EGMONT

EGMONT FONDEN

Annual Report 2014

CVR No. 11456111

EGMONT

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EGMONT

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Management's review

CONSOLIDATED FINANCIAL HIGHLIGHTS	2014	2013	2012	2011	2010
Key figures (EUR million)					
Revenue	1,552.0	1,477.0	1,465.2	1,038.5	1,100.5
Profit before net financials, depreciation, amortisation and impairment losses (EBITDA)	236.7	184.4	178.4	147.0	162.4
Operating profit	131.2	102.1	101.5 *	94.8	83.0
Profit/(loss) on net financials	(3.8)	(3.5)	(2.1)	6.6	(0.7)
- of which profit/(loss) from investments in associates	3.3	4.6	2.1	3.9	(1.8)
- of which financial income and expenses, net	(7.1)	(8.1)	(4.2)	2.7	1.1
Special items	-	-	67.3	-	-
Profit before tax (EBT)	127.4	98.7	166.6	101.4	82.2
Profit for the year	107.7	74.6	151.2	73.6	49.6
Total assets	1,542.1	1,484.6	1,544.5	1,048.4	1,036.6
Investments in intangible assets	64.3	64.6	41.0	40.5	35.1
Investments in property, plant and equipment	21.1	25.1	35.7	9.4	13.3
Net interest-bearing debt/ (net interest-bearing deposits)	(33.7)	64.0	62.0	(293.6)	(268.7)
Equity	704.3	664.8	676.4	505.9	461.1
Cash generated from operations	230.2	218.1	154.3	63.5	155.6
Financial ratios (%)					
Operating margin	8.5	6.9	6.9 *	9.1	7.5
Equity ratio	45.4	44.6	43.6	46.8	43.7
Return on equity	15.7	11.0	25.5	15.1	11.0
Average number of employees	4,050	4,177	4,075	3,274	3,369

** Calculated before special items.*

The financial ratios have been calculated in accordance with the Danish Society of Financial Analysts' 'Recommendations and Financial Ratios 2010'. Please see the definitions and terms used in the accounting policies.

Egmont is a leading media group in the Nordic region. Egmont has 6,300 dedicated employees and publishes media in 30 countries.

Our media world spans 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. Creating and telling stories on all platforms are at the heart of all Egmont's activities.

Egmont is a commercial foundation that donates a portion of its profits to help improve the lives of vulnerable children and young people. Since its inception in 1878, Egmont has contributed positively to society at large – as a workplace and cultural broker and through donations to charitable causes. In 2014, donations amounting to EUR 11 million were granted for this purpose.

2014 was Egmont's best year ever with all-time-high revenue and earnings figures (adjusting 2012 for special items).

TV 2, Norway enjoyed a successful year with growth in market share driven by sport transmissions (including the Winter Olympics in Sochi and the world football championship in Brazil) and a very strong program schedule in the autumn season. TV 2 Sumo (OTT) and tv2.no had record growth.

Nordisk Film did very well within PlayStation 4 which was launched in the end of 2013 and realised the fastest growth in PlayStation hardware history through 2014. Also the cinemas and film production/-distribution business did well.

Egmont Publishing delivered solid results in a difficult market but was hit by the crisis in Russia/Ukraine. The English-speaking region saw a very strong year with the phenomenal success of *Minecraft.*

In Egmont Books, Cappelen Damm had its best year ever and Lindhardt og Ringhof grew earnings for the third consecutive year.

THE GROUP

Revenue

Egmont's total revenue for 2014 amounted to EUR 1,552.0 million, the highest to date. Calculated in local currency, this corresponds to 9.6% growth. Growth was especially driven by strong performance of PlayStation 4 in Nordisk Film.

Earnings

Profit before net financials, depreciation and amortisation (EBITDA) amounted to EUR 236.7 million, Egmont's best performance ever. The EBITDA margin came to 15.3% against 12.5% in 2013. Operating profit (EBIT) amounted to EUR 131.2 million compared to EUR 102.1 million in 2013.

EBIT is positively impacted by net EUR 10.0 million from closing down the defined benefit pension plan in TV 2, Norway (gain of EUR 51.5 million) and write-downs of buildings, trademarks and film rights etc., of EUR 41.5 million.

Net financials (excluding results generated by associates) amounted to EUR (7.1) million against EUR (8.1) million in 2013, impacted by a foreign exchange loss relating to the Norwegian krone.

The pre-tax profit (EBT) amounted to EUR 127.4 million in 2014 against EUR 98.7 million in 2013.

Tax on the profit for the year amounted to an expense of EUR 19.7 million, corresponding to an effective tax rate of 15.5%. The effective tax rate in 2014 was significantly affected by non-taxable gains from sale of shares and prior year adjustments etc. Adjusting for this, the effective tax rate for 2014 was in the level of 24%.

The net profit for the year was EUR 107.7 million in 2014 against EUR 74.6 million the year before.

Balance sheet

Total assets increased by EUR 57.4 million to EUR 1,542.1 million as a result of increased activity and acquisitions, which more than compensated for the decrease caused by the lower Norwegian kroner exchange rate (DKK/NOK 82.32 in 2014 compared to DKK/NOK 88.54 in 2013).

The Group's net interest-bearing deposits amounted to EUR 33.7 million compared to a net interest-bearing debt of EUR 64.0 million in 2013. The change from having net interest-bearing debt to having net interest-bearing deposits was a result of the positive operating profit.

Egmont's equity at end-2014 amounted to EUR 704.3 million, an increase of EUR 39.5 million compared with 2013. The net profit for the year was reduced by foreign exchange adjustments on translation of foreign entities (lower Norwegian exchange rate), actuarial losses on defined benefit pension plans and donations.

Return on equity was 15.7% compared with 11.0% the year before.

The equity ratio at end-2014 came to 45.4% compared to 44.6% the year before.

Cash generated from operations amounted to EUR 230.2 million against EUR 218.1 million in 2013. This growth is attributable to the positive development in operating profit as well as an improved working capital. In 2014, net cash flows from investing activities amounted to an expense of EUR 137.5 million, primarily related to investments in intangible assets and securities.

TV 2, Norway

Revenue in 2014: EUR 441 million (2013: EUR 446 million)
Operating profit in 2014: EUR 81 million (2013: EUR 33 million)
Employees in 2014: 913 (2013: 921)

TV 2 is Norway's largest commercial multimedia company in terms of daily time consumption, and the most important marketplace for Norwegian advertisers. TV 2 is the only broadcaster to have increased its commercial viewing shares in 2014.

TV 2 offers news, sports and entertainment content on all platforms. It is a robust and evolving player in a shifting media landscape, with a growing number of Norwegians, particularly the under-50 demographic, opting to watch TV 2 programmes and content.

TV 2's revenue amounted to EUR 441 million in 2014 against EUR 446 million in 2013. Measured in local currency revenue increased by 6.0% Operating profit amounted to EUR 81 million positively impacted by an agreed closure of the defined benefit pension plan, divestments and write downs on series/programmes etc. of EUR 44.7 million. Corrected for this, operating profit in 2014 increased by 11.0% compared to the year before.

In 2014, the daily time viewers spend watching television increased from 168 to 174 minutes in the 12+ viewing group and from 151 to 155 minutes in the 20-49-year viewing group. Following last year's general decline in television viewing, also on TV 2 channels, TV 2's daily viewing time rose from 40 to 46 minutes in the 20-49-year viewing group and from 41 to 49 minutes in the 12+ viewing group.

TV 2's total share of viewing increased correspondingly by 3.9 percentage points from 25.6% to 29.5% in the 12+ target group. In the same period, NRK, the Norwegian Broadcasting Corporation, lost shares, especially in the younger viewing groups.

In 2014, TV 2 established itself as Norway's largest multimedia company in the 20-49-year target group, capturing a viewing share of 30.9% (NRK ranks second with 24.8%, while SBS Discovery attained a 24.4% share in 2014).

TV 2's main channel also bolstered its position as the largest channel in Norway for viewers in the 20-49-year target group. TV 2's 21.4% market share is comfortably above the NRK1 share, which dropped to 17.1%. Ranking third, TV Norway holds a 12% share in this target group.

TV 2 (MAIN CHANNEL)

2014 was a fine year for TV 2's main channel. It recorded higher growth in the Norwegian market than any other TV channel and also became the most important channel for the majority of Norwegians aged 20-49.

Targeted initiatives, re-organisation, innovation and major sports events underlie this success. The channel gained a 21.3% market share in the 12+ target group, an increase of 2.4 percentage points over the previous year and the largest market share since 2009.

The current affairs department was re-established, and the news, sports, current affairs and tv2.no departments forged closer organisational ties over the year, coming under joint management. TV 2 news broadcasts are delivering stable shares, with the 6.30 PM edition increasing its share by 2.7 percentage points and capturing a 35% share in the 12+ group, while the 9 PM edition experienced a minor decline.

Documentary magazine series such as *Vårt lille land* had an immense impact, presenting powerful documentaries on topical issues and recording an average 22.6% share of viewing. Important weekday documentaries such as *Kampen for livet* and *Født i feil kropp* delivered solid figures and enjoyed immense popularity. One documentary programme was watched by more than 700,000 viewers.

The morning show *God morgen Norge*, which has aired daily since 1994, recorded a 4.4% increase in viewing share in 2014 and achieved a 48.1% share in the 12+ target group. The programme also ran a large-scale social media project and worked closely with tv2.no.

TV 2 Sporten enjoyed a successful year that included the Winter Olympics in Sochi, the world football championship in Brazil (covered in collaboration with NRK) and the European handball championship in Hungary/Croatia. The European handball final between Norway and Spain reached a peak viewing audience of 1.7 million and averaged 1.3 million viewers. Overall, 12 sports programmes each attracted an average of more than one million viewers. The men's cross-country skiing relay during the Winter Olympics set a viewing record with 1,451,000 viewers and a market share of 90.6%.

TV 2 combined its forces to produce the Winter Olympics programming, successfully bringing spectacular coverage of the games to everyone in Norway on all platforms. Feedback from viewers, the press and the sports community has been highly positive.

TV 2-Sporten has also developed new initiatives such as the Arctic Race programme, which increased its viewing figures by 50% in 2014 and is symbolic of the inspired lift that TV 2 gave the national cycling productions *Tour of Norway, Tour des Fjords* and *Arctic Race*.

Within 100 hours of acquiring the rights to the world ice hockey championships, TV 2 had already rigged up a studio, found commentators and sent correspondents to Minsk.

The 2014 season of *Farmen* was the most viewed programme season in TV 2's history. Seven of the year's *Farmen* episodes attracted over one million viewers, and 1,250,000 watched Magnhild win *Farmen*. An estimated 906,000 viewers watched all 30 of the episodes of the season.

The other weekend entertainment programmes – *Senkveld*, *Idol, Jakten på kjærligheten, God kveld Norge, Hver gang vi møtes* and *Skal vi danse* – continue to deliver high ratings, despite manifest competition. Viewers have also been introduced to Edel Hammersmark in *Dritseint med Edel*. Averaging 417,000 late-night viewers on the main channel, the talkshow signals a trend towards innovative programming.

The programme *Hvem bryr seg* premiered with broad viewing audiences and won social media kudos for its aim to raise viewers' awareness of bullying and immigration. Classics such as *TV 2 hjelper deg, Tid for hjem* and *God morgen Norge* also generated strong viewing figures.

