EGMONT

EGMONT INTERNATIONAL HOLDING A/S

Annual Report 2015

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Contents

Management's review

CONSOLIDATED FINANCIAL HIGHLIGHTS	2015	2014	2013	2012	2011
Key figures (EUR million)					
Revenue	1,567.6	1,544.3	1,468.8	1,456.7	1,028.9
Profit before net financials, depreciation, amortisation and impairment losses (EBITDA)	183.1	229.7	175.8	170.0	137.6
Operating profit	93.9	142.7	96.8	96.4 *	88.7
Profit/(loss) on net financials	4.1	(2.6)	(2.0)	(0.3)	7.0
- of which profit/(loss) from investments in associates	6.8	3.3	4.6	2.1	3.9
- of which financial income and expenses, net	(2.7)	(5.9)	(6.6)	(2.4)	3.1
Special items	-	-	-	67.3	-
Profit before tax (EBT)	98.0	140.1	94.8	163.4	95.8
Profit for the year	81.1	118.0	70.7	147.8	67.6
Total assets	1,388.0	1,410.9	1,331.9	1,391.3	772.4
Investments in intangible assets	51.3	64.3	64.6	41.0	40.5
Investments in property, plant and equipment	32.9	19.4	23.6	35.4	9.3
Net interest-bearing debt/ (net interest-bearing deposits)	18.9	48.6	149.7	135.8	(215.5)
Equity	554.8	504.6	444.5	463.9	287.4
Cash generated from operations **	149.0	221.5	212.8	147.6	56.9
Financial ratios (%)					
Operating margin	6.0	9.2	6.6	6.6 *	8.6
Equity ratio	39.7	35.5	33.1	33.1	35.3
Return on equity	15.3	24.9	15.5	39.6	25.7
Average number of full-time employees	4,037	4,050	4,177	4,075	3,274

* *Calculated before special items.*
** *Calculated before net financials and tax*

The financial ratios have been calculated in accordance with the Danish Finance Society & CFA Denmark 'Recommendations and Financial Ratios 2015'. Please see the definitions and terms used in the accounting policies.

Egmont is a leading media group in the Nordic region and publishes media in more than 30 countries.

Egmont has 6,600 employees that works dedicated and passionately with TV, films, cinemas, magazines, books, interactive games and digital services.

Our vision is to be the most attractive media group for our employees and business partners as well as consumers. All of Egmont's activities are centred around creating and telling stories on all platforms. Egmont's promise to the world is to bring stories to life.

2015 was one of Egmont's best years ever with all-time-high revenue and the second best result ever (adjusting 2012 for special items).

TV 2 had a solid year with all-time-high revenue (in local currency) and very strong digital growth on TV 2 Sumo (OTT) and tv2.no. The C More Norway business was acquired on 1 July 2015 and successfully integrated, ensuring high growth in the premium business.

Nordisk Film delivered record figures for revenue and very strong earnings. The cinema business had record sales and PlayStation 4 which was launched at the end of 2013 continued to exceed sales expectations. Also the film production/-distribution business did well.

Egmont Publishing delivered a strong result in a difficult market and managed to absorb losses in Russia and invest in adapting the businesses in all major markets. Kids magazines had a strong year with many good titles, led by Disney, subscription sales remained strong and e-commerce outperformed expectations with high growth in revenue.

Egmont Books delivered all-time-high earnings. Cappelen Damm had its best year ever (in local currency) with good performance from all publishing areas and Lindhardt og Ringhof grew earnings for the fourth consecutive year.

THE GROUP

Revenue

Egmont's total revenue for 2015 amounted to EUR 1,567.6 million, the highest to date. Calculated in local currency, this corresponds to 5.2% growth. Growth drivers were digital business, cinemas and pay TV.

Earnings

Profit before net financials, depreciation and amortisation (EBITDA) amounted to EUR 183.1 million. The EBITDA margin came to 11.7%.

The pre-tax profit (EBT) in 2015 amounted to EUR 98.0 million. This is the second best result ever (adjusting 2012 for special items), only exceeded by the extraordinary high 2014-ETB of EUR 140.1 million. EBT in 2014 was impacted positively by closing down the defined benefit pension plan in TV 2, Norway partly offset by write-downs of buildings and intangible assets, while 2015 is negatively impacted by currency (mainly related to the weaker NOK) and higher investments in restructuring.

Tax on the profit for the year amounted to an expense of EUR 16.9 million, corresponding to an effective tax rate of 17.3%. The effective tax rate in 2015 was significantly affected by non-taxable income and lowering of corporate tax rate in Denmark and Norway. Adjusting for this, the effective tax rate for 2015 was in the level of 23%.

The net profit for the year was EUR 81.1 million in 2015 against EUR 118.0 million the year before.

Balance sheet

Total assets decreased by EUR 22.9 million to EUR 1,388.0 million as a result of repayments to affiliates in addition to the effect of the lower Norwegian kroner exchange rate (DKK/NOK 77.61 in 2015 compared to DKK/NOK 82.32 in 2014), not compensated by the indreased activity and acqusitions.

The Group's net interest-bearing debt amounted to EUR 18.9 million against EUR 48.6 million in 2014.

Egmont's equity at end-2015 amounted to EUR 554.8 million, an increase of EUR 50.2 million compared with 2014. The equity was reduced by foreign exchange adjustments on translation of foreign entities (lower Norwegian exchange rate).

Return on equity was 15.3% compared with 24.9% the year before.

The equity ratio at end-2015 came to 39.7% compared to 35.5% the year before.

Cash generated from operations amounted to EUR 149.0 million against EUR 221.5 million in 2014. The reduction is attributable to the development in operating profit and increased inventory due to increased activity and investments in prepayments for sports broadcasting rights. In 2015, net cash flows from investing activities amounted to an expense of EUR 23.8 million, a reduction of EUR 112.0 million against the year before, primarily related to investments in intangible assets and disposal of securities.

TV 2, Norway

Revenue in 2015: EUR 436 million (2014: EUR 441 million)
Operating profit in 2015: EUR 35 million (2014: EUR 81 million)
Employees in 2015: 929 (2014: 913)

TV 2 is Norway's largest commercial media house in terms of daily use, and the most important marketplace for Norwegian advertisers.

TV 2 creates news, sports and entertainment content on seven TV channels and operates tv2.no, Norway's fastest-growing commercial online news site. It is a robust and evolving business in a shifting media landscape with an increasing number of Norwegians, particularly the under-50 viewing group, watching TV 2 programmes online and via the streaming service TV 2 Sumo.

TV 2 acquired C More's Norwegian pay TV business in 2015, adding more content within premium sports, TV series and popular feature films. TV 2 also extended the Premier League rights in Norway, which it has held since 2010, until the end of the 2018/19 season.

TV 2's revenue amounted to EUR 436 million in 2015 against EUR 441million in 2014. Measured in local currency revenue increased by 5.8%. Operating profit amounted to EUR 35 million, an improvement on the year before when adjusted for the positive impacts in 2014 from gain by closing down the defined benefit pension plan and various write-downs (EUR 38.8 million) and sale of entities (EUR 10.8 million).

The average amount of time that viewers spend watching television in Norway has been fairly stable in recent years. Viewing in 2015 was 173 minutes for the 12+ age group and 149 minutes for the 20-49 age group.

TV 2's total share of viewing in the 12+ age group was 26.8%. As expected, this was 2.7% lower than in 2014, when TV 2 transmitted broadcasts from the Winter Olympics in Sochi and the FIFA World Cup.

TV 2 maintained its position as Norway's largest broadcaster in the key 20-49-year viewing group, capturing a 28.8% share of TV viewing (NRK ranks second with 27.9%, while Discovery achieved a 22.9% share in 2015). TV 2's genre-based channels contributed positively with an overall share of 9.2%, which is an increase of 0.8 percentage points compared to 2014.

TV 2 (MAIN CHANNEL)

TV 2's main channel had a market share of 18.2% in the 12+ viewing group and 18.5% in the 20-49-year viewing group. This was lower than in 2014, when TV 2 broadcast transmissions from the Winter Olympics in Sochi and the FIFA World Cup.

TV 2 has never launched as many new TV concepts as in the spring of 2015. The new shows included *Mitt Dansecrew*, *En kveld hos Kloppen*, *Dropped – Heltenes kamp*, *Tjukken og Lillemor*, *Fjellflørt*, *Alt er lov*, *Matkontrollen*, *Norges Hagemester* and, for the first time on TV 2, *Robinsonekspedisjonen*. In each episode of *En kveld hos Kloppen*, Solveig Kloppen invited three famous people to her home in Tåsen, Hageby. Solveig's limited skills in the kitchen meant that her guests had to do the cooking. The programme did very well, attracting weekly 626,000 viewers.

Tour de France was a big part of TV 2's summer schedule providing high ratings several hours a day during the three-week race. Other popular programmes during the summer were *Allsang på Grensen*, featuring popular artists, and the talk show *God sommer Norge*.

Autumn 2015 was packed with well-known TV 2 programmes such as *Farmen*, *Skal vi danse* and *Norske talenter* in addition to a wealth of new launches. *Farmen*, a reality show in which 14 contestants are lodged on a farm set 100 years back in time, is now in its

11th season and still a huge success for TV 2. This season saw an average of 862,000 viewers on TV 2, and 1.2 million people watched the season finale.

2015 was a strong year for TV 2's drama department. In *Frikjent*, launched in March, we met Aksel Borgen (Nicolai Cleve Broch) who had worked his way to the top as a businessman in Asia 20 years after being acquitted of the murder of his high school sweetheart. When the cornerstone business in his hometown is threatened by bankruptcy, he returns to save the community that once turned its back on him. *Frikjent* had an average of 754,000 viewers throughout the season's ten episodes. The Total Screen Rating (including TV 2 Sumo) was 836,000 viewers. TV 2 has decided to produce a second season set to premiere in autumn 2016.

In October, *Okkupert*, Norway's most expensive TV drama to date, was launched. Based on an idea by author Jo Nesbø, this political thriller is set in Norway in the near future. The climate crisis has brought all oil and gas production to a halt, prompting Russia to carry out a 'silk glove' invasion of Norway. *Okkupert* reached an average of 660,000 viewers (Total Screen Rating).

Hotel Cæsar is now in its 17th year on Norwegian TV, making it the longest-running TV soap in Northern Europe. TV 2 also aired drama series such as *Hæsjtægg* and *Dag* in autumn 2015.

TV 2 NYHETSKANALEN

TV 2 Nyhetskanalen is Norway's only 24-hour news channel and anchored its position as viewers' number one choice for breaking news. In 2015, TV 2 Nyhetskanalen once more set a new record with a 2.7% share of viewing in the 12+ viewing group.

TV 2 LIVSSTIL

TV 2's strategy for its secondary channels is to define them by genre rather than by target audience exclusively. This makes it easier for viewers to navigate within the channel portfolio in a chaotic and fragmented TV market. TV 2 Livsstil has replaced TV 2 Bliss in the channel portfolio. Through its publishing division, Egmont has longstanding traditions and expertise within the lifestyle genre. TV 2 Livsstil aims to be clear and distinct while offering a wide variety of lifestyle programmes. The channel launched in November 2015 with three shows produced exclusively for TV 2 Livsstil: *FML (Fuck my Life)*, *Kjære mamma* and *Rom 123*. The launch increased the channel's market share to an all-time high of 4.2% in the key target group of women aged 15-34 – the best result since the introduction of a female skewing channel in the TV 2 portfolio. The channel also saw an increase of 0.2 percentage points in the 20-49-year viewing group when compared to TV 2 Bliss' performance in 2014.

TV 2 HUMOR

TV 2 Humor replaced the film channel TV 2 Filmkanalen in March 2015. TV 2 Humor is a 24/7 comedy channel mainly airing American comedy series like *Modern Family* and *New Girl* and talk shows such as *The Tonight Show Starring Jimmy Fallon*. In autumn 2016, the channel will launch several local comedy series, and in early 2016 a local version of *Lip Sync Battle* will serve as a marketing event to promote and increase awareness of the channel. TV 2 Humor reached a market share of 1.0% in the 20-49-year viewing group and 0.5% in the 12+ viewing group based on 10 out of 12 months. The main target group, men aged 15-34, averaged 1.8%, and the channel saw an all-time high in June and July with 3.3% in this demographic.

TV 2 ZEBRA

TV 2 Zebra's offerings include character-driven docuseries set in Norwegian environments, such as *Fjorden Cowboys* and *Iskrigerne*. TV 2 Zebra airs numerous leading international series like *American Ninja Warrior* and fiction series such as *The Vikings*, as well as films and male skewing documentaries. In 2015, TV 2 Zebra averaged 2.8% in the 20-49-year viewing group – down 0.2 percentage points compared to 2014. However, TV 2 Zebra was relatively stable in the target group of men aged 20-49 with a 3.8% share. The channel will be rebranded in 2016 and two shows were therefore moved from the autumn 2015 line-up and postponed to strengthen the relaunch. In that light, the channel's marginal setback in 2015 was less than expected.

TV 2 SPORT PREMIUM

All English football is broadcast in the three channels that make up TV 2 Sport Premium, which airs live matches and feature content from the Premier League, the Championships, FA Cup and Capital One Cup. In total, TV 2 Sport Premium gives viewers approximately 400 live matches every season. In autumn 2015, TV 2 acquired the Premier League TV rights in Norway for three more seasons until the end of the 2018/2019 season.

TV 2 SPORTSKANALEN

TV 2 Sportskanalen broadcasts live sports events, magazine programmes and sports news 24/7. Along with the core sports of ice hockey, football, handball and cycling, the channel also features niche sport disciplines popular in Norway. Approximately 150,000 viewers tune in to the channel daily. In 2015, TV 2 Sportskanalen increased its share in the 20-49-year target group to an all-time high of 1.1%, 0.2 percentage points higher than 2014. TV 2 Sportskanalen is available in the basic TV package and offered in HD quality by most distributors.

tv2.no

TV 2 continued its growth on web and mobile platforms in 2015, and tv2.no is currently Norway's third largest commercial online news site, one rank up compared to 2014. tv2.no exceeded one million daily unique visitors on average throughout the year (unique online and mobile visitors). Measured by total traffic, tv2.no is Norway's fastest-growing website, and the only news site in Norway achieving growth in the number of page views per user. Compared to the other major commercial online news sites, tv2.no is also the only service showing growth in front-page traffic. Every day 300,000 unique visitors watch video on tv2.no or TV 2 Sumo. In November 2015, tv2.no overtook VGTV in number of started streams per day. In the last quarter of 2015, tv2.no recorded 30 million started streams, which is a 54% increase compared to the year before.

TV 2 SUMO

TV 2 Sumo offers popular programmes from TV 2's TV channels as well as exclusive series and content produced in-house, and has climbed to the indisputable top of the Norwegian OTT market. TV 2 Sumo is now increasingly investing in exclusive content. For the first time, in 2015 TV 2 launched a drama series in its entirety on TV 2 Sumo before it had aired on linear TV. The series, *Maniac*, was released on 1 December and will first appear on linear TV in 2016. In 2015, TV 2 Sumo also increased its catalogue with films and series from C More.

Nordisk Film

Revenue in 2015: EUR 497 (2014: EUR 459 million)
Operating profit in 2015: EUR 29 (2014: EUR 28 million)
Employees in 2015: 1,022 (2014: 1,000)

Nordisk Film develops, produces and markets films and TV drama across the Nordic region. The company operates the leading cinema chain in Denmark and Norway and is also behind the digital film services MinBio and Dansk Filmskat, the gift card business GoGift.com and the ticketing operator Venuepoint. In addition, Nordisk Film also distributes and markets PlayStation in the Nordic and Baltic countries.

Revenue rose from EUR 459 million in 2014 to EUR 497 million in 2015 primarily due to increased sales in cinemas and growth in the gift card business. Operating profit amounted to EUR 29 million in 2015 against EUR 28 million in 2014. The improvement is mainly driven by cinemas.

2015 was another outstanding content year for Nordisk Film. The Company released a number of successful and critically acclaimed films, among other things resulting in a prestigious Oscar nomination for Tobias Lindholm's *A War.*

The market was especially favourable for the cinema business, which enjoyed its best year to date in terms of revenue. PlayStation 4 was also a strong performer, while the film and new digital businesses developed as planned.

FILM

Nordisk Film produces, co-produces and markets feature films and TV drama, both as in-house productions and in association with Nordic and international partners.

In 2015, Nordisk Film introduced a strong line-up of feature films across the Nordic territories.

Some of the best films in Denmark in 2015 came from Nordisk Film's fully owned production company, Nordisk Film Production. Roni Ezra's *April 9th* sold nearly 250,000 cinema tickets. Tobias Lindholm's *A War* (77,000 tickets sold) and Martin Zandvliet's *Land of Mine* (170,000 tickets sold) both earned great international acclaim. Film critics and cinema audiences alike also gave Michael Noer's *Key House Mirror* (100,000 tickets sold) a positive reception. Co-produced and distributed by Nordisk Film, veteran director Erik Clausen's *People Get Eaten* sold close to 250,000 tickets. *A War* was nominated for an Oscar in the 'Best Foreign Language Film' category in 2015. The feature films from Nordisk Film received a total of ten nominations for the Danish Film Critics Association's prestigious Bodil Awards, and *Land of Mine* was a leader at the Danish Film Academy's Robert Awards where it took home six prizes, among them the 'Best Film' award.

Nordisk Film Production was behind the international TV series *The Team* as well as new episodes of the acclaimed Swedish TV series *Beck* and *Arne Dahl*.

Susanne Bier's drama *A Second Chance,* produced by associated company Zentropa and marketed by Nordisk Film Distribution, sold 215,000 cinema tickets and was selected for the Toronto and San Sebastian Film Festivals.

Nordisk Film augmented its presence in the Nordic region by setting up a production branch in Norway, becoming a majority co-investor in the new Swedish production company Avanti Film and acquiring 25% of the Danish film company Fridhjof Film. Nordisk Film also created Nordisk Film / SPRING aimed at finding and developing film and TV projects by a new generation of young filmmakers.

Nordisk Film was the co-investor and distribution company for a number of Nordic film successes in 2015. In Denmark, *Klovn Forever* sold more than 500,000 cinema tickets and *Far til fires vilde ferie* sold more than 250,000 tickets.

In Norway, The *Wave* was a huge success viewed by 835,000 cinemagoers. Three other titles, *The Christmas King: In Full Armor*, *Doctor Proctor Bubble in the Bathtub* and Louis & Nolan – *The Big Cheese Race* the latter produced by associated company Maipo Film generated sales of approximately 250,000 tickets each in 2015. Overall, Nordisk Film's market share of local titles in Norway reached 70%.

