administrative expenses	-6,709,108	-6,967,687
	<b>Operating profit</b>	17,398,322	23,746,905
4	Financial income	231,766	558,649
5	Financial expenses	-238,337	-154,541
	<b>Profit before tax</b>	17,391,751	24,151,013
6	Tax for the year	-3,836,206	-5,696,921
	<b>Profit for the year</b>	13,555,545	18,454,092

## Financial statements for the period 1 January - 31 December

### Balance sheet

Note	DKK	2016	2015
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
7	<b>Property, plant and equipment</b>		
	Plant and machinery	101,373	166,538
	Fixtures and fittings, other plant and equipment	63,243	150,274
		<u>164,616</u>	<u>316,812</u>
8	<b>Investments</b>		
	Other receivables	412,120	408,040
		<u>412,120</u>	<u>408,040</u>
	<b>Total fixed assets</b>	<u>576,736</u>	<u>724,852</u>
	<b>Non-fixed assets</b>		
	<b>Inventories</b>		
	Raw materials and consumables	3,711,069	1,603,373
	Work in progress	1,634,390	1,520,360
	Finished goods and goods for resale	15,864,813	14,760,219
		<u>21,210,272</u>	<u>17,883,952</u>
	<b>Receivables</b>		
	Trade receivables	65,042,381	56,991,069
	Receivables from group enterprises	4,565,094	59,601
	Corporation tax receivable	3,809,400	0
9	Prepayments	167,660	170,616
		<u>73,584,535</u>	<u>57,221,286</u>
	<b>Cash</b>	<u>26,120,579</u>	<u>24,869,817</u>
	<b>Total non-fixed assets</b>	<u>120,915,386</u>	<u>99,975,055</u>
	<b>TOTAL ASSETS</b>	<u>121,492,122</u>	<u>100,699,907</u>

## Financial statements for the period 1 January - 31 December

### Balance sheet

Note	DKK	<u>2016</u>	<u>2015</u>
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
	Share capital	5,000,000	5,000,000
	Retained earnings	25,616,520	28,060,975
	Dividend proposed	16,000,000	18,000,000
	<b>Total equity</b>	<u>46,616,520</u>	<u>51,060,975</u>
	<b>Provisions</b>		
	Deferred tax	104,126	124,520
10	<b>Total provisions</b>	<u>104,126</u>	<u>124,520</u>
	<b>Liabilities</b>		
	<b>Current liabilities</b>		
	Bank debt	0	3,516,678
	Trade payables	10,167,958	9,327,087
	Payables to group enterprises	58,794,509	25,487,185
	Corporation tax payable	0	1,413,111
	Other payables	5,809,009	9,118,355
11	Deferred income	0	651,996
		<u>74,771,476</u>	<u>49,514,412</u>
	<b>Total liabilities other than provisions</b>	<u>74,771,476</u>	<u>49,514,412</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>121,492,122</u>	<u>100,699,907</u>

- 1 Accounting policies
- 12 Contractual obligations and contingencies, etc.
- 13 Related parties

## Financial statements for the period 1 January - 31 December

### Statement of changes in equity

DKK	<u>Share capital</u>	<u>Retained earnings</u>	<u>Dividend proposed</u>	<u>Total</u>
Equity at 1 January 2016	5,000,000	28,060,975	18,000,000	51,060,975
14 Transfer, see "Appropriation of profit"	0	-2,444,455	16,000,000	13,555,545
Dividend distributed	0	0	-18,000,000	-18,000,000
<b>Equity at 31 December 2016</b>	<b>5,000,000</b>	<b>25,616,520</b>	<b>16,000,000</b>	<b>46,616,520</b>

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

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Nexans Denmark A/S for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

#### Changes to presentation and disclosures only

Effective 1 January 2016, the Company has implemented act no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are reflected in the consolidated cash flow statement for the higher-ranking parent company Nexans Participations, France.

#### Basis of recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognized in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income statement

###### Revenue

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received.

###### Gross margin

The items revenue, production costs and other operating income have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

###### Production costs

Production costs comprise costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials, consumables and production staff, rent and leases, as well as depreciation on production plant.

Production costs also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Also, provision for losses on construction contracts is recognised.

###### Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc. carried out in the year, including costs related to sales staff, advertising, exhibitions and amortisation/depreciation.

###### Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises and expenses as well as amortisation/depreciation of assets used for administrative purposes.

###### Depreciation

The item comprises depreciation of property, plant and equipment.

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

Plant and machinery	5-10 years
Fixtures and fittings, other plant and equipment	5 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

###### Financial income and expenses

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

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Tax

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

##### Balance sheet

##### Property, plant and equipment

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

##### Investments

Other receivables, recognised under "Non-current assets", comprise deposit measured at fair value.