TV 2 NYHETSKANALEN

TV 2 Nyhetskanalen is Norway's only 24-hour news channel and aims to be the go-to channel for breaking news. The channel set a new record in 2014 with a 2.6% share of viewing, an increase of 0.4 percentage points over the year before. A new competitor appeared on the Norwegian media market in the shape of VG's web TV launch, but the highly ambitious Nyhetskanalen, now entering its ninth year, aims to stay as the viewers' preferred channel for up-to-the-minute news.

TV 2 ZEBRA

In 2014, the channel increased its shares in the target group of men aged 20-49 by 0.6 percentage points, ending with a 3.8% share. TV 2 Zebra has thus gained ground on its main rival, the SBS channel MAX, which recorded 0.2 percentage points growth and ended with a 5.5% market share in the same target group. The overall market share in the 12+ target group grew by 0.5 percentage points, finishing at 2.3%. TV 2 Zebra's offerings include sport and character-driven docu-series set in Norwegian environments, such as *Fjorden Cowboys and Iskrigerne*. TV 2 Zebra airs numerous leading international series like *The Vikings*, as well as films and documentaries.

TV 2 BLISS

TV 2 Bliss caters mainly for women in the age group of 15-34. The channel ratcheted up 0.7 percentage points in this target group and achieved a final market share of 3.5% in 2014, equalling an increase of 25.2%. The overall market share in the 12+ group of 1.2% is the same as in 2013. The channel broadcasts Norwegian productions such as *Bloggerne* as well as drama, documentaries, series and films.

TV 2 FILMKANALEN

Filmkanalen airs films 18 hours a day and has maintained a relatively stable viewing percentage of 0.5%.

TV 2 SPORT PREMIUM

All English football broadcasting is concentrated in the three channels that make up TV 2 Sport Premium, which transmits games and feature content from the Premier League, the Championships, FA Cup and Capital One Cup. The channels show around 400 live matches every season. TV 2 holds the key Premier League rights, initially until the end of the 2015/2016 season.

TV 2 SPORTSKANALEN

TV 2 Sportskanalen broadcasts live sports events, magazine programmes and sporting news 24/7. Along with the core sports of ice hockey, football, handball and cycling, the channel also features niche sports disciplines popular in Norway. Approximately 150,000 viewers tune in to the channel daily. 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 2014. In 2014 TV 2 recorded the highest organic growth on the web of any Norwegian multimedia company, in terms of both percentage and actual figures. TV 2's viewing figures on desktop computers grew by 13% (2013: 21%) in a market where traffic for all other commercial competitors declined. On mobile platforms TV 2 grew by 66% (2013: 84%). The number of commercial video views rose by 77%. tv2.no is currently Norway's fourth-largest commercial news site for web and mobile apps. In 2014 TV 2 Sporten was the largest supplier of video content on tv2.no, setting a record of 400,000 video views on a single day during the Winter Olympics.

TV 2 SUMO

In 2014, video streaming in Norway surged, as proved by TV 2 Sumo's record year-to-year growth. This rise was largely ascribable to the channel's rights to the Winter Olympics, Premier League and other attractive sports events. The Sochi Winter Olympics amply demonstrated audience desire for flexibility. A free campaign drew unprecedented numbers of subscribers, and the highest video streaming traffic in Norway to date was recorded during the team sprint cross-country skiing competition. In 2014, TV 2 Sumo was launched on an array of new platforms, including smart TV, Apple TV and several game consoles. The Premier League championship testifies to Norwegians' willingness to pay for web viewing. Between October 2013 and October 2014, the number of subscribers to TV 2 Sport Premium via distributors and Sumo increased by 18.9%. TV 2 Sumo offers popular programmes from TV 2's other channels as well as exclusive series content produced in-house and has climbed to the indisputable top of the Norwegian OTT market.

Nordisk Film

Revenue in 2014: EUR 459 million (2013: EUR 361 million)
Operating profit in 2014: EUR 28 million (2013: EUR 29 million)
Employees in 2014: 1,000 (2013: 981)

Nordisk Film develops, produces and markets films in the Nordic region and operates cinemas in Denmark and Norway. Nordisk Film also distributes Sony's PlayStation products in the Nordic and Baltic countries.

Revenue rose from EUR 361 million in 2013 to EUR 459 million in 2014 primarily due to increased sales of PlayStation 4. Operating profit amounted to EUR 28 million in 2014, the same level as in 2013.

The market has been very favourable for the PlayStation 4 game console while the film and cinema 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 2014, Nordisk Film had a strong line-up of feature films across the Nordic territories.

Nordisk Film's fully owned production company, Nordisk Film Production, successfully launched *The Reunion 2 - The Funeral (Klassefesten 2: Begravelsen)* which sold more than 600,000 cinema tickets. *Speed Walking (Kapgang)* was also very positively received by both film critics and the cinema audience. The film received 12 Robert nominations and was viewed by 250,000 cinema-goers. Nils Malmros' *Sorrow and Joy (Sorg og glæde)* from 2013 was shortlisted for Denmark's Oscar entry in the 'Best Foreign Language Film' category in 2014.

The associated company Zentropa delivered the biggest box office hit in Denmark in 2014, *The Absent One (Fasandræberne).* The film sold 764,000 tickets and was the most popular Danish film of the year. Lars von Trier's *Nymphomaniac* was highly acknowledged as an outstanding film and took the lion's share of the nominations for the Robert awards.

Nordisk Film was the co-investor and distribution company for a number of other Nordic film successes in 2014. In Finland, *The Grump*, produced by the joint venture film company Solar Film OY, sold 420,000 cinema tickets. In Sweden, the co-production *Bamse and the City of Thieves* had an audience of 370,000 cinema-goers. In Norway, the joint venture Maipo released *Doctor Proctor's Fart Powder* and sold 355,000 tickets.

Through its association with the international film company Lionsgate/Summit, Nordisk Film Distribution launched eight international titles in the four Nordic markets in 2014. Among other films, Lionsgate produced the successful global franchise *The Hunger Games. The Hunger Games: Mockingjay - Part 1,* the third title in the quadrilogy, sold over 1.45 million tickets Nordic-wide.

In recent years, the Home Entertainment market has undergone structural changes from physical to digital distribution. In 2014, the Nordic market for physical discs (DVD and Blu-ray) dropped by 35%. The market for digital distribution shows healthy growth rates across the different sales windows. Nordisk Film is the Nordic region's largest supplier of digital films for the video-on-demand market.

CINEMAS

Nordisk Film Cinemas continue to strengthen and consolidate its operations in the Nordic cinema market. In Norway, the group of companies were merged and reorganised under the Nordisk Film Kino brand and the position was further strengthened by the acquisition of 49% of the cinema chain KinoSør from the Municipality of Kristiansand. KinoSør covers the southernmost part of Norway with three cinemas in three cities.

In Denmark, Nordisk Film Biografer has closed agreements for an expansion of the chain by building three new large multiplexes in Aalborg, Køge and Frederikssund. The three new sites will open in 2016. The construction of the most recent and prestigious new-build in the Fields Shopping Centre in Ørestaden, Copenhagen, is progressing well with an expected opening date in the summer of 2015.

In 2014, the Danish cinema market generated ticket revenue amounting to approx. EUR 134 million, a drop of approx. 6.5% against 2013. The Norwegian market generated ticket revenue of almost EUR 132 million, a decline of approx. 1% relative to 2013.

On the whole, market performance was satisfactory, and the lack of sufficiently strong titles leading to a drop in revenues in 2014 is expected to change in 2015 with a very strong line-up and thus a strong potential for further growth in overall market performance.

Nordisk Film sold 5.2 million cinema tickets in Denmark and 3.1 million in Norway, corresponding to a market share of approx. 42% in Denmark and approx. 28% in Norway. (Note: KinoSør admissions included from 1 December, 2014).

The partly owned company, Kino.dk (74%), runs Denmark's leading film website, handling ticket transactions that represent approximately 33% of all ticket sales in Denmark. Nordisk Film also co-owns Filmweb (64.2%), 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 setting up a new brand and business area, Airmagine, creating the world's first truly digital advertising solution for airports. Dansk Reklame Film won the contract for Copenhagen Airports, and from early 2015 advertising messages synchronised with the coming and going of planes and their passengers will be displayed on more than 400 digital screens to the 24 million passengers travelling through Copenhagen Airports every year.

The wholly-owned Norwegian counterpart to Dansk Reklame Film, Media Direct Norway, won market shares partly offsetting the effect of a declining screen advertising market. Media Direct Norway has divested its business within print media sales and will reorganise and move its operations to Oslo in 2015, focusing on renewed growth in cinema advertising.

NEW DIGITAL BUSINESS

Nordisk Film acquired the Nordic market leader in the gift card market Gavekortet.dk. The acquisition of Gavekortet.dk is part of an ambitious plan to build a new digital business in Nordisk Film and Egmont, and is anchored in the business unit NF Direct. In 2014, the gift card brand Good Times was added to the portfolio selling gift card boxed through retail partners.

Venuepoint handles event ticket sales via Billetlugen in Denmark, Billettportalen in Norway and Biljettforum in Sweden. It commands a strong position in Denmark and intends to further enhance its share of the ticket markets in Sweden and Norway.

INTERACTIVE GAMES

Nordisk Film Interactive is the official distributor of Sony PlayStation products in the Nordic region and the Baltic countries. 2014 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 2014 included *The Last of Us Remastered, Infamous Second Son, DriveClub, SingStar* and *LittleBigPlanet 3*. Furthermore, the PlayStation Plus membership service has enjoyed strong growth with hundreds of thousands of consumers taking advantage of the features and benefit in the Nordics.

Over two million PlayStation 3 consoles have been sold in the Nordic region over the years. More than half a million Nordic consumers have bought into the new PlayStation 4 platform since the launch. PlayStation continues to command a strong market share on game consoles.

Egmont Publishing

Revenue in 2014: EUR 600 million (2013: EUR 617 million)
Operating profit in 2014: EUR 35 million (2013: EUR 40 million)
Employees in 2014: 1,816 (2013: 1,936)

Egmont Publishing is a leading publisher in the Nordic region and also has market-leading positions in a number of 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 such as apps and online universes in 30 countries.

The publishing industry is continuing to change reflecting new consumer demands and behaviours also seen in past years. Print products are still in high demand and significant revenues will be generated from sales of print products also in the coming years. Simultaneously, there will be strong focus on development of digital products as well as branching out to adjacent industries.

Revenue increase compared to 2013 was 0.8% in local currency despite of lower magazine circulations and a reduction in print advertising. Growth in digital business and acquisitions within e-commerce and magazines contributed positively to offset the reduction.

Operating profit was somewhat below 2013, due to political and financial instability in Russia and Ukraine impacting negatively. Neutralised for this, operating profit grew due to solid performance in in all main markets in Nordic and in UK, Germany and Poland due to synergies from the unification of Egmont Kids Media and Egmont Magazines in 2013.

NORDIC COUNTRIES

The performance of all Nordic countries as a whole was strong in 2014. Norway, Sweden and Denmark have delivered solid results compared to the financial year 2013. This should be attributed to the continuing effort of bringing down costs, increasing efficiency, growth in digital media and synergies following the unification in late 2013.