In Sweden, *En mann som heter Ove* was the year's blockbuster, selling more than 1,500,000 cinema tickets and thus ensuring the best opening weekend of any Swedish local language film in modern time.

In Finland, a remake by associated company Solar Film of the successful Danish franchise *Klassefesten (The Reunion)* was a huge success, with more than 500,000 tickets sold, followed by *Lapland Odyssey 2* (375,000 tickets sold) and *The Midwife* (230,000 tickets sold).

Through its association with the international film company Lionsgate/Summit, Nordisk Film Distribution launched *The Hunger Games: Mockingjay Part II*, which sold 1.2 million cinema tickets across the Nordic territories while another popular franchise, *The Divergent Series: Insurgent*, sold 385,000 tickets.

In recent years, the home entertainment market has undergone structural changes from physical to digital distribution. In 2015, the Nordic market for physical discs (DVD and BluRay) dropped by 30%. The digital distribution market shows healthy growth rates across the different sales windows. Nordisk Film is the Nordic region's largest supplier of films for the digital market.

CINEMAS

Nordisk Film Cinemas continued to strengthen and consolidate its operations in the Danish and Norwegian cinema market. The prestigious new cinema built in the Field's shopping centre in Ørestaden, Copenhagen, opened in August 2015 and generated excellent results. The construction of three new large multiplexes in Aalborg, Køge and Frederikssund is progressing well. The new cinemas in Aalborg and Frederikssund are slated for opening in 2016 and the new cinema in Køge will open early 2017. Several significant refurbishment projects have been carried out, and in Norway the sales and ticketing system has successfully been replaced.

In 2015, the Danish cinema market generated ticket revenue (box office sales) amounting to approximately EUR 160 million, an increase of approximately 19 percentage points over 2014. The Norwegian market generated ticket revenue of approximately EUR 130 million, an increase of approximately 14 percentage points over 2014.

In 2015, Nordisk Film sold approximately 6.0 million (2014: 5.2 million) cinema tickets in Denmark and approximately 3.8 million (2014: 3.1 million) cinema tickets in Norway, corresponding to a market share of approximately 42% (2014: 42%) in Denmark and approximately 32% (2014: 28%) in Norway.

On the whole, market performance was highly satisfactory with a robust line-up of both local and international titles. If not as strong as 2015, all the same 2016 is expected to be a fine year underpinned by stable overall market performance and a healthy business.

The partly owned company Kino.dk (74%) runs Denmark's leading film website, handling ticket transactions that represent approximately 35% of all ticket sales in Denmark. Nordisk Film also co-owns Filmweb (64.3%), the Norwegian counterpart. The two digital film portals and online ticket sites generated satisfactory results.

Dansk Reklame Film, Nordisk Film's Danish screen advertising company, continued its strong performance in the cinema market. Dansk Reklame Film further extended its unique business model by starting up and implementing AirMagine in Copenhagen Airport, creating the world's first truly digital advertising solution for airports. From early 2015 advertising messages synchronised with plane arrivals and departures and their passengers have been displayed at 160 positions on more than 500 digital screens to the 25 million passengers traveling through Copenhagen Airport every year.

The fully owned Norwegian counterpart to Dansk Reklame Film, Media Direct Norway, was reorganised and relocated to Oslo simultaneously with the renewal of the contract with the main association of Norwegian cinemas, Kinoalliancen. Media Direct is now set for renewed growth in cinema advertising.

NEW DIGITAL BUSINESS

NF Direct is a growth unit within Nordisk Film focusing on building or acquiring digital companies. NF Direct is currently active in gift cards, tickets and VOD.

In 2015, NF Direct combined its gift card businesses, Gavekortet.dk and Good Times, into one unit, labelled GoGift.com. In 2015, revenue grew to approximately EUR 50 million, making the gift card unit a Nordic market leader.

Venuepoint handles event ticket sales via Billetlugen in Denmark, Billettportalen in Norway and Biljettforum in Sweden. It commands a strong position in Denmark and has experienced considerable growth in Sweden and to some extent in Norway during 2015.

NF Direct's own VOD channels, MinBio and Dansk Filmskat, doubled their subscriber numbers in 2015.

INTERACTIVE GAMES

Nordisk Film Interactive is the official distributor of Sony PlayStation products in the Nordic region and the Baltic countries. 2015 exceeded expectations mainly due to strong consumer demand for the PlayStation 4 platform. Launched in November 2013, PlayStation 4 continued to demonstrate the fastest growth in PlayStation hardware history.

Big software titles published by Sony Computer Entertainment Europe and distributed by Nordisk Film Interactive in 2015 included hits like *Bloodborne* and *Uncharted Collection*. Furthermore, the PlayStation Plus membership service enjoyed strong growth, with hundreds of thousands of consumers taking advantage of the features and benefits in the Nordic region.

Over two million PlayStation 3 consoles have been sold in the Nordic region over the years. A sales comparison shows that, after two years on the market, PlayStation 4 continues to outpace PlayStation 3. PlayStation commands a strong market share in home game consoles in the region.

Egmont Publishing

Revenue in 2015: EUR 594 million (2014: EUR 600 million)
Operating profit in 2015: EUR 35 million (2014: EUR 33 million)
Employees in 2015: 1,772 (2014: 1,816)

Egmont Publishing is a leading publisher in the Nordic region and has market-leading positions in several other markets. Egmont Publishing is behind more than 700 weekly and monthly magazine titles as well as hundreds of children's books and digital services and is present in more than 30 markets. Over the last three years Egmont Publishing has expanded e-commerce and content marketing and achieved strong positions with high growth potential.

The publishing industry is in a process of constant transformation as it strives to meet consumer demands and new behaviours. Print products continue to be highly relevant for media consumers, and sales of print products will continue to generate significant revenues in the coming years. Consumers' increasing demand for access to high-quality content via digital channels makes it a focus area for Egmont Publishing combined with branching out into adjacent industries that commercialise curation and target group competences.

Revenue amounted to EUR 594 million in 2015 against EUR 600 million in 2014. Measured in local currency revenue increased by 2.4% despite lower magazine circulations and a reduction in print advertising. Growth in digital business and acquisitions within e-commerce and content marketing contributed positively.

Operating profit was higher than in 2014, based on solid performances in all main markets in the Nordic countries as well as in the UK, Germany and Poland. The performance is a result of strong developments in the print portfolio for kids, and an ambitious and well-executed project programme and focus on operational efficiency. Instability in Russia and Ukraine and a weak Norwegian currency coupled with a strong USD impacted results negatively.

NORDIC COUNTRIES

All the Nordic countries performed well in 2015. The business in Norway, Sweden and Denmark delivered solid results compared to 2014, mainly due to cost reductions and efficiency enhancements coupled with a strong performance in the Kids business and growth in digital media and e-commerce.

Norway

Egmont Publishing in Norway showed a strong performance compared to the total market. The subscription business showed particularly positive development, and some titles, such as the interior decoration monthly *Lev Landlig*, the parenting magazine *Foreldre og Barn* and the health magazine *Det Nye Shape Up,* increased total circulation. Although Egmont Publishing increased its market share by 2-3 percentage points in 2015, its total circulation dipped by around 5% after adjustments for frequency changes.

Advertising sales continue to gain market share in a highly challenged print market characterised by migration to digital channels.

The Kids & Comics business had a strong year that reflected the effects of various revenue-increasing initiatives and a significantly lower cost base.

A digital subscription product (*Flipp*) providing access to all magazines was launched, and the entire editorial process was restructured through the so-called ORO project. *Rom 123*, based on our print magazine, was launched as a TV programme and digital niche concept in cooperation with TV 2 Norway. Mobile traffic on the digital platform *Klikk* grew during the year, making *Klikk* the seventh largest contextual mobile site in Norway. Aggregating target segment traffic has generated stable digital advertising revenues.

Sweden

Overall performance in the Swedish company was satisfactory especially in the Kids' segment where, among other things, we expanded the successful *Frozen Magazine* and also started using *Bamse* as a conceptual brand for selling home grocery deliveries. Performance in the books, games and activity segment also picked up in 2015 and showed strong results. Our weekly *Hemmets Journal* also saw positive growth.

Acquired in late 2014, Forma Publishing was integrated into Egmont during 2015 and positively affected results in 2015. Furthermore, a restructuring of the male segment and the ad sales department will lead to significant efficiency improvements in coming years. On the organisational side, the Swedish company has also intensified its efforts within the digital area, including creating a separate digital unit.

The acquisition of *Svensk Golf* gave the Swedish company a solid position in the golfing segment. The combination of *svenskgolf.se* and the print magazine *Golf Digest* means the Swedish company has the strongest presence in this segment, where it reaches more than 300,000 consumers via the website and 400,000 via the magazine. In addition, the local adult cartoon comic *Hälge* was acquired, reaching about 130,000 Swedes every month.

Denmark

The Danish business showed solid performance, maintaining its market share in the weeklies segment and gaining market shares in the magazine segment. In the weeklies segment *Her & Nu* especially has performed well and increased total circulation by 0.7% over 2014, whereas the total market declined by 6.7%. As a result *Her & Nu* readership grew by 10.2% compared to the previous period. Total readership in consumer magazines grew 2.0% compared to the previous year. Print advertising sales have again outperformed the market, delivering results at the same level as 2014. Digital advertising sales continue to develop well, growing 13% annually.

The readerships of *BoligLiv, Euroman, Eurowoman, Gastro* and *RUM* all grew, climbing into double-digit figures. This indicates that print magazines still rank high among consumers' preferences. These achievements must also be viewed in light of a market that is still declining.

To increase efficiency and lower its total cost base, the Danish company outsourced parts of its layout activities to a Danish-owned graphic partner in Vietnam. This initiative generated significant savings and enabled the company to continue its focus on high-quality content as its core business activity.

In terms of new business, the Danish company launched a new 'all you can read' subscription product called *Flipp* similar to the Norwegian service.

Finally, the Danish company acquired a minority share in the Danish-based content marketing company *Patchwork Group* which specialises in Facebook marketing. This is an important step towards building a stronger position in content marketing for the Danish business.

INTERNATIONAL

Egmont Publishing operates in more than 30 countries. Outside the Nordic region the territories include Central and Eastern Europe, German-speaking countries, English-speaking countries and China.

Central and Eastern Europe is a diverse region in terms of market economies and consumer patterns. The region showed some signs of economic growth in the last year, but ongoing political instability in Russia and Ukraine continues to negatively impact results. Regional performance improved following closure costs in 2014 associated with the Hungarian and Romanian operations. Trading performance improved, particularly in our Polish and Czech businesses. In Poland, we benefited from lowering print costs and optimising distribution. The Polish books business continues to improve.

In Germany, Egmont performed well in a declining market. Although *Micky Maus'* circulation is still under pressure the pocket book business remained solid, and new magazines performed well. The phenomenal success of *Asterix* issue no. 36 supported magazines as well as books. The publication generated sales figures 15% above those of issue no. 35, which means Egmont has sold more than 1.4 million hard- and softcover titles in the German-speaking area so far.

The English-speaking region enjoyed a solid year, launching a number of new magazines and seeing growth in *Star Wars* titles alongside continuing success with *Minecraft* and new launches including Stampy Cat's *My Lovely Book*.

The establishment of centralised global units for Licensing Management & Content Creation, as well as the integration of book production with the global printing organisation Egmont Printing Services, resulted in new working practices, particularly in the UK and Poland. The sale of the core publishing business to Lerner Publishing in 2015 completed the exit of the US business. During 2015, Egmont disposed its 10% shareholding in Rebellion, a UK-based games developer and publisher.

DIGITAL SERVICES, CONTENT MARKETING AND E-COMMERCE

The digital business area is increasingly important as a means of generating revenue and profits for Egmont Publishing. A long list of initiatives was launched to develop traffic positions, boost digital sales performance and find new ways of engaging customers through new technologies and platforms. The continuous focus on digital business has resulted in higher digital advertising revenues and emerging revenue streams from digital subscription models.

Well-anchored in consumer magazines activities, the content marketing business is growing in the Nordic countries. The Norwegian company now has majority ownership in two companies, Sempro and Bonzaii. Working with these two entities, Egmont Publishing has created a new advertising concept for the market in Norway. In Denmark, the acquisition of Patchwork Group and an organic initiative have increased content marketing revenues. In Sweden, Klintberg & Nilehn continues its growth track.

Although digital ad sales are growing every year, Egmont Publishing constantly seeks new ways to offer value to advertisers in the digital universe. Therefore, a Nordic task force has developed a brand-new advertising product offering increased advertising impact through improved targeting and coverage.

The portfolio of investments in e-commerce companies is growing strongly, with Egmont often in minority positions. Egmont has invested in five e-commerce companies – four minority positions and one majority position – and is planning further investments to increase the business area. Focus is on profitable growth, and most companies are currently growing with underlying profitability. Egmont has invested in Animail, and merged ZooZoo with Animail to gain scale. Following the merger, we expect scale advantages to give the merged company a risk profile similar to that of the other companies in 2016, enabling it to break-even. Bagaren och Kocken has been working closely with the publishing activities to further enhance performance.

Egmont Books

Revenue in 2015: EUR 44 (2014: EUR 47 million)
Operating profit in 2015: EUR 6 (2014: EUR 6 million)
Employees in 2015: 195 (2014: 186)

Egmont Books comprises Norway's leading publishing house, Cappelen Damm, and the Danish publisher Lindhardt og Ringhof. Egmont's non-Scandinavian book publishing activities are part of Egmont Publishing.

LINDHARDT OG RINGHOF

Denmark's second-largest publisher, Lindhardt og Ringhof, publishes approximately 600 titles annually and also includes the publishing companies Alinea, Akademisk Forlag, Alfabeta, Carlsen and Saga Books.

Lindhardt og Ringhof had another strong year and despite a decline in revenue the operating profit grew for the fourth consecutive year.

As in 2014, the publishing company's digital activities increased in 2015, particularly in audiobooks and e-books. Saga Books, a unit publishing e-books and audiobooks by Scandinavian authors, has now materialised. The unit launched a highly ambitious campaign in June by reaching out to authors and translators through ads in national newspapers and inviting them to embark on the project of digitising 15,000 titles in the course of two years. The aim is to double the total number of e-books in Denmark. Saga Books additionally published more than 1,000 Danish e-books in Germany and Sweden.

Lindhardt og Ringhof's fiction list featured a wide variety of authors, both bestselling and literary authors, with titles including a personal guide to Berlin, *Vi elsker Berlin*, by established author Sissel Jo Gazan. Crime author Lone Theils published her first book, *Pigerne fra Englandsbåden*, with international rights already sold to eight countries including the UK and Germany. A young journalist, Jakob Sheikh, attracted wide interest with his accomplished account of the experience of Danish youth going to Syria to fight, and was rewarded with the Berlingske Foundation's Journalism Award 2015. Harper Lee's beloved *To Kill a Mockingbird* was republished, immediately topping the bestseller lists, as did her second 'long lost' sequel *Go Set a Watchman*. Other prominent fiction titles in 2015 included Michael Katz Krefeld's thriller *Sekten*, Nadia Plesner's personal tale *Simple Living. Kamp og kunst fra en campingvogn,* John William's *Butcher's Crossing,* bestselling Norwegian author Karl Ove Knausgård's *Hjemme – ude*, the French crime author Pierre Lemaitre's critically acclaimed *Camille* and a collection of Siri Hustvedt's essays.

The non-fiction division maintained its market lead in history, cookbooks, lifestyle and culture. Topping the bestseller lists in this segment were *Rigtige mænd* and *Den store bagedyst*, both cookbooks published in cooperation with the Danish Broadcasting Corporation (DR). Lindhardt og Ringhof's non-fiction set new standards for high-quality book production and publishing with Thomas Harder's *Besættelsen i billeder* and Sune de Souza Schmidt-Madsen's book *Karen Blixen – baronesse, storvildtjæger, storyteller*. Søren Vinterberg's portrait *Ib Spang Olsens ABC* was published to great acclaim and nominated for the Danish national weekly Weekendavisen's literature prize 2015.

Alinea sustained a high, stable level of turnover in analogue book publishing and increased its digital turnover. In 2015, a series of strategic partnerships was established, especially within digital publishing, among them Area9, WriteReader and ReStudy. The Kata Foundation (previously The Universe Foundation) generously donated the knowledge site blivklog.dk to Alinea.

The children's publisher Carlsen released a range of successful titles, among them Jacob Riising's *Karmaboy*, Sebastian Klein's *Verdens 100 farligste dyr* and Manu Sareen's *Iqbal Farooq i Indien*. The first volume in this last series was the basis for a major family movie released in Danish cinemas in December 2015.

CAPPELEN DAMM

Cappelen Damm is Norway's largest book publisher with activities spanning general literature, education, book clubs, e-commerce, the bookstore chain Tanum and the distribution business Sentraldistribusjon. Cappelen Damm publishes more than 1,500 new titles annually and is co-owned by Egmont and Bonnier on a 50/50 basis.

A strong publication programme and effective operations made 2015 the best year ever for Cappelen Damm, with revenue on par with last year and operating profit up 4.3% in local currency. Measured in local currency and on 100% basis revenue was NOK 1,465 million and operating profit was NOK 114 million. The weakening of the Norwegian kroner had a negative effect on the publishing company's production costs.

Cappelen Damm further strengthened its market position in 2015. The publishing house is a clear leader in the market for general literature – children's books, fiction, non-fiction and documentaries. During the year, the business units for translated and national fiction and non-fiction documentary all made particular headway. New releases such as Roy Jacobsen's *Hvitt hav*, Beate Grimsrud's *Evighetsbarna*, Erlend Loe's *Slutten på verden slik vi kjenner den*, Trine Sandberg's *Trines mat*, Giulia Enders' *Sjarmen med tarmen*, Antony Beevor's *Ardennene 1944* and Carl-Johan Forssén Ehrlin's *Den lille kaninen som så gjerne ville sove* all graced the bestseller list for 2015. Other notable authors published in 2015 included Britt Karin Larsen, Hans Olav Lahlum, Karin Fossum, Kåre Willoch, Claus Lundekvam and Alexander Rybak. The Brage Award for 2015 went to Lars Saabye Christensen for his novel *Magnet*.