##### Impairment of non-current assets

The carrying amount of property, plant and equipment and investments is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

##### 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. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable is impaired.

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

##### Prepayments

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

##### Equity

###### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

##### Income taxes

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

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Other payables

Other payables are measured at amortised cost, substantially corresponding to nominal value.

##### Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.



## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Financial ratios

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

The financial ratios stated under "Financial highlights" have been calculated as follows:

Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax} \times 100}{\text{Average equity}}$
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Total assets}}$

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

DKK	2016	2015
<b>2 Staff costs</b>		
Wages/salaries	12,774,013	13,272,898
Pensions	1,053,320	1,210,066
Other social security costs	135,954	191,609
	<u>13,963,287</u>	<u>14,674,573</u>

Staff costs are recognised as follows in the financial statements:

Production	5,973,775	6,748,467
Distribution	5,106,923	5,041,317
Administration	2,882,589	2,884,789
	<u>13,963,287</u>	<u>14,674,573</u>

Average number of full-time employees	<u>28</u>	<u>32</u>
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By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.

DKK	2016	2015
<b>3 Depreciation of property, plant and equipment</b>		
Depreciation of property, plant and equipment	152,196	178,714
	<u>152,196</u>	<u>178,714</u>

Depreciation of property, plant and equipment is recognised in the income statement under the following items:

DKK	2016	2015
Production costs	152,196	178,714
	<u>152,196</u>	<u>178,714</u>

<b>4 Financial income</b>		
Interest receivable, group entities	131	0
Other financial income	231,635	558,649
	<u>231,766</u>	<u>558,649</u>

<b>5 Financial expenses</b>		
Interest expenses, group entities	192,875	8,854
Other financial expenses	45,462	145,687
	<u>238,337</u>	<u>154,541</u>

<b>6 Tax for the year</b>		
Estimated tax charge for the year	3,856,600	5,711,111
Deferred tax adjustments in the year	-20,394	-14,190
	<u>3,836,206</u>	<u>5,696,921</u>

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 7 Property, plant and equipment

DKK	Plant and machinery	Fixtures and fittings, other plant and equipment	Total
Cost at 1 January 2016	17,027,181	2,078,013	19,105,194
Cost at 31 December 2016	17,027,181	2,078,013	19,105,194
Impairment losses and depreciation at 1 January 2016	16,860,643	1,927,739	18,788,382
Depreciation	65,165	87,031	152,196
Impairment losses and depreciation at 31 December 2016	16,925,808	2,014,770	18,940,578
<b>Carrying amount at 31 December 2016</b>	<b>101,373</b>	<b>63,243</b>	<b>164,616</b>

#### 8 Investments

DKK	Other receivables
Cost at 1 January 2016	408,040
Additions	4,080
Cost at 31 December 2016	412,120
<b>Carrying amount at 31 December 2016</b>	<b>412,120</b>

#### 9 Prepayments

Prepayments consist of prepaid expenses concerning insurance premiums and other prepaid expenses.

#### 10 Provisions

The provision for deferred tax primarily relates to timing differences in respect of prepayments, inventories and property, plant and equipment.

#### 11 Deferred income

Deferred income, consists of payments received from customers that may not be recognised until the subsequent financial year.

## Financial statements for the period 1 January - 31 December

### Notes to the financial statements

#### 12 Contractual obligations and contingencies, etc.

##### Other contingent liabilities

DKK	2016	2015
Working and payment guarantee	2,569,661	2,578,000
	<u>2,569,661</u>	<u>2,578,000</u>

Lease obligations, interminable contract until 31 December 2017 with a notice of 12 month is 1,672,000 DKK (2015: 1,656,000 DKK).

##### Other financial obligations

##### Other rent and lease liabilities:

DKK	2016	2015
Rent and lease liabilities	370,088	537,018
	<u>370,088</u>	<u>537,018</u>

#### 13 Related parties

Nexans Denmark A/S' related parties comprise the following:

##### Parties exercising control

Related party	Domicile	Basis for control
Nexans Participations	France	Parent

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Nexans Participations	8 Rue de Général Foy 75008 Paris France	The consolidated financial statements can be obtained at the parents domicile or from its website <a href="http://www.nexans.com">www.nexans.com</a>

##### Related party transactions

The Company applies section 98c(7) of the Danish Financial Statements Act.

DKK	2016	2015
14 Appropriation of profit/loss		
Recommended appropriation of profit		
Proposed dividend recognised under equity	16,000,000	18,000,000
Retained earnings/accumulated loss	-2,444,455	454,092
	<u>13,555,545</u>	<u>18,454,092</u>