Norway

Egmont Publishing in Norway has shown strong performance compared to the total market. Especially the weeklies realised better development than earlier years and some titles such as *Familien,* the interior decoration title *Lev Landlig* and the health magazine *Det Nye Shape Up* have increased circulation. The increase is driven by subscription sales whereas the single copy sales figures are declining.

Egmont Publishing increased its market share in total circulation from 59.0% to 60.9% in 2014 and total circulation for Egmont Publishing decreased 3.9%.

As part of the ongoing evaluation of the total portfolio, unprofitable titles such as *Kamille Mor & Barn, Bedre Helse* and *Elle Decoration* have been closed down whereas a new title - *Kamille Plus* - has been launched.

Advertising sales are performing well despite the tough market conditions and continue to gain market share. Further to this, the focus on reducing cost and increasing efficiency has been continued leading to a lower cost base compared to 2013.

Sweden

The acquisition of Forma Publishing added six new print titles to the portfolio and made Egmont Publishing the second-largest publishing house in Sweden.

Expectations are that the acquisition will strengthen the Swedish business in terms of improved offerings towards advertisers as well as large scale benefits driving down operational costs.

Two new successful consumer magazine titles were launched: *Öden & Äventyr* about genealogy and a high-end hunting magazine *Jaktmagasinet Big Game.*

The overall performance in Sweden was strong especially in the kids segment. The game-related books based on *Minecraft* were successful selling 75,000 copies in 2014. Furthermore, other kids titles such as *Lego Magazine, Frozen Magazine, Mia & Me, Batman Kids* and *Palace Pets* were launched successfully.

Denmark

The Danish business continued its strong development gaining market shares especially in the weeklies segment. *Hjemmet* performed well and the vitalisation activities initiated earlier are now paying off in terms of stabilising the title and flattening the circulation decline. Also the gossip weekly *Her & Nu* performed well and took market shares with the ambition to grow a strong on-line position as well. Finally, the weekly *Hendes Verden* showed good results and stable circulation numbers throughout 2014.

Looking at the magazine portfolio, several titles increased circulation year on year. Among these growth titles are *RUM Interior Design* up with 8%, *Euroman* gaining 4%, *ALT Interiør* increasing with 9% and also *Gastro* increased it circulation with 2% compared to the previous year. This indicates that consumers are willing to pay for high-quality content and confirms the belief that an important differentiator is high-quality content. Further to this, the development should be viewed in the context of a generally declining market.

Following the unification synergies and efficiencies materialised and led to stronger results in the kids business.

International

Egmont Publishing operates in 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, but the greatest impact in the year derived from political instability in Russia and Ukraine. In the rest of the region, there were improvements, in the Polish business, especially in magazines from licensees including *Violetta* from Disney. The transition of the Hungarian and Romanian magazine operations was completed during 2014.

In Germany, Egmont Ehapa performed well in a declining market with good financial results, but also influenced by restructuring during the year with a positive impact from 2015. Although *Micky Maus'* circulation is still under pressure the Pocket Book business remained solid and new magazines performed well.

The results in Egmont Verlagsgesellschaften fell below 2013, primarily due to restructuring costs. Series led by *Bibi & Tina* and *Minecraft* helped grow the children's business. The romance imprint Egmont LYX had another strong year, also in the digital arena, and the Manga segment experienced double-digit growth.

The English-speaking region had a very strong year with the phenomenal success of *Minecraft.* Originated in the UK, Minecraft books sold in their millions in the UK and Australia. Additionally, the books have been sold to a large number of overseas markets. The UK business also saw the launch of new brands with *Angry Birds* and *Frozen* magazines, and books in the *Star Wars* franchise.

South Africa continued to expand the portfolio of magazines, while in autumn 2014 plans to exit the US business were announced.

The joint venture Children's Fun Publishing in China struggled due to a transition in senior management as well as declines in the magazine market driven by changes in the retail channel. The profit was lower than expected, but the final quarter saw an improved rate of sale, boding well for 2015.

At the end of 2014 it was decided to sell the 50% stake of the joint venture Nation Egmont Edutainment in Thailand to the co-owner.

DIGITAL SERVICES

The digital focus has picked up in Egmont Publishing, especially within activities related to consumer magazines. Ambitious growth plans in the Nordic countries in terms of generating traffic and capitalising on digital activities have resulted in particularly strong digital sales performance, especially within digital ad sales making this revenue channel increasingly important and offsetting the declining trend in the print advertising channel.

In Norway the digital platform *Klikk.no* was re-launched which increased the number of unique users by almost 25%. All digital replica versions of the Norwegian magazines portfolio are now accessible through the new digital service *Flipp. Nettavisen* (50% ownership) continued its strong performance and maintained its position as a leading platform for news and high-quality digital content.

Superlike has been launched in Denmark and Norway. The digital platform offering entertaining video content has generated high volume traffic in a highly competitive market. Investments in reading and learning apps for kids continue and see good traction on products and brands from Disney and Mattel. Another digital key initiative is *Kiddly* – a portal for parents seeking high quality content for children. The portal was launched in late 2014 and the initial market reactions are positive.

The portfolio of minority stakes in e-commerce companies was growing in 2014 and two new acquisitions were made: *Med24* (health products) and *Fjellsport* (accessories for outdoor activities). Further to this, a 60% stake of *Bagaren & Kocken* (high-end kitchenware) was also acquired. All of the companies are in strong growth and showing promising performance in a high-risk market.

Egmont Books

Revenue in 2014: EUR 47 million (2013: EUR 45 million)
Operating profit in 2014: EUR 6 million (2013: EUR 5 million)
Employees in 2014: 186 (2013: 188)

Egmont Books publishes fiction and non-fiction, children's books, audio books, e-books and educational media.

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.

The above-mentioned figures regarding revenue and employees only relate to Lindhardt og Ringhof because it is no longer allowed to consolidate jointly controlled entities (Cappelen Damm) on a pro-rata basis.

Cappelen Damm delivered another record result and Lindhardt og Ringhof had earnings growth for the third consecutive year.

LINDHARDT OG RINGHOF

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

Lindhard og Ringhof had a strong year with high growth especially on the education area. Revenue increased by 2,6% and operating profit grew for the third consecutive year.

The literary fiction division released two outstanding bestsellers, *Stoner* by John Williams and *The Goldfinch* by Donna Tartt. Leif Davidsen's travel memoir about his road trip to the USA and Michael Katz Krefeld's *Savnet* were among the most successful Danish titles.

Other prominent authors published by the department included Siri Hustvedt and Daniel Kehlmann, as well as Patrick Modiano, who won the year's Nobel Prize for Literature.

The non-fiction division maintained its market lead in cookbooks, lifestyle and culture. Topping the bestseller lists in this segment were Claus Meyer's *Bageskole*, Søren Anker Madsen's *Ghita Nørby* and Henning Knudsens magnificent botanical work *Flora Danica.* Other bestsellers included new titles from Joan Ørting, Preben Wilhjelm and Ulrik Wilbek.

Alinea recorded its highest sales of printed schoolbooks to date as well as growth in revenue from digital learning media. In 2014, the educational publishers produced a wide range of new digital learning media, and Alinea remained Denmark's largest supplier of educational materials to primary schools.

The children's publisher Carlsen released a range of successful titles, among them Knud Romer's *ABC* and Hella Joof's *Snitten og Kis.* The new imprint Komma, which publishes learning materials and workbooks for the retail market also performed well. These publications, which are largely based on older educational media used, for example, in the *Søren og Mette* reading system, topped sales of 50,000 copies in 2014.

As in 2013, the publishing company's digital activities increased, particularly in audiobooks and e-books. The establishment of Saga Books, which publishes e-books and audiobooks by Scandinavian authors, took Lindhardt og Ringhof into the German market for digital books. During the year, Lindhardt og Ringhof became the first Danish publisher to offer readers the opportunity to buy out-of-print books by its authors as print-on-demand publications, ie, works printed to customer order and thus at no warehousing cost to the publisher.

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 Sentraldistribusjon distribution business. 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 2014 another record year for Cappelen Damm, with an EBITDA exceeding NOK 150 million (10.3%) despite zero growth in the market as a whole.

Cappelen Damm further strengthened its market position in 2014. 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 translated fiction and educational business divisions made particular headway. Releases from such authors as Trine Sandberg, Anita Krohn Traaseth, Lars Kepler, Ken Follett, John Williams, Thomas Piketty, Jonas Gahr Støre, Malala, Vigdis Hjorth, Bjørn F. Rørvik and Gry Moursund all graced the bestseller list for 2014. The Brage Award for 2014 went to Anette Münch and the national honorary Brage Award to Vigdis Hjorth.

Cappelen Damm publishes every one in three Norwegian textbooks, from primary school to university level. Over the past two years, the company has also significantly reinforced its position as a publisher of books and electronic products for universities and the professional market, thanks not least to the establishment of the digital support tool, PPN, for the Norwegian and Danish healthcare sectors.

In 2014, Cappelen Damm further boosted its online sales of physical and digital products, which grew by over 30%.

The Charitable Activities

Egmont Fonden is a commercial foundation. Some of the profits generated by the media business go towards charitable activities aimed in particular at disadvantaged children and young people. The Foundation primarily supports initiatives in Denmark, but has expanded its activities to Norway in areas where the need exists and where synergies can be generated between programmes in the two countries.

Since 1920 Egmont Fonden has donated almost EUR 344 million in present value to help fund charitable initiatives. In 2014, the Foundation's financial support came to EUR 11.2 million, of which EUR 0.6 million was donated via Nordisk Film Fonden.

In 2014, Egmont Fonden continued its tradition of supporting high-quality development projects. The Foundation works not only *for* but also *with* disadvantaged children and young people. Egmont Fonden strives to listen to their needs and, with these in mind, to support broad-based initiatives that can improve the lives of these young people in such vital areas as learning, divorce, poverty, illness and the death of relatives.

BETTER HELP FOR CHILDREN AFFECTED BY TRAUMATIC DIVORCE

Divorce is a life crisis during which children's needs are often overlooked. Roughly a third of all children in Denmark experience the divorce of their parents, a situation therefore considered quite normal. For the individual child, however, a divorce is an upheaval that may affect both well-being and learning. This is a particular danger in divorces where the parents part on exceptionally hostile terms.

In 2014, Egmont Fonden entered its most extensive partnership to date, donating EUR 3.4 million to Children's Welfare to support initiatives to improve the welfare of children affected by divorce. The Danish government's autumn introduction of new divorce and harassment packages also put child welfare and divorce on the political agenda. These new proposals are intended to provide better conditions for the children of divorced parents. Egmont Fonden supplied both journalists and decision-makers with information, and the divorce support project is now broadly embedded in areas spanning from promotional activities and concrete interventions to research and development in new digital tools for managing difficult divorce-related issues.

THE EGMONT REPORT GIVES CHILDREN A VOICE

Illness and grief in a family can have immense psychosocial and educational repercussions for children. Egmont Fonden considers the problem so pressing that it has allocated EUR 8.1 million over the next two years until the end of 2016 for the purpose of rectifying the issue.

In 2014, Egmont Fonden published its first Egmont Report, turning the spotlight solidly on children's need for support. In future, the annual Egmont Report will focus on an aspect of the lives of vulnerable children and youth, with the main emphasis on the individual child or young person.