Cappelen Damm publishes every one in three Norwegian textbooks, from primary school to university level. Over the past three years, the company has also significantly reinforced its position as a publisher of books and electronic products for universities and the professional market, thanks in particular to the establishment of the digital support tool PPN for the Norwegian and Danish healthcare sectors.

In 2015, Cappelen Damm won the tender for bookstore operations at Oslo Airport. Tanum will thus have five shops at the airport from 2017.

Management's review

EGMONT INTERNATIONAL HOLDING A/S AS PARENT COMPANY

The Company is the holding company for the majority of companies in the Egmont Group and coordinates the Group's financial positions.

The company's pre-tax profit amounted to EUR 0.1 million (2014: EUR 19.8 million), as no dividend were received in 2015.

ORGANISATION

In March 2015, employee representatives for the Board of Directors were elected. Marianne Oehlenschlæger was re-elected, while Tine Staunsager and Rasmus Starbæk were elected as new board members. The changes took effect following the Annual General Meeting in March 2015.

CORPORATE GOVERNANCE

Based on the legal requirements in Egmont Fonden's Charter as well as the most recent recommendations from the Committee on Corporate Governance, the Board of Trustees and the Management Board of Egment Fonden have established the governance framework for Egmont.

Egmont Fonden has prepared a Report on Corporate Governance for the financial year 2015 based on the Recommendations on Corporate Governance in order to provide a more complete and transparent overview of governance at Egmont. The report can be reviewed and downloaded at www.egmont.com/corporategovernance.

CORPORATE SOCIAL RESPONSIBILITY

Since 2013, Egmont has been a signatory to the UN Global Compact, supporting the 10 principles of human and labour rights, protection of the environment and anti-corruption.

Pursuant to section 99a of the Danish Financial Statements Act Egmont's Communication on Progress 2015 (COP) report in its entirety replaces our statutory report on corporate social responsibility. The entire report can be downloaded at: www.egmont.com/COPreport. The COP report also includes Egmont's report on targets and policy with respect to the underrepresented gender in accordance with section 99b of the Danish Financial Statements Act.

The highlights from Egmont's Communication on Progress 2015 (COP) to the UN are set out below.

PEOPLE

Egmont continues to support the principles of human and labour rights through a number of policies and initiatives promoting those rights internally and externally.

Responsible Supply Chain Management

In 2015, Egmont continued to monitor the compliance level of third-party, first tier/core manufacturers via social audits. The programme was during the year expanded when the suppliers of Egmont Printing Service were included in the social compliance auditing scope. In 2015, Egmont continued to carry out social compliance training sessions for Chinese cover mount manufacturers. The training sessions are a valued tool for both covermount manufacturers and Egmont to ensure compliance with the Egmont Code of Conduct. In addition hereto, Egmont also enhanced the policies and procedures for product safety and quality to ensure that safe products are placed on the market.

Employee Engagement

In 2015, the results of Egmont's annual People Survey – measuring employee satisfaction, motivation and loyalty – ranked considerably above external benchmarks which underline our strong focus on safe and good workplaces across the Group. We also continue the focus on training and educating our leaders and employees e.g. through General Leadership Training (GLT) or Egmont Master Classes, which continue to be a success.

Gender composition in management

Egmont's general workforce has a nearly equal gender split with 46% men and 54% women. The same applies to the general management levels where overall 53% are men and 47% women. In the Danish organisation male managers count for 57% and female managers for 43%. This means according to the law that in the general management levels no gender is underrepresented. Since 2013 Egmont has had a policy for the gender composition in management positions and during 2016, we will consider the impact of the policy and consider if additional diversity initiatives are required.

Egmont's target with regard to the underrepresented gender on the Board of Directors is to have one female board member no later than 2018. Egmont appoints board members on the basis of their competences and uses external help to identify potential professional members to the Board of Directors. Head hunters are asked to present both male and female candidates who have relevant experience and competences for the board. The target mentioned above is also valid for the seven Danish Egmont companies that are required under Danish law to set such target. In 2015, five of these seven companies met the target

PLANET

Environmental Compliance

Manufacturers of Egmont products are obliged to comply with all applicable environmental laws and regulations when committing to the Egmont Code of Conduct. Via the Egmont Social Compliance Programme, Egmont monitors the environmental compliance level of third party first tier/core suppliers on an ongoing basis.

Environmental and climate

In 2015, Egmont continued to work on the environmental policy. We have entered the final stage of drafting the policy and we aim at presenting the policy – followed by implementation in Q1 2016.

Sustainable Paper Sourcing - PREPS

We acknowledge that our primary footprint stems from the use of paper for our books and magazines. Consequently, PREPS plays a role in the way Egmont sources its paper. In 2015, we engaged in dialogue with Regnskogfondet in Norway to discuss sustainable sourcing and use of paper in terms of recycled paper vs. pulp from rainforest.

Other environmental initiatives count a partnership with Coca-Cola on recyclable plastic bottles in the Norwegian cinemas, which leads to a substantial CO2 reduction and a Green Roof in Copenhagen which ensures better city climate, reduces run-off from rainwater, and better insulation in the building.

PROFIT

Anti-corruption and bribery policy

Egmont has an anti-corruption and bribery policy, which is mandatory for all Egmont companies. The policy was throughout 2015 communicated to new Egmont employees and managers through mandatory e-learning.

The anti-corruption policy has been integrated in the Egmont Code of Conduct which is communicated to major business partners and suppliers.

Whistleblowing policy

As part of Egmont's ambition to eliminate corruption and other serious misconduct, a whistleblowing system is accessible both internally and externally. The system is an encrypted homepage through which employs and other stakeholders can voice their suspicion. In 2015, no reports were made into the system.

SPECIAL RISKS

Part of the Group's business is based on stable, long-standing relations with some of the world's leading rights holders. Egmont's strength and geographic breadth underpin its constant efforts to sustain and expand these partnerships.

Furthermore, by virtue of its activities, the Group is exposed to various financial risks. Please refer to note 24, Financial risks and financial instruments.

OUTLOOK FOR 2016

Egmont will carry on developing media platforms, continuously adapting its media products to changing consumer needs and new technology and run profitability programmes and efficiency-enhancing measures. The greatest uncertainty is associated with advertising revenue, which is sensitive to economic fluctuations, the increasing cost of TV content and development in circulation of magazines.

Board of Directors and Mangement Board of Egmont International Holding A/S

BOARD OF DIRECTORS

Steen Riisgaard (Chairman) [1]
Director, born 1951, appointed 2002 and 2014, election period expires 2016
Member of the boards of Egmont Fonden (CM), Ejendomsselskabet Vognmagergade 11 ApS (CM), Ejendomsselskabet Gothersgade 11 ApS (CM), ALK-Abelló A/S (CM), COWI Holding A/S (CM), Xellia Pharmaceutical A/S (CM), WWF Verdensnaturfonden (CM), Novo Nordisk Fonden (VC), Villum Fonden (VC), Corbion, Novo A/S, VKR Holding A/S, Aarhus University.

Special competences: international business and management experience, growth markets, strategy implementation, acquisitions, CSR, commercial foundations

Lars-Johan Jarnheimer (Vice Chairman) [1 3]
Director, born 1960, appointed 2011 and 2015, election period expires 2019
Member of the boards of Egmont Fonden (VC), Ejendomsselskabet Vognmagergade 11 ApS (VC), Ejendomsselskabet Gothersgade 11 ApS (VC), Qliro Group AB (CM), Sweden, Eniro AB (CM), Sweden, Arvid Nordquist HAB, Sweden, SAS Group, Sweden, SSRS-holding, Sweden, INGKA Holding BV (CM), the Netherlands

Special competences: international business and management experience, digital and telecoms, acquisitions, strategy implementation

Ulrik Bülow [1 3]
CEO, Otto Mønsted A/S, born 1954, appointed 2003, election period expires 2016
Member of the boards of Egmont Fonden, Plougmann & Vingtoft A/S (CM), Have Kommunikation A/S (CM), GateHouse A/S, Oreco A/S, Widex A/S, Gigtforeningen (CM).

Special competences: international business and management experience, publishing, sales and marketing, commercial foundations

Torben Ballegaard Sørensen [1 3]
Director, born 1951, appointed 2006 and 2015, election period expires 2019
Member of the boards of Egmont Fonden, AS3-Companies A/S (CM), Capnova A/S (CM), Tajco Group A/S (CM), AB Electrolux, Systematic A/S (VC), Vestas A/S, Holstebro Musik Teater

Special competences: international business and management experience, sales, marketing and branding, growth markets, retail, strategy implementation

Jeppe Skadhauge [1 3]
Attorney and partner, Bruun & Hjejle, born 1954, appointed 2009, election period expires 2017
Member of the boards of Egmont Fonden, Blindes Støttefond (CM), Tømmerhandler Johannes Fogs Fond (CM), The Danish Arbitration Association (CM), Designmuseum Danmark (VC), the Danish Institute of Arbitration, the Dubai International Arbitration Centre

Special competences: international business and management experience, commercial foundations, media, acquisitions, regulatory, dispute resolution

Martin Enderle [1 3]
Director, born 1965, appointed 2014, election period expires 2018
Member of the boards of Egmont Fonden, Rocket Internet SE, Germany, CEWE Stiftung & Co. KGaA, Germany

Special competences: international business and management experience, growth markets, digital and telecoms, acquisitions, venture capital, strategy implementation

Marianne Oehlenschlæger [2 4]
(General activities)
HR consultant, Nordisk Film A/S, born 1958, elected 2011 and 2015, election period expires 2019

Rasmus Starbæk [1 4]
(General activities)
Cinema manager, Nordisk Film Biografer A/S, born 1981, elected 2015, election period expires 2019

Tine Staunsager [2 4]
(General activities)
Sales & Event Manager, Egmont Publishing A/S, born 1960, elected 2015, election period expires 2019

MANAGEMENT BOARD

Steffen Kragh
President and CEO, born 1964
Member of the boards of Nykredit Realkredit A/S (VC), Nykredit Holding A/S (VC), Foreningen Nykredit, Lundbeckfonden (VC), Lundbeckfond Invest A/S
Chairman, vice chairman or member of boards of Egmont Group companies

Hans J. Carstensen
Executive Vice President and CFO, born 1965
Member of the board of Freja Ejendomme A/S (VC)
Chairman, vice chairman or member of boards of Egmont Group companies

All information as of 14 March 2016.

CM: Chairman
VC: Vice Chairman

No members are appointed by authorities or providers of grants etc.

[1] Male
[2] Female
[3] Independent board member
[4] Employee representative

Statement by the Board of Directors and Management Board

The Board of Directors and Management Board have today discussed and approved the annual report of Egmont International Holding A/S for the financial year 1 January – 31 December 2015.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards, as adopted by EU, and additional Danish disclosure requirements according to the Danish Financial Statements Act. The financial statements of Egmont International Holding A/S have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and Egmont International Holding A/S' financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2015, and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the financial year 1 January – 31 December 2015.

Furthermore, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, the net profit for the year and the Group's and the Parent Company's financial position.

Copenhagen, 14 March 2016

MANAGEMENT BOARD:

Steffen Kragh
President and CEO

Hans J. Carstensen

BOARD OF DIRECTORS:

Steen Riisgaard
Chairman

Lars-Johan Jarnheimer
Vice Chairman

Ulrik Bülow

Martin Karl Enderle

Jeppe Skadhauge

Rasmus Starbæk

Tine Staunsager

Torben Ballegaard Sørensen

Marianne Oehlenschlæger

Independent Auditors' Report

TO THE SHAREHOLDER OF EGMONT INTERNATIONAL HOLDING A/S

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY'S FINANCIAL STATEMENTS

We have audited the consolidated financial statements and the parent gompany's financial statements for the financial year 1 January – 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the parent company's and consolidated statement of comprehensive income and consolidated cash flow statement.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the parent company's financial statements are prepared in accordance with the Danish Financial Statements Act. Further, the consolidated financial statements are prepared in accordance with additional disclosure requirements in the Danish Financial Statements Act.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE PARENT COMPANY'S FINANCIAL STATEMENTS

Management is responsible for the preparation of consolidated financial statements and the parent company's financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU (the consolidated financial statements), the Danish Financial Statements Act (the parent company's financial statements), and additional disclosure requirements in the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and the parent company's financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the consolidated financial statements and the parent company's 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's 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 the parent company's 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 the parent company's financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the parent company's preparation of consolidated financial statements and the parent company's 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 parent company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and the parent company's financial statements.

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

Our audit has not resulted in any qualification.

OPINION

In our opinion, the consolidated financial statements and the parent company's financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2015 and of the results of the Group's and the parent company's operations and the consolidated cash flows for the financial year 1 January – 31 December 2015 in accordance with International Financial Reporting Standards as adopted by the EU and additional disclosure requirements in the Danish Financial Statements Act in respect of the consolidated financial statements and in accordance with the Danish Financial Statements Act in respect of the parent company's financial statements.

STATEMENT ON THE MANAGEMENT'S REVIEW

Pursuant to 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's 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's financial statements.

Copenhagen, 14 March 2016

Ernst & Young
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jesper Ridder Olsen	**Anders Stig Lauritsen**
State Authorised	State Authorised
Public Accountant	Public Accountant

Income Statement of the Group

(EURk)

Note		2015	2014
2	**Revenue**	**1,567,594**	**1,544,303**
	Change in inventories of finished goods and work in progress	(2,261)	993
3	Other operating income	5,387	28,036
	Raw materials and consumables	(81,273)	(59,616)
	Other external expenses	(960,355)	(988,659)
4	Personnel expenses	(347,283)	(298,639)
5	Depreciation, amortisation and impairment losses	(89,243)	(86,927)
	Other operating expenses	(3,694)	(3,669)
11	Profit/(loss) after tax from investments in joint ventures	4,988	6,890
	Operating profit	**93,860**	**142,712**
12	Profit/(loss) after tax from investments in associates	6,838	3,302
6	Financial income	9,069	9,107
7	Financial expenses	(11,774)	(15,022)
	Profit before tax	**97,993**	**140,099**
8	Tax on profit for the year	(16,940)	(22,093)
	Net profit for the year	**81,053**	**118,006**
	Net profit for the year attributable to:		
	Shareholders of Egmont International Holding A/S	80,350	117,492
	Non-controlling interests	703	514
	Total	**81,053**	**118,006**

Statement of Comprehensive Income of the Group

(EURk)

Note		2015	2014
	Profit for the year	**81,053**	**118,006**
	Items that will not be reclassified to the income statement in subsequent periods:		
18	Actuarial gains/(losses) on defined benefit pension plans	2,199	(13,795)
	Actuarial gains/(losses) on defined benefit pension plans after tax in joint ventures	640	(2,495)
	Tax on items that will not be reclassified to the income statement in subsequent periods	(550)	3,725
		2,289	**(12,565)**
	Items to be reclassified to the income statement in subsequent periods:		
	Foreign exchange adjustments on translation to presentation currency	(1,278)	2,101
	Foreign exchange adjustments on translation of foreign entities	(29,051)	(45,389)
	Value adjustment of hedging instruments:		
	Value adjustments for the year	8,347	1,019
	Value adjustments transferred to financial expenses	(2,410)	(3,190)
	Value adjustments transferred to intangible assets	(1,679)	(463)
	Tax on items to be reclassified to the income statement in subsequent periods	1,259	736
		(24,812)	**(45,186)**
	Other comprehensive income after tax	**(22,523)**	**(57,751)**
	Total comprehensive income	**58,530**	**60,255**
	Total comprehensive income attributable to:		
	Shareholders of Egmont International Holding A/S	57,902	59,833
	Non-controlling interests	628	422
	Total	**58,530**	**60,255**

Statement of Financial Position of the Group at 31 December

(EURk)

Note	Assets	2015	2014
	Film rights, etc.	47,238	48,098
	In-house produced film rights	25,007	25,788
	Goodwill	295,819	272,441
	Trademarks	169,283	178,358
	Intangible assets in progress and prepayments for film rights	13,386	21,037
9	Intangible assets	550,733	545,722
	Land and buildings	34,047	35,995
	Plant and machinery	30,106	26,562
	Equipment	14,126	16,629
	Leasehold improvements	8,795	8,863
	Property, plant and equipment under construction	8,891	1,509
10	Property, plant and equipment	95,965	89,558
11	Investments in joint venutres	41,697	34,572
12	Investments in associates	48,493	44,089
	Other investments	2,934	2,632
25	Receivables from joint ventures and associates	35,260	50,600
19	Deferred tax	7,016	7,039
	Other non-current assets	135,400	138,932
	Total non-current assets	782,098	774,212
13	Inventories	109,509	105,308
24	Trade receivables	209,954	201,749
	Receivables from affiliates	21,757	17,978
25	Receivables from joint ventures and associates	2,556	1,643
	Other receivables	56,477	60,004
14	Prepayments	98,621	75,911
	Receivables	389,365	357,285
15	Securities	33,667	99,405
16	Cash and cash equivalents	73,385	74,663
	Total current assets	605,926	636,661
	TOTAL ASSETS	1,388,024	1,410,873

Statement of Financial Position of the Group at 31 December

(EURk)

Note	Equity and liabilities	2015	2014
	Share capital	26,935	27,003
	Retained earnings and other reserves	522,752	466,064
	Proposed dividend	1,207	8,061
	Egmont Internatinal Holding A/S shareholders' share of equity	550,894	501,128
	Non-controlling interests	3,885	3,472
17	Equity	554,779	504,600
18	Pension obligations and similar obligations	11,882	18,093
19	Deferred tax	34,135	42,499
20	Other provisions	5,768	10,755
24	Other credit institutions	56,123	59,443
	Other financial liabilities	3,129	3,060
	Deferred income	7,038	16,713
	Non-current liabilities	118,075	150,563
24	Other credit institutions	13	3,527
	Prepayments from customers	67,695	55,412
	Trade payables	212,581	210,481
	Payables to affiliates	118,595	210,361
25	Payables to joint ventures and associates	6,882	15,299
	Other financial liabilities	1,123	2,074
	Corporate income tax	8,558	7,369
	Other payables	154,616	149,628
20	Other provisions	93,739	66,836
	Deferred income	51,368	34,723
	Current liabilities	715,170	755,710
	Total liabilities	833,245	906,273
	TOTAL EQUITY AND LIABILITIES	1,388,024	1,410,873

Cash Flow Statement of the Group

(EURk)

Note		2015	2014
	Operating profit before special items and net financials	93,860	142,712
	Adjustment for non-cash operating items, etc.:		
	Other non-cash operating items, net	(13,857)	(24,996)
5	Depreciation, amortisation and impairment losses	89,243	86,927
	Profit/(loss) after tax from investments in joint ventures	(4,988)	(6,890)
	Provisions and deferred income	(5,339)	(14,783)
	Cash generated from operations before change in working capital	**158,919**	**182,970**
	Change in inventories	(7,017)	10,636
	Change in receivables	(35,440)	(1,291)
	Change in trade payables and other payables	32,509	29,182
	Change in working capital	**(9,948)**	**38,527**
	Cash generated from operations	**148,971**	**221,497**
	Interest received	7,591	6,728
	Interest paid	(10,200)	(11,731)
	Corporate income tax paid	(15,690)	(14,687)
	Cash flows from operating activities	**130,672**	**201,807**
	Acquisition of intangible assets	(50,872)	(64,285)
	Acquisition of property, plant and equipment	(34,427)	(19,440)
	Disposal of property, plant and equipment	2,384	3,002
	Acquisition of financial assets	(13,336)	(8,633)
	Disposal of financial assets	9,169	244
	Acquisition of securities	(58,656)	(53,920)
	Disposal of securities	124,076	5,700
28	Acquisition of subsidiaries	(2,168)	(20,556)
28	Disposal of subsidiaries	0	22,059
	Cash flows from investing activities	**(23,830)**	**(135,829)**
	Repayments to credit institutions, etc.	(5,239)	(4,186)
	Repayments to affiliates	(81,412)	0
	Dividends to shareholders of Egmont International Holding A/S	(8,040)	0
	Dividends to non-controlling shareholders	(966)	(901)
	Cash flows from financing activities	**(95,657)**	**(5,087)**
	Net cash flows from operating, investing and financing activities	**11,185**	**60,891**
	Cash and cash equivalents at 1 January	71,234	20,514
	Foreign exchange adjustment of cash and cash equivalents	(12,512)	(10,171)
16	**Cash and cash equivalents at 31 December**	**69,907**	**71,234**

The cash flow statement cannot be derived directly from the balance sheet and income statement.