In the Egmont Report for 2014, 21 children and young people who have lost a parent or are themselves seriously ill talk about what they found helpful when life was toughest. Quantitative data and interviews with experts and other professionals rounded out the children's accounts, which were also supplemented with specific recommendations for providing children and young people affected by illness or death in the family with better support and more breathing space. In future, the Egmont Report will be a spur for more of Egmont Fonden's investments in the fields of illness and grief.

STRENGTHENING THE LEARNING OF CHILDREN IN CARE

In 2014, Egmont Fonden's signature project, *Learning for Life*, gave more than 100 children in care an opportunity to participate in several intensive learning courses and enjoy the benefit of having a personal mentor. The programme took its point of departure in the children's individual resources, and its results to date show that the children are making significant personal and academic progress. The programme results attracted strong political interest in the past year.

The 10-year objective of *Learning for Life* is to equip 1,000 children in care with skills enabling them to embark on a programme of youth education. The *Learning for Life* project will thus help the government achieve its 2020 social goal of ensuring that 50% of all socially disadvantaged children complete a youth education programme.

INCREASING SUPPORT

Egmont Fonden is providing a rising level of support. In 2012, the Foundation donated more than EUR 7.5 million to initiatives benefiting children and young people, a figure that rose to almost EUR 9.8 million in 2014 and will increase even further in 2015.

NORDISK FILM FONDEN 2014

As an independent part of Egmont Fonden, Nordisk Film Fonden has donated EUR 7.6 million to help the Danish film industry since 1992. In 2014, Nordisk Film Fonden donated EUR 600,000.

In 2014, Nordisk Film Fonden launched the development of a signature project, *Isbjørnens Forfattercamp (The Polar Bear Writing Camp)* with the aim of strengthening the skills of professional scriptwriters in Denmark, Norway and Sweden. The goal is further to help widen the pool of talented Nordic writers as well as enhance scriptwriting quality internationally. Three courses will be run, each consisting of two camps and a mentoring scheme. Nordisk Film Fonden has allocated EUR 400,000 over a three-year period for the initiative. The donation in 2014 was EUR 134,000.

In 2014, 56 gifted film-makers received travel scholarships totalling EUR 134,000 from the Nordisk Film Fonden. Eleven projects received support, corresponding to a total grant of EUR 280,000. The primary focus of project support is to help develop talent and initiatives to meet the challenges of tomorrow. The recipients included the Buster Film Festival for children and youth, The National Film School of Denmark and CPH:DOX, Copenhagen's International Documentary Film Festival.

Lastly, the alternative film school, Super16, received a three-year special grant of over EUR 67,000 to bolster its position as a unique independent organisation for talent development.

Management's review

RESULT IN EGMONT FONDEN

The result reported by Egmont Fonden, the parent entity of the Egmont Group, excluding dividends from equity investments in subsidiaries, was EUR 1.8 million (2013: 2.0 million). Egmont Fonden's Commercial Activities primarily comprise royalty income from the Foundation's publishing rights and management of the Foundation's assets.

ORGANISATION

In connection with the Annual Meeting in March 2014, Mikael Olufsen, the former Chairman of the Board of Trustees, resigned from Egmont Fonden's Board of Trustees after having reached the retirement age under the terms of the Foundation's Charter.

Following the Annual Meeting in 2014, a board meeting was held for the purpose of constituting itself, and the Board of Trustees elected Steen Riisgaard as Chairman and Lars-Johan Jarnheimer as Vice Chairman.

Martin Enderle joined the Board of Trustees in 2014.

CORPORATE GOVERNANCE

In 2014, the Charter of Egmont Fonden was changed. The only substantial change relates to the appointment of new members to the Board of Trustees. According to the amended Charter, Board members shall be elected for a four-year term and can be re-elected for a maximum of two additional four-year terms by a majority of the Board members. The member shall then resign from the Board unless the other Board members unanimously encourage the resigning Board member to continue for a maximum of two additional two-year terms. In 2014, the Board of Trustees decided to prepare annual reports in English only as from 2014.

Based on Egmont Fonden's Charter, legal requirements as well as the most recent recommendations from the Committee on Corporate Governance, the Board of Trustees and the Management Board have established the framework for Corporate Governance at Egmont. The framework is described in full on Egmont's website (www.egmont.com).

The Board of Trustees has prepared a report on corporate governance for the financial year 2014. The report can be reviewed and downloaded via www.egmont.com/corporategovernance. The report includes a description of Egmont's approach to each of the recommendations from the Committee on Corporate Governance.

A set of Corporate Governance recommendations for commercial foundations has been issued with effect from 1 January 2015. Egmont will relate to these in the annual report for 2015.

CORPORATE SOCIAL RESPONSIBILITY

Since 2013, Egmont has been a signatory participant of the UN Global Compact, supporting the 10 principles of human and labour rights, protection of the environment and anti-corruption. Below, the highlights from Egmont's

Communication on Progress 2014 (COP) to the UN are listed – categorised under the three headings People, Planet and Profit.

Pursuant to section 99a of the Danish Financial Statements Act the COP report in its entirety replaces our statutory reporting on social responsibility. The entire report can be downloaded at: www.egmont.com/COPreport

PEOPLE

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

In 2014, 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.

Gender composition in management

Since 2013 Egmont has had a policy for the gender composition in management positions. In 2014, approximately 48% of all Egmont managers were women. In the Danish organisation, 44% of all managers were women.

Egmont has the following target for the under-represented gender on the Board of Trustees. Egmont aims to have one professionally designated female member elected to the Board of Trustees, if she is the best qualified. Egmont uses external help to identify potential professional members to the Board of Trustees. Head hunters are asked to present both male and female candidates who have relevant experience and competencies for the Egmont Board of Trustees. The target mentioned above is also valid for those of Egmont's Danish companies which are covered by law.

Responsible supply chain management

In 2014, Egmont continued to monitor the compliance level of third party suppliers via social audits, follow up visits and inspections. With two supplier training sessions on social compliance arranged for core Chinese suppliers of magazine cover mounts in November 2014, Egmont expanded the range of tools used to ensure supplier compliance to the Egmont Code of Conduct.

PLANET

Environmental and climate

In 2014, Egmont initiated the development of an environmental and climate policy, setting standards on how we aim to identify areas where we can potentially reduce our environmental and climate footprint. The policy will be finalised in 2015.

Internally across Egmont, the ongoing process of reducing energy consumption and hence CO2 emissions continued in 2014.

External suppliers 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 Program, Egmont monitors the environmental compliance level of third party suppliers on an ongoing basis.

Initiative on Sustainable Paper - PREPS

Through Egmont UK's sustainable paper initiative PREPS, Egmont in 2014 further supported positive change in the supply chain of one of our core raw materials: paper used for the manufacturing of our books. In 2014, we conducted group wide internal training on the use of PREPS in order to increase focus on using sustainable paper.

PROFIT

Anti-corruption and bribery policy

Egmont has an anti-corruption and bribery policy, which is mandatory for all Egmont companies.

The anti-corruption policy has been integrated in the Egmont Code of Conduct and it has been communicated to all major business partners and suppliers. Further, the anti-corruption policy was throughout 2014 communicated to Egmont employees and managers through mandatory e-learning.

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 employees and other stakeholders can voice their suspicion. In 2014, there were no reports 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 25, Financial risks and financial instruments.

OUTLOOK FOR 2015

Egmont will carry on developing media platforms, continuously adapting its media products to changing consumer needs, profitability programmes and efficiency-enhancing measures. The greatest uncertainty is associated with advertising revenue, which is sensitive to economic fluctuations, and with the development in weekly and monthly magazine circulation.

Statement by the Board of Trustees and Management Board

The Board of Trustees and Management Board have today discussed and approved the annual report of Egmont Fonden for the financial year 1 January – 31 December 2014.

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 Fonden have been prepared in accordance with the Danish Financial Statements Act and the financial reporting requirements of the Foundation's Charter.

In our opinion, the consolidated financial statements and the Foundation's financial statements give a true and fair view of the Group's and the Foundation's financial position at 31 December 2014, and of the results of the Group's and the Foundation's operations and the consolidated cash flows for the financial year 1 January – 31 December 2014.

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

Copenhagen, 20 March 2015

MANAGEMENT BOARD:

Steffen Kragh
President and CEO

Hans J. Carstensen

BOARD OF TRUSTEES:

Steen Riisgaard
Chairman

Lars-Johan Jarnheimer
Vice Chairman

Ulrik Bülow

Martin Karl Enderle

Peder Høgild

Anna von Lowzow

Jeppe Skadhauge

Torben Ballegaard Sørensen

Marianne Oehlenschlæger

Independent Auditors' Report

TO THE BOARD OF TRUSTEES OF EGMONT FONDEN

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THE FOUNDATION'S FINANCIAL STATEMENTS

We have audited the consolidated financial statements and the Foundation's financial statements for the financial year 1 January – 31 December 2014, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group as well as for the Foundation 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 Foundation's financial statements are prepared in accordance with the Danish Financial Statements Act and the financial reporting requirements of the Foundation's Charter (the Foundation's financial statements). 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 FOUNDATION'S FINANCIAL STATEMENTS

Management is responsible for the preparation of consolidated financial statements and the Foundations 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 Foundation's financial statements), the financial reporting requirements of the Foundation's Charter (the Foundation'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 Foundation'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 Foundation'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 Foundation'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 Foundation'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 Foundation's financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Foundation's preparation of consolidated financial statements and the Foundation'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 Foundation'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 Foundation'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 Foundation's financial statements give a true and fair view of the Group's and the Foundation's financial position at 31 December 2014 and of the results of the Group's and the Foundation's operations and the consolidated cash flows for the financial year 1 January – 31 December 2014 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 and the financial reporting requirements of the Foundation's Charter in respect of the Foundation'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 Foundation'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 Foundation's financial statements.

Copenhagen, 20 March 2015

ERNST & YOUNG
Godkendt Revisionspartnerselskab

Jesper Ridder Olsen
State Authorised Public Accountant

Income Statement of the Group

(EURk)

Note		2014	2013
2	**Revenue**	**1,551,971**	**1,477,018**
	Change in inventories of finished goods and work in progress	993	2,732
3	Other operating income	28,060	19,048
	Raw materials and consumables	(18,017)	(24,409)
	Other external expenses	(1,031,099)	(934,558)
4	Personnel costs	(298,409)	(357,371)
5	Depreciation, amortisation and impairment losses	(105,568)	(82,339)
	Other operating expenses	(3,669)	(3,920)
12	Profit/(loss) after tax from investments in joint ventures	6,907	5,932
	Operating profit	**131,169**	**102,133**
13	Profit/(loss) after tax from investments in associates	3,285	4,545
6	Financial income	8,502	6,317
7	Financial expenses	(15,547)	(14,345)
	Profit before tax	**127,409**	**98,650**
8	Tax on profit for the year	(19,718)	(24,004)
	Net profit for the year	**107,691**	**74,646**
	Net profit for the year attributable to:		
	Egmont Fonden	107,177	73,670
	Non-controlling interests	514	976
	Total	**107,691**	**74,646**

Statement of Comprehensive Income of the Group

(EURk)

Note		2014	2013
	Profit for the year	**107,691**	**74,646**
	Items that will not be reclassified to the income statement:		
19	Actuarial gains/(losses) on defined benefit pension plans	(13,795)	(17,347)
	Actuarial gains/(losses) on defined benefit pension plans after tax in joint ventures	(2,495)	(451)
	Tax on items that will not be reclassified to the income statement	3,725	4,684
		(12,565)	**(13,114)**
	Items that are or may subsequently be reclassified to the income statement:		
	Foreign exchange adjustments on translation to presentation currency	2,271	3,048
	Foreign exchange adjustments on translation of foreign entities	(45,062)	(73,062)
	Value adjustment of hedging instruments:		
	Value adjustments for the year	(5,385)	8,427
	Value adjustments transferred to financial expenses	3,190	2,212
	Tax on items that may subsequently be reclassified to the income statement	736	(2,441)
		(44,250)	**(61,816)**
	Other comprehensive income after tax	**(56,815)**	**(74,930)**
	Total comprehensive income	**50,876**	**(284)**
	Total comprehensive income attributable to:		
	Egmont Fonden	50,454	(920)
	Non-controlling interests	422	636
	Total	**50,876**	**(284)**

Balance Sheet of the Group at 31 December

(EURk)

Note	Assets	2014	2013
	Film rights, etc.	48,098	56,223
	In-house produced film rights	25,789	12,104
	Goodwill	272,441	269,837
	Trademarks	178,358	182,533
	Intangible assets in progress and prepayments for film rights	21,037	20,121
9	**Intangible assets**	**545,723**	**540,818**
	Land and buildings	149,370	169,541
	Plant and machinery	26,562	31,755
	Equipment	16,629	18,055
	Leasehold improvements	8,863	9,218
	Property, plant and equipment under construction	1,509	1,435
10	**Property, plant and equipment**	**202,933**	**230,004**
11	**Investment properties**	**30,899**	**30,830**
12	Investments in joint ventures	33,958	31,479
13	Investments in associates	44,955	36,985
	Other investments	3,257	3,427
26	Receivables from joint ventures and associates	50,701	53,742
20	Deferred tax	7,039	7,364
	Other non-current assets	**139,910**	**132,997**
	Total non-current assets	**919,465**	**934,649**
14	**Inventories**	**105,308**	**117,672**
25	Trade receivables	203,177	203,555
26	Receivables from joint ventures and associates	1,715	2,674
	Other receivables	61,467	67,484
15	Prepayments	76,843	84,173
	Receivables	**343,202**	**357,886**
16	**Securities**	**99,405**	**45,744**
17	**Cash and cash equivalents**	**74,679**	**28,683**
	Total current assets	**622,594**	**549,985**
	TOTAL ASSETS	**1,542,059**	**1,484,634**

Balance Sheet of the Group at 31 December (continued)
(EURk)

Note	Equity and liabilities	2014	2013
	Capital fund	29,555	29,489
	Retained earnings and other reserves	671,288	632,156
	Egmont Fonden's share of equity	**700,843**	**661,645**
	Non-controlling interests	3,472	3,194
18	**Equity**	**704,315**	**664,839**
19	Pension obligations and similar obligations	18,093	57,808
20	Deferred tax	50,512	51,289
21	Other provisions	10,755	1,703
25	Mortgage debt	112,247	111,191
25	Other credit institutions	59,443	63,791
	Other financial liabilities	6,683	5,581
	Deferred income	16,713	6,305
	Non-current liabilities	**274,446**	**297,668**
25	Other credit institutions	3,527	4,343
	Prepayments from customers	58,424	48,797
	Trade payables	211,592	192,047
26	Payables to joint ventures	13,874	7,061
	Corporate income tax	7,369	5,964
	Other payables	165,120	174,049
21	Other provisions	66,836	61,745
	Deferred income	36,556	28,121
	Current liabilities	**563,298**	**522,127**
	Total liabilities	**837,744**	**819,795**
	TOTAL EQUITY AND LIABILITIES	**1,542,059**	**1,484,634**

Cash Flow Statement of the Group

(EURk)

Note		2014	2013
	Operating profit before net financials	131,169	102,133
	Adjustment for non-cash operating items, etc.:		
	Other non-cash operating items, net	(24,966)	(747)
5	Depreciation, amortisation and impairment losses	105,568	82,339
	Profit/(loss) after tax from investments in joint ventures	(6,907)	(5,932)
	Provisions and deferred income	(14,371)	8,877
	Cash generated from operations before change in working capital	**190,463**	**186,670**
	Change in inventories	10,636	12,793
	Change in receivables	2,711	29,405
	Change in trade payables and other payables	26,374	(10,735)
	Change in working capital	**39,721**	**31,463**
	Cash generated from operations	**230,184**	**218,133**
	Interest received	5,566	5,012
	Interest paid	(11,633)	(11,045)
	Corporate income tax paid	(15,196)	(14,429)
	Cash flows from operating activities	**208,921**	**197,671**
	Acquisition of intangible assets	(64,285)	(64,555)
	Acquisition of property, plant and equipment	(21,097)	(25,115)
	Disposal of property, plant and equipment	3,002	1,566
	Acquisition of financial assets	(8,633)	(6,112)
	Disposal of financial assets	244	0
	Acquisition of securities	(53,920)	0
	Disposal of securities	5,700	1,366
29	Acquisition of subsidiaries	(20,556)	(54,127)
29	Disposal of subsidiaries	22,059	638
	Cash flows from investing activities	**(137,486)**	**(146,339)**
	Repayments to credit institutions, etc.	(3,195)	(19,786)
	Dividends to non-controlling shareholders	(901)	(913)
	Donations	(11,183)	(10,393)
	Cash flows from financing activities	**(15,279)**	**(31,092)**
	Net cash flows from operating, investing and financing activities	**56,156**	**20,240**
	Cash and cash equivalents at 1 January	25,265	17,729
	Foreign exchange adjustment of cash and cash equivalents	(10,171)	(12,704)
17	**Cash and cash equivalents at 31 December**	**71,250**	**25,265**

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

Statement of Changes in Equity of the Group

(EURk)

	Capital fund	Reserve for hedging transactions	Reserve for foreign exchange adjustments	Retained earnings	Non-controlling interests	Total equity
Equity at 1 January 2014	**29,489**	**(14,698)**	**(58,446)**	**705,300**	**3,194**	**664,839**
Net profit for the year	**0**	**0**	**0**	**107,177**	**514**	**107,691**
Foreign exchange adjustments on translation to presentation currency	66	747	(131)	1,582	7	2,271
Foreign exchange adjustments on translation of foreign entities	0	0	(44,963)	0	(99)	(45,062)
Value adjustments of hedging instruments:						
Value adjustments for the year	0	(5,385)	0	0	0	(5,385)
Value adjustments transferred to financial expenses	0	3,190	0	0	0	3,190
Actuarial gains/(losses) on defined benefit pension plans	0	0	0	(13,795)	0	(13,795)
Actuarial gains/(losses) on defined benefit pension plans after tax in joint ventures	0	0	0	(2,495)	0	(2,495)
Tax on other comprehensive income	0	(12)	748	3,725	0	4,461
Other comprehensive income	**66**	**(1,460)**	**(44,346)**	**(10,983)**	**(92)**	**(56,815)**
Total comprehensive income in 2014	**66**	**(1,460)**	**(44,346)**	**96,194**	**422**	**50,876**
Used for charitable purposes and associated costs	0	0	0	(11,183)	0	(11,183)
Acquisition/disposal, non-controlling interests	0	0	0	0	757	757
Dividends, non-controlling interests	0	0	0	0	(901)	(901)
Other capital items	0	0	0	(73)	0	(73)
Equity at 31 December 2014	**29,555**	**(16,158)**	**(102,792)**	**790,238**	**3,472**	**704,315**

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

	Capital fund	Reserve for hedging transactions	Reserve for foreign exchange adjustments	Retained earnings	Non-controlling interests	Total equity
Equity at 1 January 2013	**29,489**	**(25,935)**	**14,276**	**655,370**	**3,205**	**676,405**
Net profit for the year	**0**	**0**	**0**	**73,670**	**976**	**74,646**
Foreign exchange adjustments on translation to presentation currency	0	3,039	0	9	0	3,048
Foreign exchange adjustments on translation of foreign entities	0	0	(72,722)	0	(340)	(73,062)
Value adjustments of hedging instruments:						
Value adjustments for the year	0	8,427	0	0	0	8,427
Value adjustments transferred to financial expenses	0	2,212	0	0	0	2,212
Actuarial gains/(losses) on defined benefit pension plans	0	0	0	(17,347)	0	(17,347)
Actuarial gains/(losses) on defined benefit pension plans after tax in joint ventures	0	0	0	(451)	0	(451)
Tax on other comprehensive income	0	(2,441)	0	4,684	0	2,243
Other comprehensive income	**0**	**11,237**	**(72,722)**	**(13,105)**	**(340)**	**(74,930)**
Total comprehensive income in 2013	**0**	**11,237**	**(72,722)**	**60,565**	**636**	**(284)**
Used for charitable purposes and associated costs	0	0	0	(10,393)	0	(10,393)
Acquisition/disposal, non-controlling interests	0	0	0	0	266	266
Dividends, non-controlling interests	0	0	0	0	(913)	(913)
Other capital items	0	0	0	(242)	0	(242)
Equity at 31 December 2013	**29,489**	**(14,698)**	**(58,446)**	**705,300**	**3,194**	**664,839**

List of Notes to the Consolidated Financial Statements

1 Accounting policies

Egmont Fonden is a commercial foundation domiciled in Denmark. The annual report of Egmont Fonden for 2014 comprises both the consolidated financial statements of Egmont Fonden and its subsidiaries (the Group) and the separate financial statements of Egmont Fonden.

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 for annual reports.

Egmont has implemented the standards and interpretations that are effective for the financial year of 2014, of which IFRS 11, Joint arrangements, is relevant for the Group.

According to IFRS 11, it is no longer allowed to consolidate jointly controlled entities on a pro-rata basis. Jointly controlled entities are to be recognised according to the equity method. This has primarily resulted in a reduction of the Group's revenue related to the Norwegian part of Egmont Books. The change has reduced revenue by about 8% compared to consolidation on a pro-rata basis. Revenue is reduced by EUR 137 million in 2014 (2013: EUR 143 million) and total assets are reduced by EUR 51 million (2013: EUR 51 million). Comparative figures have been restated.

Apart from the amendments to IFRS 11, no other changes have affected the Group's recognition and measurement of financial items in 2014.

The separate financial statements of Egmont Fonden have been prepared in accordance with the Danish Financial Statements Act.

BASIS OF PREPARATION

The functional currency of Egmont Fonden 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 14 Inventories, note 19 Pension obligations and similar obligations, note 20 Deferred tax, note 21 Other provisions and note 29 Acquisition and divestment of businesses.

Consolidated financial statements

The consolidated financial statements comprise Egmont Fonden and subsidiaries in which Egmont Fonden 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.

1 Accounting policies (continued)

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 Fonden 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 Fonden 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 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 recognised 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 Fonden 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 Fonden 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 Fonden 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

1 Accounting policies (continued)

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 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 proportionate 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

1 Accounting policies (continued)

foreign entities at the exchange rates at the end of the 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 Fonden and the non-controlling interests.

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

1 Accounting policies (continued)

the hedged cash flows affect the income statement. At that time, any gains or losses resulting from such hedged 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 ownership 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 goods have been delivered and the time period for 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.