Statement of Changes in Equity of the Group

(EURk)

	Share capital	Reserve for hedging transactions	Reserve for foreign exchange adjustments	Retained earnings	Proposed dividends	Non-controlling interests	Total equity
Equity at 1 January 2015	**27,003**	**(14,974)**	**(103,551)**	**584,589**	**8,061**	**3,472**	**504,600**
Net profit for the year	**0**	**0**	**0**	**79,143**	**1,207**	**703**	**81,053**
Foreign exchange adjustments on translation to presentation currency	(68)	38	262	(1,481)	(20)	(9)	(1,278)
Foreign exchange adjustments on translation of foreign entities	0	1,219	(30,204)	0	0	(66)	(29,051)
Value adjustments of hedging instruments:							
Value adjustments for the year	0	8,347	0	0	0	0	8,347
Value adjustments transferred to financial expenses	0	(2,410)	0	0	0	0	(2,410)
Value adjustments transferred to Intangible assets	0	(1,679)	0	0	0	0	(1,679)
Actuarial gains/(losses) on defined benefit pension plans	0	0	0	2,199	0	0	2,199
Actuarial gains/(losses) on defined benefit pension plans after tax in joint ventures	0	0	0	640	0	0	640
Tax on other comprehensive income	0	636	623	(550)	0	0	709
Other comprehensive income	**(68)**	**6,151**	**(29,319)**	**808**	**(20)**	**(75)**	**(22,523)**
Total comprehensive income in 2015	**(68)**	**6,151**	**(29,319)**	**79,951**	**1,187**	**628**	**58,530**
Acquisition/disposal, non-controlling interests	0	0	0	0	0	751	751
Dividends	0	0	0	0	(8,041)	(966)	(9,007)
Other capital items	0	0	0	(95)	0	0	(95)
Equity at 31 December 2015	**26,935**	**(8,823)**	**(132,870)**	**664,445**	**1,207**	**3,885**	**554,779**

Statement of Changes in Equity of the Group (continued)
(EURk)

	Share capital	Reserve for hedging transactions	Reserve for foreign exchange adjustments	Retained earnings	Proposed dividends	Non-controlling interests	Total equity
Equity at 1 January 2014	**26,942**	**(13,402)**	**(58,877)**	**486,688**	**0**	**3,194**	**444,545**
Net profit for the year	**0**	**0**	**0**	**109,431**	**8,061**	**514**	**118,006**
Foreign exchange adjustments on translation to presentation currency	61	(30)	(132)	1,091	0	7	997
Foreign exchange adjustments on translation of foreign entities	0	1,104	(45,290)	0	0	(99)	(44,285)
Value adjustments of hedging instruments:							
Value adjustments for the year	0	1,019	0	0	0	0	1,019
Value adjustments transferred to financial expenses	0	(3,190)	0	0	0	0	(3,190)
Value adjustments transferred to Intangible assets	0	(463)	0	0	0	0	(463)
Actuarial gains/(losses) on defined benefit pension plans	0	0	0	(13,795)	0	0	(13,795)
Actuarial gains/(losses) on defined benefit pension plans after tax in joint ventures	0	0	0	(2,495)	0	0	(2,495)
Tax on other comprehensive income	0	(12)	748	3,725	0	0	4,461
Other comprehensive income	**61**	**(1,572)**	**(44,674)**	**(11,474)**	**0**	**(92)**	**(57,751)**
Total comprehensive income in 2014	**61**	**(1,572)**	**(44,674)**	**97,957**	**8,061**	**422**	**60,255**
Acquisition/disposal, non-controlling interests	0	0	0	0	0	757	757
Dividends	0	0	0	0	0	(901)	(901)
Other capital items	0	0	0	(56)	0	0	(56)
Equity at 31 December 2014	**27,003**	**(14,974)**	**(103,551)**	**584,589**	**8,061**	**3,472**	**504,600**

List of Notes to the Consolidated Financial Statements

1 Accounting policies

Egmont International Holding A/S is a private limited company domiciled in Denmark. The annual report of Egmont International Holding A/S for 2015 comprises both the consolidated financial statements of Egmont International Holding A/S and its subsidiaries (the Group) and the separate financial statements of Egmont International Holding A/S.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and additional Danish disclosure requirements in the Danish Financial Statements Act.

The separate financial statements of Egmont International Holding A/S have been prepared in accordance with the Danish Financial Statements Act.

BASIS OF PREPARATION

The functional currency of Egmont International Holding A/S is Danish kroner (DKK). The consolidated financial statements are presented in euro (EUR), rounded to the nearest thousand (EURk).

The consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments, securities and investment properties (which are measured at fair value).

The accounting policies set out below have been applied consistently to the financial year and to the comparative figures.

Use of estimates and judgements
Judgements, estimates and assumptions have to be made about future events when determining the carrying amount of certain assets and liabilities. The estimates and assumptions made are based on historical experience and other factors that the Group deems appropriate in the circumstances, but which are uncertain and unpredictable by nature. Therefore, the actual results may deviate from such estimates. Consequently, previous estimates may have to be changed as a result of changes in the circumstances forming the basis of such estimates, or because of subsequent events or the emergence of new information.

Information about the most significant accounting estimates is included in the following notes: note 9 Intangible assets, note 13 Inventories, note 18 Pension obligations and similar obligations, note 19 Deferred tax, note 20 Other provisions and note 28 Acquisition and divestment of businesses.

Consolidated financial statements

The consolidated financial statements comprise Egmont International Holding A/S and subsidiaries in which Egmont International Holding A/S has control of financial and operating policies in order to obtain returns or other benefits from its activities. Control is usually obtained when the Group holds more than 50% of the voting rights, whether directly or indirectly, or otherwise has a controlling interest in the relevant entity.

Entities in which the Group has significant influence, but not a controlling interest, are considered associates. Significant influence is typically obtained when the Group, directly or indirectly, owns or holds more than 20% of the voting rights, but less than 50%.

When assessing whether Egmont International Holding A/S exercises control or significant influence, the potential voting rights that are exercisable at the end of the reporting period are taken into account.

The consolidated financial statements have been prepared by consolidating the financial statements from Egmont International Holding A/S and the individual subsidiaries, prepared in accordance with the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on transactions between

1 Accounting policies (continued)

the consolidated entities are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the Group's ownership share of the associate. Unrealised losses are eliminated in the same way as unrealised gains to the extent that impairment has not taken place.

The non-controlling interests' shares of the profit for the year, comprehensive income and of the equity of subsidiaries not wholly owned are included in the Group's net profit for the year, comprehensive income and equity, respectively, but are disclosed separately.

Business combinations

Businesses acquired or formed during the year are recognized in the consolidated financial statements from the date of acquisition or formation. Businesses disposed of or wound up are recognised in the consolidated financial statements until the date of disposal or winding-up. The comparative figures are not restated for newly acquired businesses. Discontinued operations are disclosed separately.

The acquisition method is used for acquisitions of new businesses over which Egmont International Holding A/S obtains control. The acquired businesses' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax is recognised in respect of the fair value adjustments made.

The acquisition date is the date when Egmont International Holding A/S effectively obtains control of the acquired business.

When the business combination is effected in stages, where either control, joint control or significant influence is obtained, the existing equity interest is remeasured at fair value and the difference between the fair value and carrying amount is recognised in the income statement. The additional equity investments acquired are recognised at fair value in the balance sheet.

Any excess (goodwill) of the consideration transferred, the value of non-controlling interests in the acquired entity and the fair value of any existing equity interest over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill under intangible assets. Goodwill is not amortised, but is tested for impairment at least annually. The first impairment test is performed before the end of the year of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for the impairment test.

Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with another functional currency than the presentation currency of Egmont International Holding A/S are treated as assets and liabilities belonging to the foreign entity and upon initial recognition translated into the foreign entity's functional currency at the exchange rate at the transaction date.

Negative differences (negative goodwill) are recognised in profit for the year at the acquisition date.

The consideration for an acquired business consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed conditions, this part of the consideration is recognised at fair value at the date of acquisition.

Costs attributable to business combinations are expensed as incurred.

If uncertainties regarding the identification or measurement of acquired assets, liabilities or contingent liabilities or determination of the consideration exist at the acquisition date, initial recognition will take place on the basis of provisional values. If it subsequently becomes apparent that the identification or measurement of the consideration, acquired

1 Accounting policies (continued)

assets, liabilities or contingent liabilities was incorrect on initial recognition, the determination is adjusted retrospectively, including goodwill, until 12 months after the acquisition, and the comparative figures are restated. Subsequently, goodwill is not adjusted. Changes to estimates of contingent considerations are recognised in the income statement.

The acquisition of further non-controlling interests after obtaining control is considered an owner's transaction, and the difference between acquisition cost and the share of such non-controlling interests acquired is recognised directly in equity.

Gains or losses on the disposal or winding-up of subsidiaries, jointly controlled entities and associates are stated as the difference between the selling price or the disposal consideration and the carrying amount of net assets, including goodwill, at the date of disposal, less the cost of disposal. If the disposal of either control, joint control or significant influence takes place in stages, the retained equity investment is measured at fair value, and the difference between the fair value and carrying amount is recognised in the income statement.

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the ownership share or at the propor-tionate share of the fair value of the acquired business' identifiable assets, liabilities and contingent liabilities. In the first scenario, goodwill in relation to the non-controlling interests' ownership share of the acquired business is thus recognised, while, in the latter scenario, goodwill in relation to the non-controlling interests is not recognised. The measurement of non-controlling interests is chosen transaction by transaction and stated in the notes in connection with the description of acquired businesses.

Foreign currency translation

A functional currency is determined for each of the reporting entities in the Group. The functional currency is the currency used in the primary economic environment in which the individual reporting entity operates. Transactions denominated in currencies other than the functional currency are considered foreign currency transactions.

On initial recognition, foreign currency transactions are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rates at the end of the reporting period. The difference between the exchange rates at the end of the reporting period and at 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.

In the consolidated financial statements, the income statements of entities with another functional currency than the presentation currency (EUR) are translated at the exchange rates at the transaction date, and the balance sheet items are translated at the exchange rates at the end of the reporting period. An average exchange rate for each month is used as the transaction date exchange rate to the extent that this does not significantly distort the presentation of the underlying transactions. Foreign exchange differences arising on translation of the opening balance of equity of such foreign entities at the exchange rates at the end of he reporting period and on translation of the income statements from the exchange rates at the transaction date to the exchange rates at the end of the reporting period are recognised directly in other comprehensive income and presented in equity under a separate translation reserve. The exchange rate adjustment is allocated between Egmont International Holding A/S and the non-controlling interests.

1 Accounting policies (continued)

Foreign exchange adjustments of intra-group balances which are considered part of the total net investment in foreign entities with another functional currency than the presentation currency (EUR) are recognised in other comprehensive income and presented in equity under a separate translation reserve.

On recognition in the consolidated financial statements of associates and joint ventures with another functional currency than the presentation currency (EUR), the share of profit/loss for the year is translated at average exchange rates and the share of equity, including goodwill, is translated at the exchange rates at the end of the reporting period. Foreign exchange differences arising on the translation of the share of the opening balance of equity of foreign associates and joint ventures at the exchange rates at the end of the reporting period, and on translation of the share of profit/loss for the year from average exchange rates to the exchange rates at the end of the reporting period, are recognised in other comprehensive income and presented in equity under a separate translation reserve.

On disposal of wholly-owned foreign entities with another functional currency than the presentation currency (EUR), the exchange rate adjustments that have been recognised in other comprehensive income and are attributable to the entity are reclassified from other comprehensive income to the income statement together with any gains or losses from the disposal.

On disposal of partially owned foreign subsidiaries with another functional currency than the presentation currency (EUR), the amount of the translation reserve attributable to non-controlling interests is not transferred to the income statement.

On partial disposal of foreign subsidiaries with another functional currency than the presentation currency (EUR) without a loss of control, a proportionate share of the translation reserve is transferred from the Group to the non-controlling interests' share of equity.

On partial disposal of associates and jointly controlled entities, the proportionate share of the accumulated translation reserve recognised in other comprehensive income is transferred to the income statement for the year together with any gains or losses from the disposal.

Any repayment of intra-group balances which constitute part of the net investment in the foreign entity is not considered a partial disposal of that subsidiary.

Derivative financial instruments

Derivative financial instruments are recognised at the date a derivative contract is entered into and measured in the balance sheet at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively, and a set-off of positive and negative values is only made when the entity has the right and the intention to settle several financial instruments net. Fair values of derivative financial instruments are computed on the basis of current market data and generally accepted valuation methods.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the value of the hedged asset or liability as far as the hedged portion is concerned.

Changes in the portion of the fair value of derivative financial instruments designated as and qualifying as a cash flow hedge that is an effective hedge of changes in future cash flows are recognised in other comprehensive income in equity under a separate hedging reserve until the hedged cash flows affect the income statement. At that time, any gains or losses resulting from such hedged

1 Accounting policies (continued)

transactions are transferred to other comprehensive income and recognised under the same item as the hedged item.

If the hedging instrument no longer qualifies for hedge accounting, the hedge will cease to be effective. The accumulated change in value recognised in other comprehensive income is transferred to the income statement when the hedged cash flows affect the income statement. If the hedged cash flows are no longer expected to be realised, the accumulated change in value will be transferred to the income statement immediately. The portion of a derivative financial instrument not included in a hedge is recognised under financial items.

For derivative financial instruments that do not qualify for treatment as hedging instruments and changes in fair value are currently recognised in the income statement under financial items.

INCOME STATEMENT

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when all the following conditions have been satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with owner-ship nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Magazine subscriptions are accrued and recognised over the period in which the items are dispatched (issued).

If, based on past experience or otherwise, the Group can make a reliable estimate of the amount of goods that will be returned, a provision for the goods estimated to be returned will be recognised. When there is uncertainty about the possibility of return, revenue is not recognised until the abovementioned criteria are all fulfilled and the time period for possible return has elapsed.

Advertising income is recognised on the delivery date, typically when issued or broadcasted.

Revenue from the sale of film broadcasting rights is recognised at the time when the film becomes accessible to the customer (availability date).

Royalties received are accrued and recognised as income in accordance with the concluded agreement.

Barter agreements where the services exchanged are dissimilar are recognised at fair value and accrued as the services are performed or over the period specified in the concluded agreement. Fair value is measured at the value of either the delivered or the received services, depending on which services can be measured reliably.

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

Other operating income and costs

Other operating income and costs comprise items secondary to the principal activities of the entities, including gains and losses on the disposal of businesses, intangible assets and property, plant and equipment, and recognition of badwill. Gains and losses on the disposal of entities, intangible assets and property, plant

1 Accounting policies (continued)

and equipment are determined as the selling price less disposal costs and the carrying amount at the date of disposal.

Government grants
Government grants comprise film and ticket subsidies for in-house produced films. Grants are recognised when there is reasonable assurance that they will be received. Film subsidies for in-house produced films recognised in the balance sheet are offset against the cost of in-house produced films. Ticket subsidies are recognised in the income statement under other operating income.

Special items
Special items include significant income and costs that are not directly attributable to the ordinary operating activities of the Group, such as restructuring costs relating to fundamental structural and procedural reorganisations. Special items also includes other significant non-recurring items, including gains and losses on the disposal of significant activities, revaluation of the shareholding in an entity acquired by a step acquisition and impairment of goodwill.

These items are shown separately in order to give a more true and fair view of the Group's primary activities.

Share of results from investments in joint ventures and associates
The proportionate share of the joint ventures' and associates results after tax and non-controlling interests and after elimination of the proportionate share of intra-group gains/losses is recognised in the consolidated income statement.

Financial income and expenses
Financial income and expenses comprise interest income and expense, gains and losses on securities, amortisation of financial assets and liabilities and foreign exchange adjustments. Furthermore, changes in the fair value of derivative financial instruments which are not designated as hedging instruments as well as the ineffective portion of the hedges are also included.

Borrowing costs relating to general borrowing or loans directly relating to the acquisition, construction or development of qualifying assets are allocated to the cost of such assets.

Tax for the year
Tax for the year, comprises current tax and changes in deferred tax.

BALANCE SHEET

Film rights, etc.
Film rights comprise film, DVD and TV rights. Film rights are recognised as an intangible asset at the time when control over the asset is transferred. Prepayments for film rights are recognised in the balance sheet as a prepayment for intangible assets, and when control is gained over the assets, prepayments are reclassified to film rights.

Film rights are measured at cost which is allocated proportionally to the cinema, DVD and TV media, as well as to markets. Film rights are amortised according to a revenue-based method over the period during which they are expected to generate income on the respective market and in the respective media.