Rental income is accrued and recognised as income on a straight-line basis over the lease term 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, as well as value adjustments of investment properties at fair value. Gains and losses on the disposal of entities, intangible assets and property, plant 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 intragroup 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 prepaid intangible assets, and when control is gained over the assets, the 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 limited 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 accumulated 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:

Corporate properties (head offices)	25, 50 years
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.

1 Accounting policies (continued)

Investment properties

Properties are classified as investment properties when they are held for the purpose of obtaining rental income and/or capital gains. On initial recognition, investment properties are measured at cost, consisting of the acquisition cost of the property and any costs directly attributable to the acquisition. Subsequently, investment properties are measured at fair value. Changes in the fair value are recognised in the income statement as a value adjustment of investment properties under other operating income/costs in the financial year in which the change occurs.

Realised gains and losses on the disposal of investment properties are determined as the difference between the carrying amount and the selling price and are also recognised in the item "value adjustment of investment properties" under other operating income/costs.

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 proportionate share of the joint ventures' and 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. 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 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) 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.

1 Accounting policies (continued)

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, 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.

1 Accounting policies (continued)

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 assumptions 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.

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

1 Accounting policies (continued)

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.

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 amortised 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

1 Accounting policies (continued)

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 Fonden 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 Society of Financial Analysts' 'Recommendations and Financial Ratios 2010'.

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	2014	2013
	Sale of goods	1,481,544	1,414,417
	Royalty	65,185	56,992
	Rental income	5,242	5,609
	Total	**1,551,971**	**1,477,018**

3	Other operating income	2014	2013
	Sale of Mosart Medialab AS	10,748	0
	Sale of building and property company	12,267	0
	Earn out tv-productions	0	9,739
	Adjustment of purchase price for Venuepoint	0	3,067
	Government grants	52	204
	Miscellaneous	4,993	6,038
	Total	**28,060**	**19,048**

4	Personnel costs	2014	2013
	Wages and salaries	(286,134)	(292,800)
	Defined contribution pension plans	(19,303)	(16,900)
	Defined benefit pension plans	(6,766)	(6,910)
	Settlement of defined benefit pension plan	51,500	0
	Other social security costs	(37,706)	(40,761)
	Total	**(298,409)**	**(357,371)**
	Average number of employees	4,050	4,177

Regarding settlement of defined benefit plan reference is made to note 19.

Compensation paid to Management Board amounted to 3,575 (2013: 3,259), of which pension contributions amounted to 369 (2013: 355). Compensation paid to the Board of Trustees amounted to 453 (2013: 453).

5	Depreciation, amortisation and impairment losses	2014	2013
	Amortisation, intangible assets	(50,096)	(46,682)
	Impairment losses, intangible assets	(10,646)	(6,315)
	Depreciation, property, plant and equipment	(29,804)	(29,276)
	Impairment losses, property, plant and equipment	(15,022)	(66)
	Total	**(105,568)**	**(82,339)**

6	Financial income	2014	2013
	Interest income, financial assets, measured at amortised cost	4,212	2,254
	Interest income, securities	690	1,634
	Change in fair value, derivative financial instruments	0	1,430
	Change in fair value, securities, net	3,101	0
	Other financial income	499	999
	Total	**8,502**	**6,317**

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7	Financial expenses	2014	2013
	Interest expenses, financial liabilities, measured at amortised cost	(5,774)	(5,285)
	Foreign exchange loss, net	(3,766)	(1,967)
	Interest expenses, derivative financial instruments	(3,190)	(3,642)
	Change in fair value, securities, net	0	(1,056)
	Other financial expenses	(2,817)	(2,395)
	Total	**(15,547)**	**(14,345)**

8	Taxes	2014	2013
	Current tax	(19,848)	(17,490)
	Deferred tax	(1,134)	(6,591)
	Adjustments for prior years	1,264	77
	Total	**(19,718)**	**(24,004)**
	Tax on the profit for the year results as follows:		
	Calculated tax, 24.5% (2013: 25.0%) on profit before tax	(31,215)	(24,663)
	Lowering of corporate tax rate in Denmark and Norway	749	1,981
	Adjustment of calculated tax in foreign entities relative to 24.5% (2013: 25.0%)	(1,858)	(1,686)
	Tax effect of:		
	Non-taxable income	9,408	1,978
	Non-deductible expenses	(563)	(4,310)
	Share of net profit/(loss) in joint ventures	1,692	1,483
	Share of net profit/(loss) in associates	805	1,136
	Adjustments for prior years	1,264	77
	Total	**(19,718)**	**(24,004)**
	Effective tax rate	15.5%	24.3%

The effective tax rate in 2014 was significantly affected by non-taxable gains from sale of shares and prior year adjustments etc. Adjustning for this, the effective tax rate for 2014 was in the level of 24%.

	2014	2013
Tax recognised in other comprehensive income:		
Tax on value adjustment of hedging instruments	(12)	(2,441)
Foreign exchange adjustments on translation of foreign entities	748	0
Tax on actuarial gains/(losses) on defined benefit pension plans	3,725	4,684
Total	**4,461**	**2,243**

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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 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)	(76,055)	(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)**	**(78,376)**	**(85,133)**	**(4,054)**	**0**
Carrying amount at 31 December 2014	**48,098**	**25,789**	**272,441**	**178,358**	**21,037**
Cost at 1 January 2013	182,462	74,802	350,657	209,927	22,433
Foreign exchange adjustments	(3,379)	(1,124)	(47,644)	(27,016)	0
Additions through business combinations	464	0	57,154	0	0
Additions	13,009	14,975	0	0	37,065
Goverment grants	0	(494)	0	0	0
Transferred	38,023	0	0	0	(38,023)
Cost of assets disposed of	(1,467)	0	(157)	0	(743)
Cost at 31 December 2013	**229,112**	**88,159**	**360,010**	**182,911**	**20,732**
Amortisation and impairment losses at 1 January 2013	(129,598)	(69,559)	(102,783)	(196)	(611)
Foreign exchange adjustments	1,127	761	12,489	1	0
Amortisation and impairment losses of assets disposed of	1,139	0	121	0	0
Impairment losses	(6,315)	0	0	0	0
Amortisation	(39,242)	(7,257)	0	(183)	0
Amortisation and impairment losses at 31 December 2013	**(172,889)**	**(76,055)**	**(90,173)**	**(378)**	**(611)**
Carrying amount at 31 December 2013	**56,223**	**12,104**	**269,837**	**182,533**	**20,121**

48 Notes to the Consolidated Financial Statements (EURk)

9 Intangible assets (continued)

Goodwill

The carrying amount of goodwill is tested annually for 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:

	2014	2013
TV 2, Norway	159,141	170,783
Nordisk Film, Cinemas	71,010	64,083
Publishing, Norway	27,637	29,210
Publishing, Sweden	6,981	0
Other units	7,672	5,761
Carrying amount	**272,441**	**269,837**

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 2015, projections for subsequent years up to and including 2019, and average growth during the terminal period. For the primary cash-generating units, the following pre-tax discount rates have been used: TV 2, Norway 11.8% (2013: 11.6%), Nordisk Film, Cinemas 10.2% (2013: 10.8%) and Publishing, Norway 14.4% (2013: 14.5%).

The average growth during the terminal period is 2.0% for TV 2, Norway (2013: 2.5%), 2.0% for Nordisk Film, Cinemas (2013: 2.0%) and -5.0% for Publishing, Norway (2013: -5.0%). Expected growth during the terminal period is not estimated to exceed the long-term average growth rate in the business areas.

Acquisition accounting for Publishing, Sweden is not finalised by the end of the reporting period. Hence goodwill amounting to EUR 7.0 million is assessed as provisionally and may eventually be adjusted up until 12 months after the acquisition.

Impairment tests for goodwill for 2014 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 Group assesses that probable changes in the assumptions underlying the impairment calculations will result in no need to further write down goodwill for impairment in the Group's primary cash-generating units.

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9 Intangible assets (continued)

Trademarks

Trademarks with an indefinite useful life is tested for impairment annually; see below:

	2014	2013
TV 2, Norway	154,828	166,154
Publishing, Norway	11,127	15,866
Publishing, Sweden	9,204	0
Carrying amount	**175,159**	**182,020**

Trademarks for TV 2, Norway and Publishing, Norway 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 2013).

The following pre-tax discount rates have been used: TV 2, Norway 11.8% (2013: 11.6%) and Publishing, Norway 14.4% (2013: 14.5%).

The average expected growth during the terminal period is 2.0% for TV 2, Norway (2013: 2.5%) and -5.0% for Publishing, Norway (2013: -5.0%).

Impairment tests for trademarks for 2014 show that the recoverable amount exceeds the carrying amount.

Acquisition accounting for Publishing, Sweden is not finalised by the end of the reporting period. Hence trademarks amounting to EUR 9.2 million is assessed as provisionally and may eventually be adjusted up until 12 months after the acquisition.

The Group assesses that probable changes in the assumptions underlying the impairment calculations will result in no need to further 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 useful lives of film rights and in-house produced film rights based on its expected sales in the cinema, DVD and TV media and in 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 2014 were at the expected level.

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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 2014	218,888	65,671	82,574	18,845	1,435
Foreign exchange adjustments	255	(3,615)	(2,122)	(424)	(1)
Additions through business combinations	0	0	160	48	0
Additions	2,391	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	**213,027**	**68,441**	**84,127**	**20,944**	**1,509**
Depreciation and impairment losses at 1 January 2014	(49,347)	(33,916)	(64,519)	(9,627)	0
Foreign exchange adjustments	429	2,259	2,335	290	0
Depreciation and impairment losses of assets disposed of	6,883	1,848	3,021	55	0
Impairment losses	(15,000)	0	(22)	0	0
Depreciation	(6,622)	(12,070)	(8,313)	(2,799)	0
Depreciation and impairment losses at 31 December 2014	**(63,657)**	**(41,879)**	**(67,498)**	**(12,081)**	**0**
Carrying amount at 31 December 2014	149,370	26,562	16,629	8,863	1,509
Hereof assets held under finance leases	0	811	0	0	0
Cost at 1 January 2013	216,158	101,166	80,898	14,005	2,876
Foreign exchange adjustments	(499)	(11,149)	(4,406)	(522)	(60)
Additions through business combinations	0	1,499	2,555	2,435	0
Additions	0	11,925	2,082	2,024	9,084
Transferred	3,229	100	5,348	1,165	(9,842)
Cost of assets disposed of	0	(37,870)	(3,903)	(262)	(623)
Cost at 31 December 2013	**218,888**	**65,671**	**82,574**	**18,845**	**1,435**
Depreciation and impairment losses at 1 January 2013	(43,622)	(66,923)	(64,372)	(8,160)	0
Foreign exchange adjustments	718	7,785	4,656	367	0
Depreciation and impairment losses of assets disposed of	0	37,815	3,407	262	0
Impairment losses	0	(10)	(56)	0	0
Depreciation	(6,443)	(12,583)	(8,154)	(2,096)	0
Depreciation and impairment losses at 31 December 2013	**(49,347)**	**(33,916)**	**(64,519)**	**(9,627)**	**0**
Carrying amount at 31 December 2013	**169,541**	**31,755**	**18,055**	**9,218**	**1,435**
Hereof assets held under finance leases	0	1,711	0	0	0

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11	Investment properties	2014	2013
	Fair value at 1 January	30,830	30,829
	Foreign exchange adjustments	69	1
	Fair value at 31 December	**30,899**	**30,830**

Investment properties consist of a rental property in Denmark, let under a long-term lease until 30 June 2016. The fair value is calculated according to the net rental method, and thus the value of the property has been calculated on the basis of its expected operating income (pre-tax return) of about 1,870 (2013: 1,870) and a required rate of return of 6%, determined on the basis of the general market level and specific circumstances relating to the property. The assumptions applied are unchanged from 2013.

If the required rate of return increase or decrease by 0.25%, the fair value of the investment property will be affected by approx EUR 1.3 million.

Rental income amounted to 2,373 (2013: 2,372) and operating costs to 501 (2013: 525).

12	Investments in joint ventures	2014	2013
	Cost at 1 January	31,866	34,414
	Foreign exchange adjustments	(918)	(2,669)
	Disposals	(6,044)	121
	Cost at 31 December	**24,904**	**31,866**
	Adjustments at 1 January	(387)	(3,916)
	Foreign exchange adjustments	251	(724)
	Share of profit/(loss) for the year	6,907	5,932
	Equity transactions in joint ventures	(2,495)	(108)
	Dividends	(471)	(401)
	Disposals	5,249	(1,170)
	Adjustments at 31 December	**9,054**	**(387)**
	Carrying amount at 31 December	**33,958**	**31,479**

Note 30 includes an outline of the Group's investments in joint ventures.

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12 Investments in joint ventures (continued)

	Cappelen Damm		Others	
	2014	2013	2014	2013
Comprehensive income				
Revenue	177,609	183,794	97,069	104,015
Net profit for the year	7,216	6,882	6,700	4,850
Other comprehensive income	(4,989)	(873)	(566)	(37)
	2,227	**6,009**	**6,134**	**4,813**
Dividend received	0	0	471	401
Balance sheet				
Non-current assets	53,708	59,452	7,125	6,818
Current assets	91,205	90,553	56,105	57,063
Non-current liabilities	73,885	75,581	1,210	1,645
Current liabilities	34,591	37,361	30,848	36,326
Equity	36,437	37,063	31,172	25,910
Egmont Fonden's share of equity	**18,219**	**18,532**	**15,739**	**12,947**

13 Investments in associates

Investments in associates	2014	2013
Cost at 1 January	33,370	33,132
Foreign exchange adjustments	(1,828)	(2,768)
Additions	8,633	6,112
Disposals	(1,057)	(3,106)
Cost at 31 December	**39,118**	**33,370**
Adjustments at 1 January	3,615	(2,250)
Foreign exchange adjustments	(1,080)	(834)
Share of profit/(loss) for the year	3,285	4,545
Equity transactions in associates	505	(12)
Dividends	(1,088)	(615)
Disposals	600	3,016
Transferred for set-off against receivables	0	(156)
Transferred to provisions	0	(79)
Adjustments at 31 December	**5,837**	**3,615**
Carrying amount at 31 December	**44,955**	**36,985**

Note 30 includes an outline of the Group's investments in associates.

Notes to the Consolidated Financial Statements (EURk) 53

14	Inventories	2014	2013
	Raw materials and consumables	0	17
	Work in progress	2,001	2,218
	Manufactured goods and goods for resale	60,276	66,972
	TV programmes	43,031	48,465
	Total	**105,308**	**117,672**

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 385,755 (2013: 292,817) and 15,263 (2013: 9,979), respectively. Reversed write-down impairment of inventories in the income statement amounted to 2,422 (2013: 3,256). Inventories included capitalised payroll costs in the amount of 5,605 (2013: 5,527).

15 Prepayments

In the amount prepaid sports broadcasting rights are included at 5,415 (2013: 6,828), which are terminated more than 12 months from the balance sheet day.

16	Securities	2014	2013
	Listed bonds	98,235	40,611
	Other	1,170	5,133
	Total	**99,405**	**45,744**

The average duration of the bonds is 6 months.

17	Cash and cash equivalents	2014	2013
	Cash and bank account deposits	74,679	28,683
	Total	**74,679**	**28,683**

Of which deposited in fixed-term deposit 11,935 (2013: 1,620) and cash and equivalents pledged as collateral 3,429 (2013: 3,418).

18 Equity

Egmont Fonden is a commercial foundation and thus subject to special conditions relating to its capital, as set out in the Foundation's Charter. The Foundation's assets are used for donations in connection with the Foundation's Charitable Activities. The balance of Egmont Fonden's assets is transferred to a reserve to ensure that the Foundation is provided with the necessary capital for consolidating and expanding in accordance with sound principles. Egmont Fonden's equity ratio stood at 45.4% (2013: 44.6%).

54 Notes to the Consolidated Financial Statements (EURk)

19 Pension obligations and similar obligations	2014	2013
Defined benefit pension obligations	(10,049)	(47,593)
Other pension obligations	(8,044)	(10,215)
Total	**(18,093)**	**(57,808)**

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 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 680 member enterprises and its consolidation ratio as of 30 June 2014 was 119% (2013: 122%). Contributions made to collective pension plans in Sweden in 2014 amount to EUR 2.8 million (2013: EUR 3.2 million). For 2015, the contributions are expected to be EUR 2.6 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 DNB Livsforsikring ASA and Storebrand Livsforsikring ASA who manages the administration and the investment of the members' pension funds. The scheme provides entitlement to annual pensions amounting to approximately 66% of the qualifying income (annuity) from the retirement age of 67. The Group's defined benefit pension plans in Norway were closed to new members in 2004.

The defined benefit obligation was impacted in 2014 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 are 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 is a curtailment gain of net EUR 51.5 million which is 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.

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	2014	2013
Present value of defined benefit pension obligations	(70,977)	(102,704)
Fair value of pension plan assets	61,940	60,603
Payroll tax	(1,012)	(5,492)
Net liability at 31 December	**(10,049)**	**(47,593)**

Notes to the Consolidated Financial Statements (EURk) 55

19 Pension obligations and similar obligations (continued)

Movement in the present value of defined benefit obligations	2014	2013
Liability at 1 January	(102,704)	(80,549)
Adjustments relating to previous year(s)	920	(65)
Foreign exchange adjustments	7,007	12,938
Acquisitions through business combinations	805	(21,754)
Pension costs for the financial year	(5,367)	(4,887)
Calculated interest relating to liability	(3,686)	(4,274)
Actuarial gains/(losses) arising from changes in demographic assumptions	(5,243)	(13,551)
Actuarial gains/(losses) arising from changes in financial assumptions	(5,850)	(1,919)
Curtailments and repayments	41,677	8,621
Pensions paid, etc.	1,464	2,736
Liability at 31 December	**(70,977)**	**(102,704)**

Movement in the fair value of pension assets	2014	2013
Pension assets at 1 January	60,603	50,330
Adjustments relating to previous year(s)	(1,223)	119
Foreign exchange adjustments	(3,023)	(6,499)
Acquisitions through business combinations	(1,021)	17,767
Calculated interest on plan assets	2,287	2,251
Actual return on plan assets greater/(less) than calculated interest	(998)	376
Curtailments and repayments	0	(8,188)
Group's contribution to plan assets	6,521	5,322
Pensions paid, etc.	(1,206)	(875)
Pension assets at 31 December	**61,940**	**60,603**

Actuarial gains/(losses) recognised in other comprehensive income	2014	2013
Actuarial gains/(losses) excl. payroll tax	(12,091)	(15,094)
Payroll tax	(1,704)	(2,253)
Total	**(13,795)**	**(17,347)**

Average composition of pension plan assets	2014	2013
Bonds	49.4%	57.6%
Shares	11.5%	8.7%
Money market and the like	26.2%	19.1%
Property	12.9%	14.6%

The Group expects to contribute EUR 7.1 million to defined benefit pension plans in 2015.

Maturity of pension obligations	2014	2013
Within 1 year	50,157	1,405
Between 1 - 5 years	5,993	7,048
After 5 years	14,827	94,251
Total	**70,977**	**102,704**

56 Notes to the Consolidated Financial Statements (EURk)

19 Pension obligations and similar obligations (continued)

Average assumptions used for the actuarial calculations at the end of the reporting period in the individual pension plans:	2014	2013
Discount rate	2.3%	4.0%
Inflation rate	1.5%	2.0%
Salary increase	2.8%	3.8%
Pension increase	0.0 - 2.5%	0.2 - 3.5%
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	2014 *)	2013
Reported defined benefit obligation	(70,977)	(102,704)
Discount rate sensitivity:		
Increase by 0.5%	69,440	92,858
Decrease by 0.5%	72,726	118,812
Salary increase sensitivity:		
Increase by 0.5%	71,085	113,790
Decrease by 0.5%	70,880	96,641

*) 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 8.0 million (2013: EUR 10.2 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.

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20	Deferred tax	2014	2013
	Deferred tax at 1 January	(43,925)	(46,340)
	Adjustments relating to previous years	(422)	0
	Foreign exchange adjustments	664	4,652
	Additions through business combinations	(3,117)	2,111
	Deferred tax for the year recognised in the income statement	(1,134)	(6,591)
	Deferred tax for the year recognised in other comprehensive income	4,461	2,243
	Deferred tax at 31 December	**(43,473)**	**(43,925)**
	Deferred tax has been recognised in the balance sheet as follows:		
	Deferred tax, asset	7,039	7,364
	Deferred tax liability	(50,512)	(51,289)
	Deferred tax, net	**(43,473)**	**(43,925)**

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 7,039 (2013: 7,364), 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	2014	2013
Intangible assets	(55,754)	(58,430)
Property, plant and equipment	2,171	(53)
Receivables	412	1,705
Inventories	3,483	4,153
Other current assets	867	816
Provisions	8,172	16,882
Other liabilities	(6,990)	(13,170)
Tax losses allowed for carryforward, etc.	4,166	4,172
Total	**(43,473)**	**(43,925)**

Unrecognised deferred tax assets relate to	2014	2013
Tax losses	1,830	1,546
Temporary differences	195	955

58 Notes to the Consolidated Financial Statements (EURk)

21 Other provisions	Goods sold with a right of return	Other
Other provisions at 1 January 2014	57,109	6,339
Foreign exchange adjustments	(1,796)	(191)
Provisions made	71,259	21,286
Provisions used	(70,023)	(2,199)
Reversed	(3,856)	(337)
Other provisions at 31 December 2014	**52,693**	**24,898**

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.

22 Fees to auditors elected at the annual general meeting	2014	2013
Fee to EY (2013: KPMG)		
Statutory audit	(661)	(1,751)
Tax consultancy	(54)	(85)
Other assurance statements	(32)	(84)
Other services	(281)	(988)
Total fees to EY	**(1,028)**	**(2,908)**
Statutory audit	(842)	(32)
Tax consultancy	(48)	(16)
Other assurance statements	(32)	0
Other services	(509)	(188)
Total fees to other auditors	**(1,431)**	**(236)**
Total	**(2,459)**	**(3,144)**

23 Operating lease obligations

Operating lease obligations comprise leases for properties of 203,492 (2013: 175,662) and other leases of 20,316 (2013: 5,706).

Non-cancellable operating lease payments fall due	2014	2013
Up to 1 year	40,666	35,426
Between 1 to 5 years	100,755	91,612
More than 5 years	82,394	54,331
Total	**223,815**	**181,369**

The Group's share of operating lease obligations in joint ventures amounts to 25,660 (2013: 27,628).