Other intellectual property rights with a definite useful life, such as domain names and magazine titles, are measured at cost on initial recognition and amortised on a straight-line basis over the useful life (typically 5 to 10 years).

In-house produced film rights
In-house produced film rights are measured at cost, which includes indirect production costs, less grants received, accumulated amortisation and impairment, or at the recoverable amount where this is lower.

1 Accounting policies (continued)

In-house produced film rights are amortised according to a revenue-based method over the period during which they are expected to generate income.

Goodwill

On initial recognition, goodwill is recognised in the balance sheet at cost as described under 'Business combinations'. Subsequently, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised.

The carrying amount of goodwill is allocated to the Group's cash-generating units at the date of acquisition. The identification of cash-generating units is based on the management structure and internal financial control.

Trademarks

Acquired intellectual property rights, including trademarks, are measured at cost on initial recognition. Trademarks with an indefinite useful life are not amortised but are tested for impairment at least once annually.

Property, plant and equipment

Land and buildings, plant and machinery equipment and leasehold improvements are measured at cost less accumulat-ed depreciation and impairment. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Subsequent costs, e.g. in connection with replacing components of property, plant and equipment, are recognised in the carrying amount of the relevant asset if it is probable that the costs will result in future economic benefits for the Group. The replaced components are derecognised in the balance sheet, and the carrying amount is transferred to the income statement. All other costs incurred for ordinary repairs and maintenance are recognised in the income statement as incurred.

The cost of assets held under finance leases is recognised at the lower of the fair value of the assets and the present value of future minimum lease payments. In the calculation of present value, the interest rate implicit in the lease or the Group's incremental borrowing rate is used as the discount rate.

When individual components of an item of property, plant and equipment have different useful lives, the cost of such individual components is accounted for and depreciated separately. Depreciation is provided on a straight-line basis over the expected useful lives, based on the following estimates of the useful lives of the assets:

Properties used for operational purposes	25 years
Installations and conversions *(the useful life depends on the nature of conversion)*	10, 15, 25 years
Plant and machinery	3 - 15 years
Equipment	3 - 5 years
Leasehold improvements	5 - 10 years

Land is not depreciated.

Depreciation is made on the basis of the asset's residual value less any impairment losses. The residual value and useful life of the assets are reassessed every year. If the residual value exceeds the carrying amount, depreciation is discontinued.

In case of changes in the useful life or the residual value, the effect on depreciation is recognised prospectively as a change in accounting estimates.

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

Investments in joint ventures and associated companies

Investments in joint ventures and associated companies are recognised in the consolidated financial statements according to the equity method, which means that the investments are measured in the balance sheet at the proportion-ate share of the joint ventures' and

1 Accounting policies (continued)

associated companies' net asset values calculated in accordance with the Group's accounting policies minus or plus the proportionate share of unrealised intra-group gains and losses and plus any excess values on acquisition, including goodwill. Investments in joint ventures and associated companies are tested for impairment when impairment indicators are identified.

Investments in joint ventures and associated companies with negative net asset values are measured at EUR 0 (nil). If the Group has a legal or constructive obligation to cover a deficit in the joint venture and associated company, such deficit is recognised under liabilities.

Receivables from joint ventures and associated companies are measured at amortised cost less any impairment losses.

On the acquisition of investments in joint ventures and associated companies, the acquisition method is used; see the description of business combinations.

Impairment of non-current assets

Goodwill and intangible assets with indefinite useful lives are subject to annual impairment tests, initially before the end of the acquisition year and if there is any indication of impairment. Likewise, development projects in process are subject to an annual impairment test.

The carrying amount of goodwill is tested for impairment together with the other non-current assets of the cash-generating unit or groups of cash-generating units to which goodwill has been allocated. If the carrying amount exceeds the recoverable amount, it is written down to the recoverable amount via the income statement. As a main rule, the recoverable amount is calculated as the present value of expected future net cash flows from the entity or activity (cash-generating unit or groups of cash-generating units) to which goodwill has been allocated.

Deferred tax assets are subject to annual impairment tests and are recognised only to the extent that it is probable that the assets will be utilised.

The carrying amount of other non-current assets is tested annually for impairment indicators. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined. The recoverable amount is the higher of an asset's fair value less expected disposal costs and its value in use. Value in use is the present value of future cash flows expected to be derived from an asset or the cash-generating unit to which the asset belongs.

An impairment loss is recognised if the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount of the asset or the cash-generating unit. Impairment losses are recognised in the income statement.

Impairment losses of goodwill are not reversed. Impairment losses on other assets are reversed only to the extent that changes in the assumptions and estimates underlying the calculation of impairment losses have occurred. Impairment losses are only reversed to the extent that the asset's increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

Inventories

Inventories are measured at the lower of cost according to the FIFO method and the net realisable value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables,

1 Accounting policies (continued)

direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials, wages and salaries as well as maintenance and depreciation of production machinery and equipment as well as administrative expenses and management costs.

The cost of acquired TV programmes are recognised as inventory at the time when the right to broadcast the TV programme begins. The cost of a TV programme is amortised proportionally over the period the TV programme is broadcast.

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

Receivables
Receivables are measured at fair value on initial recognition and are subsequently measured at amortised cost less any impairment. The Group considers evidence of impairment both at an individual level and at a group level where considered relevant.

Prepayments
Prepayments, such as prepaid royalty, prepaid authors' fees and prepaid TV programmes and sports broadcasting rights, which are recognised under assets, comprise costs incurred concerning subsequent financial years. Prepayments are measured at cost.

Securities
Securities consist mainly of listed bonds that are held for investment of excess liquidity and managed in accordance with a documented investment strategy. Securities are measured initially at the listed price at the trade date and subsequently at the listed price at the end of the reporting period using the fair value option. Value adjustments are recognised directly in the income statement under financial income/expenses.

Pension obligations and similar non-current liabilities
The Group has entered into pension plans and similar arrangements with the majority of the Group's employees.

Obligations relating to defined contribution plans where the Group regularly pays fixed pension contributions to independent pension funds are recognised in the income statement in the period during which employees earn entitlement to them, and any contributions outstanding are recognised in the balance sheet under other payables.

For defined benefit plans, an actuarial calculation (the Projected Unit Credit method) is performed annually of the present value of future benefits payable under the defined benefit plan. The present value is determined on the basis of assumptions about the future development in variables such as salary levels, interest rates, inflation and mortality. The present value is determined only for benefits earned by employees from their employment with the Group. The actuarial present value less the fair value of any plan assets is recognised in the balance sheet under pension obligations.

If a pension plan constitutes a net asset, the asset is only recognised if it represents future refunds from the plan or will lead to reduced future payments to the plan.

Pension costs for the year are recognised in the income statement based on actuarial estimates and financial assump-tions at the beginning of the year. Any difference between the thus calculated development in pension plan assets and liabilities and the realised amounts determined at year-end is termed an actuarial gain or loss and is recognised in other comprehensive income.

Non-current employee benefits are recognised at the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

1 Accounting policies (continued)

Current tax payable/receivable and deferred taxes

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 the basis of all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill that is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either result for the year or taxable income. Where different tax rules can be applied to determine the tax value, deferred tax is measured based on Management's planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised under other non-current assets at the expected value of their utilisation; either as a set-off against tax on future earnings or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax assets and liabilities are set off if the entity has a legally enforceable right to set off current tax liabilities and tax assets or intends either to settle current tax liabilities and tax assets on a net basis or to realise the assets and settle the liabilities at the same time.

Deferred tax is adjusted for eliminations of unrealised intra-group gains and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the end of the reporting period when the deferred tax is expected to be realised as current tax. Changes in deferred tax due to changed tax rates are recognised in the comprehensive income for the year.

Other provisions

Other provisions primarily consist of provisions for goods sold with a right of return, where, based on past experience or otherwise, the Group can make a reliable estimate of the amount of goods that will be returned as well as expected restructuring costs, etc.

Provisions are recognised when the Group incurs a legal or constructive obligation due to an event occurring before or at the end of the reporting period, and meeting the obligation is likely to result in an outflow of economic benefits.

Provisions are measured at the best estimate of the costs required to settle the obligation.

When provisions are measured, the costs required to settle the obligation are discounted provided that such discounting would have a material effect on the measurement of the liability. A pre-tax discount rate is used that reflects the current market interest rate level plus risks specific to the liability. Changes in the discount element during the financial year are recognised in the income statement under financial expenses.

Warranty provisions are recognised as the underlying goods are sold based on historical warranty costs experience in previous financial years.

Restructuring costs are recognised under liabilities when a detailed, formal restructuring plan has been announced to the employees affected no later than at the end of the reporting period. On acquisition of businesses, provisions for restructuring in the acquiree are only included in goodwill when, at the acquisition date, the acquiree had an existing liability for restructuring.

A provision for onerous contracts is recognised when the expected benefits to be obtained by the Group from a contract are lower than the unavoidable costs of meeting its obligations under the contract.

1 Accounting policies (continued)

Financial and non-financial liabilities

Financial liabilities are recognised at the date of borrowing as the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, such that the difference between the proceeds and the nominal value is recognised under financial expenses in the income statement over the term of the loan.

Financial liabilities also include the capitalised lease commitment under finance leases, which is measured at amortised cost. Other liabilities are measured at net realisable value.

Deferred income

Deferred income, including the sale of film broadcasting rights, is measured at cost.

CASH FLOW STATEMENT

The cash flow statement shows the 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 disposals of businesses is shown separately in cash flows from investing activities. Cash flows from acquired businesses are recognised in the cash flow statement from the date of acquisition, and cash flows from disposals of businesses are recognised until the date of disposal.

Cash flows from operating activities are calculated according to the indirect method as the profit for the year before net financials, adjusted for non-cash operating items, changes in working capital and corporate income tax paid.

Cash flows from investing activities comprise payments in connection with the acquisition and disposal of businesses and activities and the acquisition and disposal of intangible assets, property, plant and equipment and other non-current assets, as well as securities.

Cash flows from financing activities comprise the raising of loans and repayment of interest-bearing debt, donations made and transactions with non-controlling interests.

Cash and cash equivalents comprise cash and marketable securities with a residual term of less than three months at the acquisition date which are subject to an insignificant risk of changes in value.

Cash flows in other currencies than the functional currency are translated using average exchange rates unless these deviate significantly from the rates at the transaction date.

SEGMENT INFORMATION

Egmont International Holding A/S is not a listed company, and in accordance with IFRS, segment information need therefore not be presented.

FINANCIAL RATIOS

Financial ratios are calculated in accordance with the Danish Finance Society & CFA Denmark 'Recommendations and Financial Ratios 2015'.

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

Operating margin

$$\frac{\text{Operating profit x 100}}{\text{Revenue}}$$

Equity ratio

$$\frac{\text{Equity, excl. non-controlling interests, x 100}}{\text{Total assets}}$$

Return on equity

$$\frac{\text{Net profit for the year, excl. non-controlling interests, x 100}}{\text{Average equity, excl. non-controlling interests}}$$

2	Revenue	2015	2014
	Sale of goods	1,482,662	1,451,883
	Royalty	84,932	92,420
	Total	**1,567,594**	**1,544,303**

3	Other operating income	2015	2014
	Sale of Mosart Medialab AS	0	10,748
	Sale of building and property company	0	12,267
	Sale of non-current assets	603	148
	TV 2, badwill Nordic World AS	614	0
	Government grants	49	52
	Miscellaneous	4,121	4,821
	Total	**5,387**	**28,036**

4	Personnel expenses	2015	2014
	Wages and salaries	(284,704)	(285,997)
	Defined contribution pension plans	(22,826)	(19,670)
	Defined benefit pension plans	(1,661)	(6,766)
	Settlement of defined benefit pension plan	0	51,500
	Other social security costs	(38,092)	(37,706)
	Total	**(347,283)**	**(298,639)**
	Average number of full-time employees	4,037	4,050

Regarding settlement of defined benefit plan reference is made to note 18.

Compensation paid to Management Board amounted to 4,048 (2014: 3,575), of which pension contributions amounted to 380 (2014: 369).

Compensation paid to the Board of Directors amounted to 302 (2014: 302).

Annual compensation to members of the Board of Directors	2015	2014
Ordinary member	28	28
Vice chairman	42	42
Chairman	57	57

5	Depreciation, amortisation and impairment losses	2015	2014
	Amortisation, intangible assets	(57,712)	(50,096)
	Impairment losses, intangible assets	(5,690)	(10,646)
	Depreciation, property, plant and equipment	(25,791)	(26,163)
	Impairment losses, property, plant and equipment	(50)	(22)
	Total	**(89,243)**	**(86,927)**

Notes to the Consolidated Financial Statements (EURk) 45

6	Financial income	2015	2014
	Interest income, financial assets, measured at amortised cost	4,597	4,891
	Interest income, securities	8	690
	Foreign exchange gains, net	397	0
	Change in fair value, derivative financial instruments	728	0
	Change in fair value, securities, net	381	1,911
	Other financial income	2,958	1,615
	Total	**9,069**	**9,107**

7	Financial expenses	2015	2014
	Interest expenses, financial liabilities, measured at amortised cost	(5,945)	(5,326)
	Foreign exchange loss, net	0	(3,699)
	Interest expenses, derivative financial instruments	(3,137)	(3,190)
	Other financial expenses	(2,692)	(2,807)
	Total	**(11,774)**	**(15,022)**

8	Taxes	2015	2014
	Current tax	(20,466)	(19,847)
	Deferred tax	4,931	(4,020)
	Adjustments for prior years	(1,405)	1,774
	Total	**(16,940)**	**(22,093)**
	Tax on the profit for the year results as follows:		
	Calculated tax, 23.5% (2014: 24.5%) on profit before tax	(23,028)	(34,324)
	Lowering of corporate tax rate in Denmark and Norway	2,360	400
	Adjustment of calculated tax in foreign entities relative to 23.5% (2014: 24.5%)	(2,027)	(1,858)
	Tax effect of:		
	Non-taxable income	4,875	9,729
	Non-deductible expenses	(494)	(311)
	Share of net profit/(loss) in joint ventures	1,172	1,692
	Share of net profit/(loss) in associates	1,607	805
	Adjustments for prior years	(1,405)	1,774
	Total	**(16,940)**	**(22,093)**
	Effective tax rate	17.3%	15.8%

The effective tax rate in 2015 was significantly affected by non taxable income and lowering of corporate tax rate in Denmark and Norway. Adjusting for this, the effective tax rate for 2015 was in the level of 23%.

	2015	2014
Tax recognised in other comprehensive income:		
Tax on value adjustment of hedging instruments	636	(12)
Foreign exchange adjustments on translation of foreign entities	623	748
Tax on actuarial gains/(losses) on defined benefit pension plans	(550)	3,725
Total	**709**	**4,461**

46 Notes to the Consolidated Financial Statements (EURk)

9 Intangible assets

	Film rights, etc.	In-house produced film rights	Goodwill	Trade-marks	Intangible assets under development and pre-payments
Cost at 1 January 2015	263,232	104,165	357,574	182,412	21,037
Foreign exchange adjustments	(1,569)	(123)	(18,147)	(9,805)	(53)
Additions through business combinations	1,445	0	39,287	1,248	0
Additions	3,902	16,773	0	1,851	28,747
Transferred	36,278	0	0	0	(36,278)
Cost of assets disposed of	(5,521)	0	(260)	(606)	(67)
Cost at 31 December 2015	**297,767**	**120,815**	**378,454**	**175,100**	**13,386**
Amortisation and impairment losses at 1 January 2015	(215,134)	(78,377)	(85,133)	(4,054)	0
Foreign exchange adjustments	1,329	300	4,483	218	0
Amortisation and impairment losses of assets disposed of	4,948	0	0	33	0
Impairment losses	(2,335)	(101)	(1,985)	(1,269)	0
Amortisation	(39,337)	(17,630)	0	(745)	0
Amortisation and impairment losses at 31 December 2015	**(250,529)**	**(95,808)**	**(82,635)**	**(5,817)**	**0**
Carrying amount at 31 December 2015	**47,238**	**25,007**	**295,819**	**169,283**	**13,386**
Cost at 1 January 2014	229,112	88,159	360,010	182,911	20,732
Foreign exchange adjustments	(1,130)	(539)	(23,516)	(12,418)	46
Additions through business combinations	280	0	21,080	12,216	0
Additions	6,262	21,859	0	472	35,692
Transferred	33,672	0	0	0	(33,672)
Cost of assets disposed of	(4,964)	(5,314)	0	(769)	(1,761)
Cost at 31 December 2014	**263,232**	**104,165**	**357,574**	**182,412**	**21,037**
Amortisation and impairment losses at 1 January 2014	(172,889)	(76,056)	(90,173)	(378)	(611)
Foreign exchange adjustments	477	439	6,229	141	(1)
Amortisation and impairment losses of assets disposed of	4,234	5,314	0	706	612
Impairment losses	(5,515)	0	(1,189)	(3,942)	0
Amortisation	(41,441)	(8,074)	0	(581)	0
Amortisation and impairment losses at 31 December 2014	**(215,134)**	**(78,377)**	**(85,133)**	**(4,054)**	**0**
Carrying amount at 31 December 2014	**48,098**	**25,788**	**272,441**	**178,358**	**21,037**

Notes to the Consolidated Financial Statements (EURk) 47

9 Intangible assets (continued)

Goodwill

The carrying amount of goodwill is tested for impairment annually or if there is any indication of impairment. The impairment test is made for the Group's cash-generating units, based on their management structure and internal financial reporting as set out below:

	2015	2014
TV 2, Norway	185,943	159,141
Nordisk Film, Cinemas	66,121	71,010
Publishing, Norway	28,802	27,637
Publishing, Sweden	7,199	6,981
Other units	7,754	7,672
Carrying amount	**295,819**	**272,441**

In the impairment test of the cash-generating units, the recoverable amount, equivalent to the discounted value of expected future net cash flows, is compared with the carrying amount of the cash-generating units.

The recoverable amount is based on the value in use, determined by using expected net cash flows that are based on management-approved budgets and business plans for 2016, projections for subsequent years up to and including 2020, and average growth during the terminal period.

Key parameters used in the impairment models for the primary cash-generating units:

	Pre-tax discount rates		Growth rate during terminal period	
	2015	2014	2015	2014
TV 2, Norway	11.0%	11.8%	2.0%	2.0%
Nordisk Film, Cinemas	10.5%	10.2%	2.0%	2.0%
Publishing, Norway	13.4%	14.4%	-4.3%	-5.0%
Publishing, Sweden (acquired in 2014)	11.6%	-	-2.0%	-

Expected growth during the terminal period is not estimated to exceed the long-term average growth rate in the business areas.

Impairment tests for goodwill for 2015 regarding the cash-generating units of the Group show that the recoverable amount exceeds the carrying amount.

The TV business is cyclical and therefore affected by a generally larger uncertainty regarding the development in revenue and expenses. Combined with increasing prices for acquiring TV rights related to especially sports events and increasing program cost for Norwegian TV productions, it may result in a challenged EBITDA-margin in the coming years. The value of the business is primarily impacted by the development in advertising income, number of subscribers and the prices of TV content.

A key parameter for the cinema business is the line-up of both local and international titles which impacts ticket revenue (box office sales).

The Group assesses that probable changes in the assumptions underlying the impairment calculations will result in no need to write down goodwill for impairment in the Group's primary cash-generating units.

48 Notes to the Consolidated Financial Statements (EURk)

9 Intangible assets (continued)

Trademarks

The carrying amount of trademarks with an indefinite life is tested for impairment annually or if there is any indication of impairment; see below:

	2015	2014
TV 2, Norway	146,692	154,828
Publishing, Norway	10,464	11,127
Publishing, Sweden	8,654	9,204
Carrying amount	**165,810**	**175,159**

Trademarks for TV 2, Norway and Publishing, Norway and Sweden are tested by using the Relief from Royalty method to assess future cash flows from royalty income for the individual trademarks. The royalty rate, determined on the basis of the cash-generating unit's products and the reputation of such products, ranged from 4.5% to 14.0% (unchanged from 2014).

Key parameters used in the impairment models for the primary cash-generating units:

	Pre-tax discount rates		Growth rate during terminal period	
	2015	2014	2015	2014
TV 2, Norway	11.0%	11.8%	2.0%	2.0%
Publishing, Norway	13.4%	14.4%	-5.0%	-5.0%
Publishing, Sweden (acquired in 2014)	11.6%	-	-3.4%	-

Impairment tests for trademarks for 2015 regarding the cash-generating units of the Group show that the recoverable amount exceeds the carrying amount.

The Group assesses that probable changes in the assumptions underlying the impairment calculations will result in no need to write down trademarks for impairment in the Group's primary cash-generating units.

Film rights and in-house produced film rights

The Group makes regular estimates of the remaining useful lives of film rights and in-house produced film rights based on its expected sales in the cinema, DVD and TV media markets, which are naturally subject to uncertainty as actual sales may differ from estimated sales.

The Group continuously receives sales estimates, and if impairment indicators are identified, film rights and in-house produced film rights are written down for impairment. The useful lives of film rights and in-house produced film rights for 2015 were at the expected level.

Notes to the Consolidated Financial Statements (EURk) 49

10 Property, plant and equipment

	Land and buildings	Plant and machinery	Tools and equipment	Leasehold improve-ments	Property, plant and equipment under construction
Cost at 1 January 2015	68,191	68,441	83,657	20,944	1,509
Foreign exchange adjustments	(217)	(3,233)	(1,711)	(446)	(5)
Additions through business combinations	347	170	55	0	0
Additions	268	15,600	5,563	2,909	8,605
Transferred	0	1,108	110	0	(1,218)
Cost of assets disposed of	(1,495)	(23,101)	(21,720)	(376)	0
Cost at 31 December 2015	**67,094**	**58,985**	**65,954**	**23,031**	**8,891**
Depreciation and impairment losses at 1 January 2015	(32,196)	(41,879)	(67,028)	(12,081)	0
Foreign exchange adjustments	312	2,128	1,783	282	0
Depreciation and impairment losses of assets disposed of	1,495	23,052	21,613	370	0
Impairment losses	0	0	(50)	0	0
Depreciation	(2,658)	(12,180)	(8,146)	(2,807)	0
Depreciation and impairment losses at 31 December 2015	**(33,047)**	**(28,879)**	**(51,828)**	**(14,236)**	**0**
Carrying amount at 31 December 2015	**34,047**	**30,106**	**14,126**	**8,795**	**8,891**
Hereof assets held under finance leases	0	323	0	0	0
Cost at 1 January 2014	75,858	65,671	82,104	18,845	1,435
Foreign exchange adjustments	106	(3,615)	(2,122)	(424)	(1)
Additions through business combinations	0	0	160	48	0
Additions	734	8,431	6,635	2,530	1,110
Transferred	527	0	457	0	(984)
Cost of assets disposed of	(9,034)	(2,046)	(3,577)	(55)	(51)
Cost at 31 December 2014	**68,191**	**68,441**	**83,657**	**20,944**	**1,509**
Depreciation and impairment losses at 1 January 2014	(36,411)	(33,916)	(64,049)	(9,627)	0
Foreign exchange adjustments	313	2,259	2,335	290	0
Depreciation and impairment losses of assets disposed of	6,883	1,848	3,021	55	0
Impairment losses	0	0	(22)	0	0
Depreciation	(2,981)	(12,070)	(8,313)	(2,799)	0
Depreciation and impairment losses at 31 December 2014	**(32,196)**	**(41,879)**	**(67,028)**	**(12,081)**	**0**
Carrying amount at 31 December 2014	**35,995**	**26,562**	**16,629**	**8,863**	**1,509**
Hereof assets held under finance leases	0	811	0	0	0

50 Notes to the Consolidated Financial Statements (EURk)

11 Investments in joint ventures	2015	2014
Cost at 1 January	25,535	31,906
Foreign exchange adjustments	(420)	(918)
Additions	3,569	591
Disposals	0	(6,044)
Cost at 31 December	**28,684**	**25,535**
Adjustments at 1 January	9,037	(387)
Foreign exchange adjustments	(1,020)	251
Share of profit/(loss) for the year	4,988	6,890
Equity transactions in joint ventures	640	(2,495)
Dividends	(632)	(471)
Disposals	0	5,249
Adjustments at 31 December	**13,013**	**9,037**
Carrying amount at 31 December	**41,697**	**34,572**

Note 29 includes an outline of the Group's investments in joint ventures.

	Cappelen Damm		Others	
	2015	2014	2015	2014
Comprehensive income				
Revenue	163,858	177,609	113,186	102,532
Net profit for the year	7,146	7,216	2,780	6,653
Other comprehensive income	904	(4,989)	473	(566)
	8,050	**2,227**	**3,253**	**6,087**
Dividend received	0	0	632	471
Balance sheet				
Non-current assets	48,660	53,708	14,099	7,325
Current assets	83,516	91,205	65,674	57,501
Non-current liabilities	49,415	73,885	1,917	1,210
Current liabilities	41,012	34,591	37,684	31,507
Equity	41,749	36,437	40,172	32,109
Egmont International Holding A/S' share of equity	**20,875**	**18,219**	**19,619**	**15,665**
Goodwill	0	0	1,203	688
Investments in joint ventures	**20,875**	**18,219**	**20,822**	**16,353**

Cappelen Damm is the only material joint venture and the group "others" consists of more than 15 joint ventures.

Notes to the Consolidated Financial Statements (EURk) 51

12	Investments in associates	2015	2014
	Cost at 1 January	38,235	33,078
	Foreign exchange adjustments	(742)	(1,828)
	Additions	2,650	8,042
	Disposals	(2,015)	(1,057)
	Cost at 31 December	**38,128**	**38,235**
	Adjustments at 1 January	5,854	3,615
	Foreign exchange adjustments	282	(1,080)
	Share of profit/(loss) for the year	6,838	3,302
	Impairment losses	(1,341)	0
	Equity transactions in associates	(1,344)	505
	Dividends	(1,117)	(1,088)
	Disposals	1,193	600
	Adjustments at 31 December	**10,365**	**5,854**
	Carrying amount at 31 December	**48,493**	**44,089**

Note 29 includes an outline of the Group's investments in associates.

13	Inventories	2015	2014
	Raw materials and consumables	1,963	497
	Work in progress	4,116	2,001
	Manufactured goods and goods for resale	61,632	59,779
	TV programmes	41,798	43,031
	Total	**109,509**	**105,308**

At the end of the reporting period, the Group estimates the write-down to realisable value for manufactured goods and goods for resale, which primarily relates to books and game consoles. The estimate is based on expected sales and therefore subject to some uncertainty.

The cost of inventories sold and write-down of inventories for the year amounted to 393,872 (2014: 385,755) and 9,016 (2014: 15,263), respectively. Reversed write-down impairment of inventories in the income statement amounted to 523 (2014: 2,422). Inventories included capitalised payroll costs in the amount of 3,172 (2014: 5,605).

14 Prepayments

In the amount prepaid sports broadcasting rights are included at 1,207 (2014: 5,415), which are expected to be utilised more than 12 months from the balance sheet day.

15	Securities	2015	2014
	Listed bonds	33,102	98,235
	Other	565	1,170
	Total	**33,667**	**99,405**

The average duration of the bonds is 6 months.

52 Notes to the Consolidated Financial Statements (EURk)

16	Cash and cash equivalents	2015	2014
	Cash and bank account deposits	73,385	74,663

Of which deposited in fixed-term deposit 21,668 (2014: 11,923) and cash and equivalents pledged as collateral 3,478 (2014: 3,429).

17 **Equity**

Egmont International Holding A/S is 100% owned by Egmont Fonden, which is a commercial foundation. The capital structure is adapted, so that to achieve the necessary flexibility with regard to operations and investments in group companies. The group's equity ratio stood at 39.7% (2014: 35.5%)

18	Pension obligations and similar obligations	2015	2014
	Defined benefit pension obligations	(4,653)	(10,049)
	Other pension obligations	(7,229)	(8,044)
	Total	**(11,882)**	**(18,093)**

Pensions:

The Group mainly has defined contribution pension plans, but also has collective pension plans (multi-employer plans) and defined benefit pension plans as well, where the obligation is determined using actuarial assumptions.

Multi-employer plans:

The Group has collective pension plans in Sweden that are entered into with other enterprises in the media business and the plans (ITP plans) are administered by PP Pension. According to an interpretation from the Swedish Financial Reporting Board (UFR 3), ITP-plans are classified as multi-employer plans. Such plans are defined benefit plans, but are according to IAS 19 treated as defined contribution plans because the participating enterprises are not provided with information that enables them to report its proportional share of the plan commitments and surplus to its insured enterprises and employees. PP Pension has approximately 720 member enterprises and its consolidation ratio as of 30 September 2015 was 124% (2014: 114%). Contributions made to collective pension plans in Sweden in 2015 amount to EUR 3.4 million (2014: EUR 2.8 million). For 2016, the contributions are expected to be EUR 3.4 million.

Defined benefit pension plans:

The Group has defined benefit pension plans in Norway. These pension plans are funded in whole or in part through collective insurance plans with Kommunal Landspensjonskasse who manages the administration and the investment of the members' pension funds. The scheme provides entitlement to annual pensions amounting to approximately 70% of the qualifying income (annuity) from the retirement age of 67.

The defined benefit obligation was in 2014 impacted by TV 2's agreement with the employees to close down the plan and transfer the employees to a defined contribution plan effective from 1 October 2015. The pension liabilities and payroll taxes were reversed with EUR 46.7 million and EUR 6.5 million partly reduced by settlement costs of EUR 1.7 million. The effect of this agreement was a curtailment gain of net EUR 51.5 million which was recognised in the income statement under personnel costs in 2014.

For defined benefit pension plans, an actuarial valuation of the value of the plan assets and the present value of the pension obligations is made once a year.

Notes to the Consolidated Financial Statements (EURk) 53

18 Pension obligations and similar obligations (continued)

The actuarial calculations are based on actuarial assumptions relating to e.g. discount rate and expected wage increases within the framework determined by the public authorities in Norway at the balance sheet date. The discount rate is determined by reference to market yields on Norwegian high quality corporate bonds. The Group is exposed to actuarial risks including risks on investment and interest rate and mortality.

Defined benefit pension obligations recognised in the balance sheet	2015	2014
Present value of defined benefit pension obligations	(19,585)	(70,977)
Fair value of pension plan assets	15,505	61,940
Payroll tax	(573)	(1,012)
Net liability at 31 December	**(4,653)**	**(10,049)**

Movement in the present value of defined benefit obligations	2015	2014
Liability at 1 January	(70,977)	(102,704)
Adjustments relating to previous year(s)	258	920
Foreign exchange adjustments	4,457	7,007
Acquisitions through business combinations	0	805
Pension costs for the financial year	(1,579)	(5,367)
Calculated interest relating to liability	(1,608)	(3,686)
Actuarial gains/(losses) arising from changes in demographic assumptions	2,694	(5,243)
Actuarial gains/(losses) arising from changes in financial assumptions	2,244	(5,850)
Curtailments and repayments	43,576	41,677
Pensions paid, etc.	1,350	1,464
Liability at 31 December	**(19,585)**	**(70,977)**

Movement in the fair value of pension assets	2015	2014
Pension assets at 1 January	61,940	60,603
Adjustments relating to previous year(s)	(180)	(1,223)
Foreign exchange adjustments	(3,692)	(3,023)
Acquisitions through business combinations	0	(1,021)
Calculated interest on plan assets	1,526	2,287
Actual return on plan assets greater/(less) than calculated interest	(3,013)	(998)
Curtailments and repayments	(46,459)	0
Group's contribution to plan assets	6,544	6,521
Pensions paid, etc.	(1,161)	(1,206)
Pension assets at 31 December	**15,505**	**61,940**

Actuarial gains/(losses) recognised in other comprehensive income	2015	2014
Actuarial gains/(losses) excl. payroll tax	1,925	(12,091)
Payroll tax	274	(1,704)
Total	**2,199**	**(13,795)**

54 Notes to the Consolidated Financial Statements (EURk)

18 Pension obligations and similar obligations (continued)

Average composition of pension plan assets	2015	2014
Bonds	47.5%	49.4%
Shares	19.8%	11.5%
Money market and the like	19.9%	26.2%
Property	12.8%	12.9%

The Group expects to contribute EUR 0.9 million to defined benefit pension plans in 2016.

Maturity of pension obligations	2015	2014
Within 1 year	1,017	50,157
Between 1 - 5 years	5,570	5,993
After 5 years	12,998	14,827
Total	**19,585**	**70,977**

Average assumptions used for the actuarial calculations at the end of the reporting period in the individual pension plans:	2015	2014
Discount rate	2.7%	2.3%
Inflation rate	1.5%	1.5%
Salary increase	2.5%	2.8%
Pension increase	0.0 - 2.25%	0.0 - 2.5%
Mortality table	K2013/KU	K2013/KU

Sensitivity analysis:

The most significant assumptions used in the calculation of the obligation for defined benefit plans are discount rate and salary increase. The Group is also exposed to fluctuations in the market value of assets. Below is showed a sensitivity analysis based on possible changes in the most significant assumptions defined at the balance sheet date.

Defined benefit pension obligation	2015	2014*
Reported defined benefit obligation	(19,585)	(70,977)
Discount rate sensitivity:		
Increase by 0.5%	(18,064)	(69,440)
Decrease by 0.5%	(21,313)	(72,726)
Salary increase sensitivity:		
Increase by 0.5%	(19,736)	(71,085)
Decrease by 0.5%	(19,454)	(70,880)

*) The remaining service period for the defined pension plan in TV 2 is very short, as it will be settled during 2015 and therefore the sensitivty is kept constant for the purpose of sensitivity analysis.

Other pension obligations:

The Group has recognised an obligation of EUR 7.2 million (2014: EUR 8.0 million) to cover other pension-like obligations, including primarily job security agreements in a number of subsidiaries. The benefit payments are conditional upon specified requirements being met.

Notes to the Consolidated Financial Statements (EURk) 55

19 Deferred tax	2015	2014
Deferred tax at 1 January	(35,460)	(33,047)
Adjustments relating to previous years	0	(422)
Foreign exchange adjustments	1,427	685
Additions through business combinations	1,274	(3,117)
Deferred tax for the year recognised in the income statement	4,931	(4,020)
Deferred tax for the year recognised in other comprehensive income	709	4,461
Deferred tax at 31 December	**(27,119)**	**(35,460)**
Deferred tax has been recognised in the balance sheet as follows:		
Deferred tax, asset	7,016	7,039
Deferred tax liability	(34,135)	(42,499)
Deferred tax, net	**(27,119)**	**(35,460)**

Deferred tax assets are recognised for all unutilised tax losses to the extent it is considered probable that taxable profits will be realised in the foreseeable future against which the losses can be offset. The amount to be recognised in respect of deferred tax assets is based on an estimate of the probable time of realising future taxable profits and the amount of such profits.

The Group has assessed that deferred tax assets totalling 7,016 (2014: 7,039), primarily attributable to Germany can be realised in the foreseeable future. This is based on the forecasted earnings of the enterprises in which tax assets can be utilised.

The deferred tax relates to	2015	2014
Intangible assets	(49,199)	(55,754)
Property, plant and equipment	8,655	10,184
Receivables	200	412
Inventories	3,972	3,483
Other current assets	460	867
Provisions	6,990	8,172
Other liabilities	(1,916)	(6,990)
Tax losses allowed for carryforward, etc.	3,719	4,166
Total	**(27,119)**	**(35,460)**

Unrecognised deferred tax assets relate to	2015	2014
Tax losses	1,470	1,830
Temporary differences	175	195

56 Notes to the Consolidated Financial Statements (EURk)

20 Other provisions	Goods sold with a right of return	Other
Other provisions at 1 January 2015	52,693	24,898
Foreign exchange adjustments	(92)	(1,109)
Provisions through business combinations	0	37,752
Provisions made	69,422	11,366
Provisions used	(69,583)	(21,951)
Reversed	(2,538)	(1,351)
Other provisions at 31 December 2015	**49,902**	**49,605**

Goods sold with a right of return include magazines and books that the shops can return according to agreement. At the date of sale, the Group estimates how many goods are expected to be returned or exchanged based on historical experience of selling such goods. This estimate is naturally subject to uncertainty, as the quantity actually returned may deviate from the estimated quantity. However, the uncertainty concerning the return of magazines is limited due to the short period allowed for returning them.

Other provisions include warranty provisions, in respect of which expected partial compensation from the supplier is recognised in other receivables.

21 Fees to auditors	2015	2014
Fee to EY:		
Statutory audit	(1,039)	(644)
Tax consultancy	(93)	(52)
Other assurance statements	(77)	(29)
Other services	(192)	(281)
Total fees to EY	**(1,401)**	**(1,006)**
Fee to other auditors:		
Statutory audit	(75)	(842)
Tax consultancy	(19)	(48)
Other assurance statements	(53)	(32)
Other services	(468)	(509)
Total fees to other auditors	**(615)**	**(1,431)**
Total	**(2,016)**	**(2,437)**

22 Operating lease obligations

Operating lease obligations comprise leases for properties of 189,908 (2014: 207,053) and other leases of 16,845 (2014: 20,397).

Non-cancellable operating lease payments fall due	2015	2014
Up to 1 year	39,998	42,576
Between 1 to 5 years	88,110	102,480
More than 5 years	78,645	82,394
Total	**206,753**	**227,450**

The Group's share of operating lease obligations in joint ventures amounts to 36,603 (2014: 25,660).

Operating lease costs of 43,068 were recognised the income statement for 2015 (2014: 41,718).

Notes to the Consolidated Financial Statements (EURk) 57

23 Contingent liabilities and collateral

The Group has entered into binding contracts concerning purchase of intangible film rights at the value of 19,841 (2014: 26,177), and for purchase of property, plant and equipment at the value of 0 (2014: 1,190).

Entities in the Group have furnished miscellaneous guarantees, etc., for 6,913 (2014: 7,048).

The Group's share of miscellaneous guarantees in joint ventures amounts to 1,888 (2014: 1,454).

24 Financial risks and financial instruments

As a result of its operations, investments and financing, the Egmont Group is exposed to certain financial risks. Primarily related to foreign exchange and interests.

Corporate Finance is responsible for centralised management of liquidity and financial risks in the Group's wholly owned entities. Corporate Finance operates as counterparty to the Group's entities, thus undertaking centralised management of liquidity and financial risks. Liquidity and financial risks arising in joint ventures are reported to Corporate Finance and thus managed on a decentralised basis. Management monitors the Group's financial risk concentration and financial resources on an ongoing basis.

The overall framework for financial risk management is laid down in the Group's Treasury Policy approved by the Board of Directors. The Treasury Policy comprises the Group's currency and interest rate policy, financing policy and policy regarding credit risks in relation to financial counterparties and includes a description of approved financial instruments and risk framework. The overall framework is assessed on an ongoing basis.

The Group's policy is to refrain from engaging in speculative transactions. Thus, the Group's financial management focuses exclusively on managing financial risks that are a direct consequence of the Group's operations, investments and financing.

Currency risks

The Group is exposed to exchange rate fluctuations as a result of the individual consolidated enterprises entering into purchase and sales transactions and having receivables and payables denominated in currencies other than their functional currency. Forward exchange contracts are used to ensure that the actual exposure does not exceed the currency exposure limit of the Group.

At 31 December 2015, a 5%-drop in the exchange rates of NOK/DKK, EUR/NOK and USD/DKK will affect equity negatively with EUR 5.8 million (2014: EUR 8.9 million) in total. The sensitivity analysis is based on financial instruments recognised at 31 December and an effectiveness of 100% of hedge accounting.

The Group is using forward contracts to hedge currency risks related to purchase of film rights and sports broadcasting rights. The cumulative value adjustments recognised in other comprehensive income amount to EUR 15.1 million (2014: EUR 11.9 million), which will be recognised in the income statement during 2016-2021.

Translation risks

The Group's primary currency risk exposure is denominated in NOK and relates to the Group's investments in wholly-owned entities and joint ventures, including long-term intra-group loans. As a main rule, these currency risks are not hedged, as ongoing hedging of such long-term investments is not considered to be the best strategy based on overall risk and cost considerations. Due to decrease in exchange rate, the equity is in 2015 affected negatively by EUR 30.2 million (2014: negative effect of EUR 45.3 million).

24 Financial risks and financial instruments (continued)

A 5% drop in the exchange rates of NOK would have impacted the 2015 profits by about EUR -3.1 million (2014: EUR -4.8 million), and the equity at 31 December 2015 by about EUR -24.2 million (2014: EUR -22.2 million). A positive change in foreign exchange rates would have a reverse impact on profits and equity based on the financial instruments recognised at end-2015 and end-2014, all other things being equal.

Interest rate risks

As a result of its investment and financing activities, the Group has an exposure related to fluctuations in interest rate levels.

The Group's policy is to hedge interest rate risks relating to loans when it is assessed that interest payments may be secured at a satisfactory level. The Group's interest rate risks are managed by entering into interest swap contracts, with floating-rate loans being converted into fixed-interest loans. The principal amount of interest swap contracts concluded by the Group for hedging purposes was EUR 98.5 million at 31 December 2015 and EUR 117.8 million at 31 December 2014. The cumulative fair value adjustments in other comprehensive income amounted to EUR -23.3 million at 31 December 2015 (2014: EUR -25.4 million), which will be recognised in the income statement over the coming 1-13 years (2014: 1-14 years).

As a result of the Group's use of derivative financial instruments to hedge its interest rate exposure relative to instruments of debt, changes in the fair value of the hedging instruments will impact the Group's reserve for hedging transactions under equity. A one percentage point drop in interest rates would reduce equity by about EUR 8 million. In addition, such an interest rate drop will not affect the income statement in any material way, because the effect by way of loss of interest income from net deposits and market value changes to derivative financial instruments equals out and in addition will be insignificant.

Liquidity risks

The Group's liquidity reserve comprises cash and cash equivalents, securities and unutilised credit facilities. To ensure optimum utilisation of cash and cash equivalents, the Group operates with cash pools. The Group has net interest-bearing debt of EUR 18.9 million (2014: EUR 48.6 million).

The Group's financing consists primarily of floating rate loans denominated in NOK with the underlying facility having maturity in 2019. In the debt repayment schedule shown below, it is assumed that the loan facility will be continually extended.

The Group's liabilities other than provisions fall due as shown below. The debt repayment schedule is based on undiscounted cash flows incl. estimated interest payments based on current market conditions:

	Carrying amount	Contractual cash flows	Within 1 year	1 to 5 years	After 5 years
Other credit institutions	56,136	63,690	642	2,821	60,227
Other financial liabilities	4,252	4,252	1,123	2,131	998
Finance lease liabilities	323	421	392	29	0
Trade payables	212,581	212,581	212,581	0	0
Debt to affiliates	118,595	118,595	118,595	0	0
Payables to joint ventures and associates	6,882	6,882	6,882	0	0
Non-derivative financial instruments	**398,769**	**406,421**	**340,215**	**4,981**	**61,225**
Derivative financial instruments	28,321	32,706	2,891	13,106	16,709
31. december 2015	**427,090**	**439,127**	**343,106**	**18,087**	**77,934**

Notes to the Consolidated Financial Statements (EURk) 59

24 Financial risks and financial instruments (continued)

	Carrying amount	Contractual cash flows	Within 1 year	1 to 5 years	After 5 years
Other credit institutions	62,970	79,722	8,973	4,435	66,315
Other financial liabilities	5,134	5,134	2,074	3,060	0
Finance lease liabilities	811	973	541	432	0
Trade payables	210,481	210,481	210,481	0	0
Debt to affiliates	210,361	210,361	210,361	0	0
Payables to joint ventures and associates	15,299	15,299	15,299	0	0
Non-derivative financial instruments	**505,056**	**521,970**	**447,729**	**7,927**	**66,315**
Derivative financial instruments	32,899	35,266	3,207	13,247	18,812
31. december 2014	**537,955**	**557,236**	**450,936**	**21,174**	**85,127**

In 2014, the Group re-negotiated the commited bank facility with a limit of EUR 242.0 million with a new expiry date in 2019.

Credit risks

The Group's credit risks relate primarily to trade receivables, securities and cash and cash equivalents. The Group is not exposed to any significant risks associated with a particular customer or business partner. According to the Group's policy for accepting credit risk, all major customers are regularly credit rated.

Trade receivables:

For certain sales the Group receives collateral. This occurs typically in connection with the distribution of magazines where deposits are received. Trade receivables secured by collateral, with a consequent reduction in overall credit risk, amount to 29,110 (2014: 29,670). In addition, some of the Group's entities take out credit insurance against losses on trade receivables to the extent deemed relevant.

Trade receivables, that have not yet fallen due and have not been impaired, can be broken down by geographical area as follows:

	2015	2014
Denmark	42,999	41,219
Other Nordic countries	86,138	72,891
Other European countries	35,942	40,953
Other countries	223	231
Total	**165,302**	**155,294**

The aging of trade receivables past due and not impaired is as follows:

	2015	2014
Up to 30 days	29,224	33,249
Between 30 and 90 days	10,574	8,064
Over 90 days	4,854	5,142
Total	**44,652**	**46,455**

60 Notes to the Consolidated Financial Statements (EURk)

24 Financial risks and financial instruments (continued)

Impairment:

	2015	2014
Impairment at 1 January	12,003	9,289
Foreign exchange adjustments	(77)	(616)
Impairment for the year	1,343	7,192
Realised losses	(1,287)	(2,144)
Reversed impairment	(2,990)	(1,718)
Impairment at 31 December	**8,992**	**12,003**

Securities, cash and cash equivalents:
The Group is exposed to counterparty risk through its cooperation with financial counterparties via funds deposited, but also via credit commitments. The Group manages this risk by cooperating with banks with a sound credit rating.

Categories of financial instruments

Financial instruments are broken down into categories of financial assets and liabilities below:

	2015	2014
Financial assets measured at fair value via the income statement	34,749	101,994
Financial assets used as hedging instruments	2,532	7,773
Receivables	360,515	345,675
Financial liabilities measured at fair value via the income statement	4,608	6,665
Financial liabilities used as hedging instuments	23,713	26,234
Financial liabilities measured at amortised cost	398,769	505,056

The carrying amount of receivables and other financial liabilities (current) is equal to the fair value.

Debt to other credit institutions (non-current) are floating-rate cash loans, and thus the fair value is equal to the carrying amount.

Securities are measured at listed prices (level 1). Derivative financial instruments are valued at fair value on the basis of inputs other than listed prices that are observable for the liability, either directly or indirectly (level 2).

Notes to the Consolidated Financial Statements (EURk) 61

25 Related parties

Egmont International Holding A/S is 100 % owned by Egmont Fonden, Vognmagergade 11, 1148 København K and is a part of Egmont Fonden's annual report.

Related parties also include Ejendomsselskabet Vognmagergade 11 ApS and Ejendomsselskabet Gothersgade 55 ApS.

Transactions with related parties comprise receivables of 21,757 (2014:17,978) and interest income of 898 (2014: 1,244). Payables to affiliates comprises primarily cash pool scheme of 30,848 (2014: 118,276) and other financial balances of 87,454 (2014: 89,497). Interest expenses are 1,769 (2014: 1,313).

Transactions with Ejendomsselskabet Vognmagergade 11 ApS include annual rent costs of 2,659 (2014: 2,752) and the notice period is 6 months. In addition, the Group handles the administration of the accounts etc. and some contracts on behalf of Egmont Fonden, and a yearly administration fee is paid of respectibely 670 (2014: 671), and 135 (2014: 127).

The Group's related parties with significant influence comprise the Group's Board of Directors, Management Board and their close relatives, as well as enterprises in which this group of persons has material interests. The compensation paid to the Board of Directors and Management Board is disclosed in note 4.

Related parties with significant influence also comprise joint ventures and associates; see notes 11; 12 and 29. Transactions with joint ventures and associates can be broken down as follows:

	2015		2014	
	Joint ventures	Associates	Joint ventures	Associates
Receivables	24,418	14,233	33,185	19,232
Payables	(5,762)	(1,120)	(14,356)	(943)
Interest income	1,245	471	1,450	599
Interes expense	(142)	0	(155)	0

26 Standards and interpretations not yet adopted

The IASB has issued a number of new standards and interpretations that have not yet become mandatory for the Group's consolidated financial statements for 2015. IFRS 15, Revenue and IFRS 9, Financial Instruments will become effective from 1 January 2018 and the Group is in a process of preparing for the implementation in 2018. The impact at this stage is considered to be limited. IFRS 16, Leases will become effective from 1 January 2019 and the impact will especially be on the balance sheet where all lease contracts with few exceptions will have to be recognised. The Group is assessing the impact of IFRS 16. None of the standards have been adopted by the EU.

27 Subsequent events.

On 10 March 2016, the Group signed an agreement with CTS Eventim AG & Co. KGaA to form a joint venture comprising Egmont's and Eventim's ticketing business in Scandinavia. Egmont will sell Billetlugen A/S, Venuepoint AS and Venuepoint AB to the joint venture, and the joint venture will acquire CTS Eventim Sweden AB from Eventim. The deal will be closed in April 2016 with an expected immaterial impact on the result.

CTS Eventim AG & Co. KGaA is the European market leader in the ticketing industry and one of the leading providers of live entertainment.

62 Notes to the Consolidated Financial Statements (EURk)

28 Acquisition and divestment of businesses

Acquisitions in 2015

In 2015, the Group has acquired C More Norway (asset deal) and 70.1% of the shares in Sempro AS. Please refer to seperate section below for a further elaboration of the acquisitions. Furthermore the Group has acquired other businesses for a total of EUR 0.5 million.

Fair value at acquisition date	C More Norway	Sempro AS	Others	Total
Intangible assets	1,664	24	1,005	2,693
Property, plant and equipment	0	42	530	572
Other non-current assets	0	4	805	809
Current assets	0	988	4,820	5,808
Non-current financial liabilities	0	0	(259)	(259)
Other non-current liabilities	0	0	(217)	(217)
Other current liabilities	(37,795)	(850)	(4,786)	(43,431)
Identifiable net assets	**(36,131)**	**208**	**1,898**	**(34,025)**
Goodwill	35,521	2,590	1,176	39,287
Badwill	0	0	(614)	(614)
Minority interest	0	40	536	576
Purchase consideration	**(610)**	**2,838**	**2,996**	**5,224**
Cash and cash equivalents, acquired	0	(568)	(2,488)	(3,056)
Total cash consideration paid	**(610)**	**2,270**	**508**	**2,168**

Transaction costs attributable to the acquisitions are recognised in Other external expenses when incurred.

C More Norway

The group acquired the Norwegian C More activities from C More Entertainment, a Nordic Premium TV company (sports, film and series), in July 2015.

The net cash purchase price is EUR -0.6 million. Goodwill is mainly related to the synergies that can be achieved when C More Norway is integrated into the existing setup for TV 2 Norway.

The transaction costs for advisory in relation with the acquision is EUR 1.8 million.

Sempro AS, Norway

The group acquired 70.1% of the shares in Sempro AS, a Norwegian content marketing agency, in August 2015.

The net cash purchase price is EUR 2.3 million. Goodwill is mainly related to the workforce in place and the knowhow that they possess.

There are no transaction costs.

Other

In 2015, OB Team, a subsidiary in TV 2 Norway, acquired 52% of the shares in Aventia AS and 90.21% of the shares in TVP Broadcast AS in order to create a one-shop TV production offer in Norway. TV 2 Norway acquired the remaining 50% of Nordic World AS. Badwill related to this acquisition, EUR 0.6 million, is recognised in other operating income. The Publishing division acquired 51.3% of Bonzaii AS to further strengthen and develop the content marketing business area.

Notes to the Consolidated Financial Statements (EURk) 63

28 Acquisition and divestment of businesses (continued)

Acquisitions in 2014

In 2014, the Group acquired 100% of the shares in Gavekortet.dk A/S, 100% of the shares in Forma Publishing Group AB and 60% of the shares in Bagaren och Kocken AB. Please refer to separate section below for a further description of the acquisitions. Furthermore, the Group has acquired other businesses for a total of EUR 0.6 million.

Fair value at acquisition date	Gave-kortet.dk A/S	Forma Publishing Group AB	Bagaren och Kocken AB	Others	Total
Intangible assets	2,432	8,449	1,003	612	12,496
Property, plant and equipment	18	92	98	0	208
Current assets	11,719	7,549	3,065	0	22,333
Non-current financial liabilities	(903)	0	0	0	(903)
Other non-current liabilities	0	0	(413)	0	(413)
Other current liabilities	(9,363)	(8,616)	(533)	0	(18,512)
Identifiable net assets	**3,903**	**7,474**	**3,220**	**612**	**15,209**
Goodwill	9,944	7,485	3,651	0	21,080
Minority interest	0	0	(1,244)	0	(1,244)
Purchase consideration	**13,847**	**14,959**	**5,627**	**612**	**35,045**
Cash and cash equivalents, acquired	(7,183)	(4,327)	(1,047)	0	(12,557)
Contingent purchase consideration (Earn outs)	0	0	(1,870)	(62)	(1,932)
Total cash consideration paid	**6,664**	**10,632**	**2,710**	**550**	**20,556**

Transaction costs attributable to the acquisitions are recognised in Other external expenses when incurred.

Gavekortet.dk A/S, Denmark

The Group acquired all shares in gavekortet.dk, a Nordic gift card company, in August 2014.

The net cash purchase price is EUR 6.6 million. Goodwill, is mainly related to the market position of the company, including knowhow and the employees.

Transaction costs in relation to the acquisition amounts to EUR 0.2 million.

Forma Publishing Group AB, Sweden

In October 2014 the Group acquired all shares in Forma Publishing Group AB, a Swedish publishing company with a number of various titles/magazines.

The net cash purchase price was EUR 10.6 million. Goodwill, is mainly related to synergies between the group and the company.

Transaction costs in relation to the acquisition amounts to EUR 0.6 million.

Bagaren och Kocken AB, Sweden

The Group acquired 60% of the shares in Bagaren och Kocken AB, a Swedish e-commerce company selling kitchen tools and kitchenware, in May 2014.

The net cash purchase price is EUR 2.7 million. Goodwill, is mainly related to the workforce in place and knowhow associated to the set-up on the different markets.

Transaction costs in relation to the acquisition amounts to EUR 0.1 million.

64 Notes to the Consolidated Financial Statements (EURk)

28 Acquisition and divestment of businesses (continued)

Others

In 2014, the Publishing division acquired the activity spelarservice.se in Sweden in order to strenghten the digital capabilities of the division.

Divestments in 2014

In 2014, the Group sold shares in a number of companies. The main sales relate to Mosart Medialab AS (gain of EUR 11.2m) and Frysjaveien AS (gain of EUR 8.4m).

Carrying amount at divestment date	Total
Intangible assets	195
Property, plant and equipment	1,109
Other non-current assets	1,791
Current assets	1,434
Other current liabilities	(1,390)
Net assets divested	**3,139**
Profit/(loss)	19,659
Selling price on divestment of businesses	**22,798**
Cash and cash equivalents, disposed	(739)
Total cash consideration received	**22,059**

Notes to the Consolidated Financial Statements (EURk) 65

29 Group entities

Unless otherwise stated, the entities are wholly owned. The entities marked with * are owned directly by Egmont International Holding A/S.

Entities marked with ** do not prepare official annual reports.

SUBSIDIARIES

Country	Entity	Registered office	Ownership share 2015	Ownership share 2014
Denmark	Egmont Holding A/S *	Copenhagen		
	Egmont Publishing A/S	Copenhagen		
	Vægtkonsulenterne A/S *(Merged with Egmont Publishing Digital A/S)*	Copenhagen	-	
	Egmont Printing Service A/S	Copenhagen		
	Egmont Publishing Kids A/S *(Merged with Egmont Publishing A/S)*	Copenhagen	-	
	Egmont Publishing Digital A/S	Copenhagen		
	Egmont Creative Solutions A/S	Copenhagen		
	Egmont Sourcing A/S *(Merged with Egmont Publishing A/S)*	Copenhagen	-	
	ABCiTY A/S	Copenhagen	80.4%	30.7%
	Lindhardt og Ringhof Forlag A/S	Copenhagen		
	Nordisk Film A/S	Copenhagen		
	Nordisk Film Distribution A/S	Copenhagen		
	Nordisk Film Shortcut A/S	Copenhagen		
	Nordisk Film Production A/S	Copenhagen		
	Nordisk Film Biografer A/S	Copenhagen		
	Scala Bio Center Aalborg ApS	Aalborg	80%	80%
	GoGift.com A/S	Copenhagen		
	NF Direct A/S *(Merged with GoGift.com A/S)*	Copenhagen	-	
	Kino.dk A/S	Copenhagen	74%	74%
	Billetlugen A/S	Copenhagen		
	Nordisk Film Bridge Finance A/S	Copenhagen		
	Dansk Reklame Film A/S	Copenhagen		
	Egmont Administration A/S	Copenhagen		
	Egmont Finansiering A/S	Copenhagen		
	Ejendomsaktieselskabet Lygten 47-49	Copenhagen		
	MBG Sleeping Agmont A/S **	Copenhagen		50.1%
	VPH Sleeping Agmont A/S **	Copenhagen		
	N2X Sleeping Agmont A/S **	Copenhagen		
Norway	Egmont AS *	Oslo		
	Egmont Holding AS *	Oslo		
	Egmont Kids Media Nordic AS	Oslo		
	Nordisk Film AS	Oslo		
	Nordisk Film Distribusjon AS	Oslo		
	Nordisk Film Production AS	Oslo		
	Nordisk Film ShortCut AS	Oslo	66%	66%

66 Notes to the Consolidated Financial Statements (EURk)

29 Group entities (continued)

SUBSIDIARIES

Country	Entity	Registered office	Ownership share 2015	2014
Norway	Drammen Kino AS	Drammen	66.7%	66.7%
	Venuepoint AS	Oslo		
	Nordisk Film Kino AS	Oslo		
	Media Direct Norge AS	Oslo		
	Neofilm AS *(Merged with Nordisk Film Production AS)*	Oslo	-	66.7%
	Filmweb AS	Oslo	64.3%	64.3%
	Egmont Publishing AS	Oslo		
	Fagmedia AS	Oslo		
	MyKid AS	Oslo	56%	56%
	Bonzaii AS	Oslo	51.3%	34%
	Sempro AS	Moss	70.1%	-
	TV 2 Gruppen AS	Bergen		
	TV 2 AS	Bergen		
	TV 2 Skole AS	Bergen		
	Nydalen Studios AS	Oslo		
	OB-Team AS	Oslo		
	Broom.no AS	Oslo		
	Outside Broadcast Team AS	Bergen		
	Eventyrkanalen AS	Bergen		
	TV 2 Torget AS	Bergen		
	Vimond Media Solutions AS	Bergen		
	Kanal 24 Norge AS	Fredrikstad		
	Nordic World AS	Oslo		50%
	Screen Media AS	Oslo		-
	TVP Broadcast AS	Stavanger	90.2%	-
	Colorbar AS	Stavanger		
	TVP Broadcast AS owns		75%	-
	Aventia Media AS	Nøtterøy	52%	-
	TV 2 Sol AS	Bergen		
Sweden	Egmont Holding AB *	Malmö		
	Egmont Publishing Investments AB	Stockholm		
	Egmont Publishing Subsidiary AB	Stockholm		
	Forma Publishing Group AB	Stockholm		
	Bagaren och Kocken AB	Gothenburg	60%	60%
	Egmont Publishing AB	Malmö		
	Sudd AB	Stockholm		
	Sören och Anders Interessenter AB	Örebro		
	Änglatroll AB	Örebro		
	Nordisk Film Sverige AB	Stockholm		
	Nordisk Film Produktion Sverige AB	Stockholm		
	Avanti Film AB	Stockholm	70%	-
	Venuepoint AB	Gothenburg		

Notes to the Consolidated Financial Statements (EURk) 67

29 Group entities (continued)

SUBSIDIARIES

			Ownership share	
Country	Entity	Registered office	2015	2014
Sweden	Nordisk Film Distribution AB	Stockholm		
	Nordisk Film ShortCut AB	Stockholm		
	NML Sleeping Egmont AB	Malmö		
Finland	Egmont Holding Oy/Egmont Holding Ab *	Helsinki		
	Oy Nordisk Film Ab	Helsinki		
	BK Pro Fitness Oy	Vasa		
Germany	Egmont Holding GmbH *	Berlin		
	Egmont Ehapa Media GmbH	Berlin		
	Egmont Verlagsgesellschaften mbH	Cologne		
	Mitte-Editionen GmbH	Berlin		
	Egmont Ehapa Rights Management GmbH	Berlin		
	Egmont Ehapa Comic Collection GmbH	Berlin		
	Delta Verlagsgesellschaft mbH	Berlin		
United Kingdom	Egmont Holding Ltd. *	London		
	Egmont UK Ltd.	London		
	Egmont Book Publishing Ltd.	London		
	Egmont Magazines Ltd.	London		
Poland	Egmont Polska sp. z o.o. *	Warsaw		
	MaxiKarty.pl. sp. z o.o	Warsaw		
Chech Republic	Egmont CR s.r.o. *	Prague		
Hungary	Egmont Hungary Kft. *	Budapest		
Russia	ZAO Egmont Russia Ltd. *	Moscow		
Estonia	Egmont Estonia AS *	Tallinn		
Latvia	Egmont Latvija SIA *	Riga		
Lithuania	UAB Egmont Lietuva *	Vilnius		
Ukraine	Egmont Investment UA LLC	Kiev		
	Egmont Ukraine LLC *	Kiev		
Romania	Egmont Romania S.R.L. *	Bukarest	-	
Bulgaria	Egmont Bulgaria EAD *	Sofia		
Croatia	Egmont d.o.o. *	Zagreb		
USA	Egmont US Inc.	New York		
	Vimond Media Solutions Inc	New York		
China	Egmont Hong Kong Ltd. *	Hong Kong		
	Egmont Sourcing (HK) Ltd. *	Hong Kong		
South Africa	Egmont Africa Pty, LTD	Cape Town		

29 Group entities (continued)

JOINT VENTURES

Country	Entity	Registered office	Ownership share 2015	2014
Denmark	Patchwork Group A/S	Copenhagen	45%	-
	Patchwork Denmark A/S	Copenhagen	45%	-
	Everclassic ApS	Copenhagen	20.2%	-
	Med24.dk ApS	Løkken	30%	18.8%
	Cape Copenhagen ApS	Copenhagen	35%	-
	Ugebladenes Fælles Opkrævningskontor I/S **	Albertslund	50%	50%
Norway	Mediehuset Nettavisen AS	Oslo	50%	50%
	Bootstrap AS *(Merged with Mediehuset Nettavisen AS)*	Oslo	-	50%
	Nettavisen Oslo AS	Oslo	50%	50%
	Absolutely Independent B.V.	Amsterdam	-	50%
	Cappelen Damm Holding AS	Oslo	50%	50%
	Cappelen Damm AS	Oslo	50%	50%
	Cappelen Damm Salg AS	Oslo	50%	50%
	Tanum AS	Oslo	50%	50%
	Sentraldistribusjon AS	Oslo	50%	50%
	Ex Libris Forlag AS	Oslo	50%	50%
	Larsforlaget AS *Cappelen Damm Holding AS owns*	Oslo	66%	66%
	Maipo Film AS	Oslo	50.1%	50.1%
	Patchwork Norway AS	Oslo	45%	-
Sweden	Askeladden AB	Stockholm	50%	50%
	Patchwork Sweden AB	Stockholm	45%	-
	Fem Förlag AB	Västra Frölunda	50%	50%
Finland	Solar Films Oy	Helsinki	50.1%	50.1%
	Egmont Kustannus Oy Ab	Helsinki	50%	50%
Turkey	Dogan Egmont Yayincilik ve Yapimcilik A.S. *	Istanbul	50%	50%
Australia	Hardie Grant Egmont Pty Ltd	Melbourne	50%	50%
China	Children's Fun Publishing Company Ltd.	Beijing	49%	49%

Notes to the Consolidated Financial Statements (EURk) 69

29 Group entities (continued)

ASSOCIATES

Country	Entity	Registered office	Ownership share 2015	Ownership share 2014
Denmark	Zentropa Folket ApS	Hvidovre	50%	49.7%
	Fridthjof Film A/S	Copenhagen	25%	-
	Udstyrsfabrikken ApS	Copenhagen	25%	-
	Publizon A/S	Aarhus	36%	36%
	Unique Models of Copenhagen A/S	Copenhagen	30%	30%
Norway	KinoSør AS	Kristiansand	49%	49%
	Fjellsport Group AS	Sandefjord	25%	25%
	Wolftech Broadcast Solutions AS	Bergen	49.9%	49.9%
	Norges Televisjon AS	Oslo	33.3%	33.3%
	RiksTV AS	Oslo	33.3%	33.3%
	Norges Mobil TV AS	Oslo	33.3%	33.3%
	Electric Friends as	Oslo	34%	34%
	Publish Lab as	Oslo	50%	50%
Sweden	Klintberg Nihlén Media AB	Stockholm	49%	49%
	Jollyroom Group AB	Mölndal	30%	30%
	Animail AB	Skarpnäck	18.4%	-
	ZooZoocom AB	Stockholm	22.8%	28.9%
	Motorrad AB	Solna	44%	44%
United Kingdom	Wendy Promotion Ltd. *	London	50%	50%
	Wendy Animation Promotions Ltd.	London	50%	50%

70 Notes to the Consolidated Financial Statements (EURk)

Income Statement of Egmont International Holding A/S

(EURk)

Note		2015	2014
	Revenue	**16,344**	**18,602**
	Other operating income	216	0
2	Personnel expenses	(8,077)	(8,185)
	Other external expenses	(11,868)	(11,043)
	Operating profit	**(3,385)**	**(626)**
	Dividends from investments in subsidiaries	0	11,852
	Impairment of investments	(4,283)	(4,567)
3	Financial income	18,998	26,444
4	Financial expenses	(11,284)	(13,259)
	Profit before tax	**46**	**19,844**
5	Tax on profit for the year	14	(735)
	Net profit for the year	**60**	**19,109**
	Distribution of net profit:		
	Retained earnings	(1,147)	11,048
	Proposed dividend	1,207	8,061
	Total	**60**	**19,109**

Statement of Financial Position of Egmont International Holding A/S at 31 December

(EURk)

Note	Assets	2015	2014
6	Intangible assets	0	0
7	Investments in subsidiaries	511,448	514,513
8	Investments in associates	4,539	3,801
9	Receivables from affiliates	43,680	46,453
	Financial assets	**559,667**	**564,767**
	Total non-current assets	**559,667**	**564,767**
	Receivables from affiliates	275,519	387,448
	Other receivables	3,128	3,370
	Receivables	**278,647**	**390,818**
	Securities	**33,102**	**98,235**
	Cash and cash equivalents	**49,800**	**43,464**
	Total current assets	**361,549**	**532,517**
	TOTAL ASSETS	**921,216**	**1,097,284**

Statement of Financial Position of Egmont International Holding A/S at 31 December

(EURk)

Note	Equity and liabilities	2015	2014
	Share capital	26,935	27,003
	Retained earnings	376,968	381,391
	Proposed dividends	1,207	8,061
10	**Total equity**	**405,110**	**416,455**
11	Deferred tax	3,325	4,067
12	Other credit institutions	55,900	59,443
13	Other provisions	56	56
	Total non-current liabilities	**59,281**	**63,566**
	Trade payables	1,128	4,970
	Payabels to affiliates	425,195	581,271
	Other payables	30,502	31,022
	Total curent liabilities	**456,825**	**617,263**
	Total liabilities	**516,106**	**680,829**
	TOTAL EQUITY AND LIABILITIES	**921,216**	**1,097,284**

14 Contingent liability
15 Related parties

1 Accounting policies

The financial statements of Egmont International Holding A/S have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to entities of reporting class C (large).

The accounting policies applied in the presentation of the financial statements are consistent with those of the previous year.

No cash flow statement has been included for Egmont International Holding A/S, as reference is made to the consolidat-ed cash flow statement.

The accounting policies of the Egmont International Holding A/S deviate from the Group's accounting policies in the following areas:

Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at cost. Where cost is lower than the recoverable amount, write-downs are made to this lower value.

Dividends

Dividends from investments in subsidiaries and associates are recognized in the financial year in which the dividend is declared, typically at the time when the general meeting approves the distribution of dividend by the relevant company. To the extent that the dividend distributed exceeds accumulated earnings after the acquisition date, dividend is recognized as a reduction of the cost of the investment.

2	Personnel expenses	2015	2014
	Wages and salaries	(7,907)	(7,930)
	Pensions	(170)	(255)
	Total	**(8,077)**	**(8,185)**

Compensation paid to The Management Board amounted 4,048 (2014: 3,575) and to The Board of Directors amounted 302 (2014: 302). In 2015 the company employed 5 full time employees (2014: 14).

3	Financial income	2015	2014
	Interest income, affiliates	8,024	9,432
	Foreign exchange gains, net	2,554	2,247
	Other financial income	8,420	14,765
	Total	**18,998**	**26,444**

4	Financial expenses	2015	2014
	Interest cost, afiliates	(2,458)	(1,661)
	Other financial cost	(8,826)	(11,598)
	Total	**(11,284)**	**(13,259)**

5	Tax on profit for the year	2015	2014
	Calculated joint tax contribution	(695)	(1,025)
	Adjustments from prior years	(22)	172
	Deferred tax	731	118
	Total	**14**	**(735)**

6	Intangible assets	2015	2014
	Intangible assets under construction and prepayments		
	Cost at 1 January	2,224	2,219
	Foreign exchange adjustments	(6)	5
	Cost at 31 December	**2,218**	**2,224**
	Depreciations and impairment losses 1. January	(2,224)	(2,219)
	Foreign exchange adjustments	6	(5)
	Depreciations and impairments losses 31 December	**(2,218)**	**(2,224)**
	Carrying amount at 31 december	**0**	**0**

Notes of Egmont International Holding A/S (EURk) 75

7	Investments in subsidiaries	2015	2014
	Cost at 1 January	612,950	608,128
	Foreign exchange adjustments	(1,552)	1,364
	Additions	2,770	3,458
	Disposals	(3,540)	0
	Cost at 31 December	**610,628**	**612,950**
	Adjustments at 1 January	(98,437)	(92,635)
	Impairment losses	(4,283)	(4,247)
	Dividends distributed without profit	0	(1,555)
	Disposals	3,540	0
	Adjustments of valuation 31 December	**(99,180)**	**(98,437)**
	Carrying amount 31 december	**511,448**	**514,513**

For a list of subsidiaries please see note 29 in the consolidated financial statement.

8	Investments in associates	2015	2014
	Cost at 1 January	3,801	4,362
	Foreign exchange adjustments	(10)	9
	Additions	748	0
	Disposals	0	(570)
	Cost at 31 December	**4,539**	**3,801**
	Adjustments at 1 January	0	0
	Impairment losses	0	(320)
	Disposals	0	320
	Adjustments of valuation 31 December	**0**	**0**
	Carrying amount 31 December	**4,539**	**3,801**

For a list of associates see note 29 in the consolidated financial statement.

9	Receivables from affiliates	2015	2014
	Cost at 1 January	46,453	49,846
	Foreign exchange adjustments	(2,773)	(3,393)
	Cost at 31 December	**43,680**	**46,453**

Receivables from affiliates are considered as an addition to the investment in subsidiaries.

76 Notes of Egmont International Holding A/S (EURk)

10	Equity	2015	2014
	Share capital at 1 January	27,003	26,942
	Foreign exchange adjustments	(68)	61
	Share capital at 31 December	**26,935**	**27,003**
	Retained earnings at 1 January	381,391	371,938
	Foreign exchange adjustments	(3,276)	(1,595)
	Retained earnings for the year	(1,147)	11,048
	Retained earnings at 31 December	**376,968**	**381,391**
	Proposed dividends at 1 January	8,061	0
	Foreign exchange adjustments	(20)	0
	Proposed dividends for the year	1,207	8,061
	Dividends distributed	(8,041)	0
	Proposed dividends at 31 December	**1,207**	**8,061**

11 **The deferred tax relates to recapture balance.**

12 **None of the long term debt is due for payment after 5 years.**

13	Other provisions	2015	2014
	Provisions for job security agreements	56	56

14	Contingent liabilities	2014	2014
	Suretyship for payables in affiliates	16,303	17,531
	Guarantees for payables in affiliates	311,377	153,770
	Total	**327,680**	**171,301**

The company is jointly taxed with other Danish companies in the group. As administration company, it is jointly and severally liable with the other companies in the joint taxation of all Danish corporate taxes and withholding taxes on dividends, interests and royalties within the joint taxation group. Accrued corporate taxation and withholding taxes within the joint taxation group amounts 5,398 (2014: 3,032), recognised in the company's accounts. Any corrections to the taxable joint taxation income could lead to the company's liability to increase.

In addition, the company has issued declarations of intent relating to outstanding balances between subsidiaries and third parties.

15 **Related parties**

The company is 100% owned by Egmont Fonden, Vognmagergade 11, 1148 Copenhagen K and forms part of the Egmont Group.

Notes of Egmont International Holding A/S (EURk) 77