Operating lease costs of 38,914 were recognised in the income statement for 2014 (2013: 38,954).

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24 **Contingent liabilities and collateral**

The Group has provided security to mortgage credit institutions of 112,218 (2013: 112,218) over corporate and investment properties, with a carrying amount of 144,274 (2013: 160,924).

The Group has entered into binding contracts concerning purchase of intangible film rights at the value of 26,177 (2013: 24,939), and for purchase of property, plant and equipment at the value of 1,190 (2013: 0).

Entities in the Group have furnished miscellaneous guarantees, etc., for 8,912 (2013: 14,261).

The Group's share of miscellaneous guarantees in joint ventures amounts to 1,454 (2013: 2,014).

25 **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 2014, a 5%-drop in the exchange rates of NOK/DKK, EUR/NOK and USD/DKK will affect equity negatively with EUR 8.9 million (2013: EUR 9.2 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. Value adjustments recognised in other comprehensive income amount to EUR 10.4 million (2013: EUR 2.3 million), which will be recognised in the income statement during 2015-2019.

25 Financial risks and financial instruments (continued)

Translation risks

The Group's primary currency 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 the NOK exchange rate, 2014 is affected negatively by EUR 49.0 million (2013: negative effect of EUR 72.7 million).

A 5% drop in the exchange rates of NOK would have impacted the 2014 profits by about EUR -4.8 million (2013: EUR -3.9 million), and the equity at 31 December 2014 by about EUR -22.2 million (2013: EUR -24.5 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-2014 and end-2013, 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 77.5 million at 31 December 2014 and EUR 83.7 million at 31 December 2013. The fair value and value adjustments on equity amounted to EUR -26.6 million at 31 December 2014 (2013: EUR -17.0 million), which will be recognised in the income statement over the coming 1-14 years (2013: 1-15 years). For 2014, the value adjustments on equity after tax amounted to EUR -10.6 million (2013: EUR 3.7 million).

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 7.5 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 deposits of EUR 33.7 million (2013: net interest-bearing debt EUR 64.0 million).

The Group's financing consists primarily of Danish floating-rate mortgage loans expiring in 2028 and 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.

25 Financial risks and financial instruments (continued)

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
Mortgage debt	112,247	129,769	1,119	6,697	121,953
Other credit institutions	62,970	79,723	8,973	4,435	66,315
Other financial liabilities	6,683	17,501	16,791	710	0
Finance lease liabilities	811	973	541	432	0
Trade payables	211,592	211,592	211,592	0	0
Payables to joint ventures	13,874	13,874	13,874	0	0
Non-derivative financial instruments	**408,177**	**453,432**	**252,890**	**12,274**	**188,268**
Derivative financial instruments	24,910	36,460	3,840	13,808	18,812
31 December 2014	**433,087**	**489,892**	**256,730**	**26,082**	**207,080**
Mortgage debt	111,191	133,472	1,248	5,116	127,108
Other credit institutions	68,148	86,239	7,494	5,436	73,309
Other financial liabilities	11,399	15,894	14,562	1,332	0
Finance lease liabilities	1,711	2,020	923	1,097	0
Trade payables	192,047	192,047	192,047	0	0
Payables to joint ventures	7,061	7,061	7,061	0	0
Non-derivative financial instruments	**391,557**	**436,733**	**223,335**	**12,981**	**200,417**
Derivative financial instruments	22,677	41,633	6,520	13,512	21,601
31 December 2013	**414,234**	**478,366**	**229,855**	**26,493**	**222,018**

In 2014, the Group re-negotiated the committed 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 30,998 (2013: 26,268). 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:

	2014	2013
Denmark	42,547	35,264
Other Nordic countries	72,891	79,195
Other European countries	40,953	43,144
Other countries	231	409
Total	**156,622**	**158,012**

62 Notes to the Consolidated Financial Statements (EURk)

25 Financial risks and financial instruments (continued)

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

	2014	2013
Up to 30 days	33,270	35,092
Between 30 and 90 days	8,061	6,644
Over 90 days	5,224	3,807
Total	**46,555**	**45,543**

Impairment losses:

	2014	2013
Impairment losses at 1 January	9,289	8,723
Foreign exchange adjustments	(577)	(595)
Impairment losses for the year	7,192	3,270
Realised losses	(2,144)	(1,680)
Reversed impairment	(1,757)	(429)
Impairment losses at 31 December	**12,003**	**9,289**

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:

	2014	2013
Financial assets measured at fair value via the income statement	101,994	48,263
Financial assets used as hedging instruments	7,773	5,929
Receivables	330,676	293,948
Financial liabilities measured at fair value via the income statement	6,665	3,381
Financial liabilities used as hedging instuments	18,245	19,296
Financial liabilities measured at amortised cost	408,177	385,725

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

Mortgage debt and 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).

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26 Related parties

Egmont Fonden is a commercial foundation and has no related parties with control.

The Egmont Group's related parties with significant influence comprise the foundation's Board of Trustees, 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 Trustees and Management Board is disclosed in note 4.

Related parties with significant influence also comprise joint ventures and associates; see notes 12; 13 and 30. Transactions with joint ventures and associates can be broken down as follows:

	2014		2013	
	Joint ventures	Associates	Joint ventures	Associates
Receivables	33,185	19,232	37,155	19,261
Payables	(13,874)	0	(7,061)	0
Interest income	1,450	599	1,667	718
Interes expense	(155)	0	(192)	0

27 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 2014. None of these new standards or interpretations are expected to have any significant impact on the consolidated financial statements.

28 Subsequent events

On 23 February 2015 the Group signed an agreement with Bonnier to acquire the Norwegian activities in C More. C More is one of the leading operators within premium TV in Norway (sports, film and series). The final confirmation of the acquisition awaits confirmation from the Norwegian Competition Authority.

64 Notes to the Consolidated Financial Statements (EURk)

29 Acquisition and divestment of businesses

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.

Notes to the Consolidated Financial Statements (EURk) 65

29 Acquisition and divestment of businesses (continued)

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.

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).

Fair value 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**

66 Notes to the Consolidated Financial Statements (EURk)

29 Acquisition and divestment of businesses (continued)

Acquisitions in 2013
In 2013, the Group acquired 100% of the shares in Oslo Kino AS. Please refer to seperate section below for a further elaboration of the acquisition. Furthermore, the Group acquired other businesses for a total of EUR 2 million.

Fair value at acquisition date	Oslo Kino AS, Norway	Other	Total
Intangible assets	463	1	464
Property, plant and equipment	6,161	328	6,489
Other non-current assets	2,502	0	2,502
Current assets	15,639	336	15,975
Other non-current liabilities	(5,375)	0	(5,375)
Other current liabilities	(14,536)	(432)	(14,968)
Identifiable net assets	**4,854**	**233**	**5,087**
Goodwill	55,302	1,852	57,154
Purchase consideration	**60,156**	**2,085**	**62,241**
Cash and cash equivalents, acquired	(7,916)	(198)	(8,114)
Total cash consideration paid	**52,240**	**1,887**	**54,127**

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

Oslo Kino AS, Norway
In April 2013, the Group bought 100% of the shares in Norway's largest cinema chain, Oslo Kino AS.

The purchase consideration totalled EUR 52.2 million. Goodwill, represents the value of location.

Transaction costs in relation to the acquisition amounts to EUR 1.9 million.

Others
On 1 July 2013, the Group acquired all shares in Scala Bio Nykøbing F. ApS. The purchase consideration amounted to EUR 1.7 million, of which EUR 1.5 million concerned goodwill.

In 2013, the Publishing division acquired 51% of the shares in Norwegian digital bussiness Mykid AS and the remaining 50% of the shares in Barnemagasinet AS in order to strenghten its position in the parents/children segment.

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30 Group entities

Unless otherwise stated, the entities are wholly owned. Insignificant – including primarily dormant – entities are not included in the outline.

The entities marked with * are owned directly by the Egmont Fonden.

SUBSIDIARIES

Country	Entity	Registered office	Ownership share 2014	Ownership share 2013
Denmark	Egmont International Holding A/S *	Copenhagen		
	Egmont Holding A/S	Copenhagen		
	Egmont Publishing Magasiner A/S	Gentofte		
	Egmont Publishing Specialblade A/S	Gentofte	-	
	(Merged with Egmont Publishing Magasiner A/S)			
	Vægtkonsulenterne A/S	Gentofte		
	Egmont Printing Service A/S	Gentofte		
	Egmont Publishing Kids A/S	Gentofte		
	Egmont Publishing Digital A/S	Gentofte		
	Egmont Creative Center A/S	Copenhagen		
	Egmont Sourcing A/S	Copenhagen		
	ABCiTY A/S	Copenhagen	30.67%	30.67%
	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 Nykøbing F. ApS	Nykøbing F	-	
	(Merged with Nordisk Film Biografer A/S)			
	Scala Bio Center Aalborg ApS	Aalborg	80%	80%
	NF Direct A/S	Copenhagen		
	Gavekortet.dk 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		
	Ejendomsselskabet Vognmagergade 11 ApS *	Copenhagen		
	Ejendomsselskabet Gothersgade 55 ApS*	Copenhagen		
	Ejendomsaktieselskabet Lygten 47-49	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%
	Drammen Kino AS	Drammen	66.7%	66.7%

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30 Group entities (continued)

SUBSIDIARIES

Country	Entity	Registered office	Ownership share 2014	Ownership share 2013
Norway	Venuepoint AS	Oslo		
	Nordisk Film Kino AS	Oslo		
	Oslo Kinodrift AS *(Merged with Nordisk Film Kino AS)*	Oslo	-	
	Norsk Kinodrift AS *(Merged with Nordisk Film Kino AS)*	Oslo	-	
	Norsk Filmdistribusjon AS	Oslo	-	
	Media Direct Norge AS	Drammen		
	Neofilm AS	Oslo	66.7%	66.7%
	Filmweb AS	Oslo	64.3%	64.3%
	Egmont Publishing AS	Oslo		
	Hjemmet Mortensen Trykkeri AS *(Merged with Egmont Publishing AS)*	Oslo	-	
	Fagmedia AS	Oslo		
	Frysjaveien 42 AS	Oslo	-	
	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		
	Mosart Medialab AS	Bergen	-	77.2%
	Barnemagasinet AS *(Merged with Egmont Publishing AS)*	Oslo	-	
	MyKid AS	Oslo	56%	51%
Sweden	Egmont Holding AB	Malmö		
	Egmont Publishing AB	Stockholm		
	Egmont Publishing Subsidiary AB	Stockholm		
	Forma Publishing Group AB	Stockholm		-
	Bagaren och Kocken AB	Gothenburg	60%	-
	Egmont Publishing Kids AB	Malmö		
	Egmont Editions AB *(Merged with Egmont Holding AB)*	Malmö	-	
	Sudd AB	Stockholm		
	Sören och Anders Interessenter AB	Malmö		
	Änglatroll AB	Malmö		
	Skandinaviske Skoledagböcker AB *(Merged with Egmont Holding AB)*	Stockholm	-	
	Nordisk Film Sverige AB	Stockholm		
	Nordisk Film Produktion Sverige AB	Stockholm		

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30 Group entities (continued)

SUBSIDIARIES

Country	Entity	Registered office	Ownership share 2014	2013
Sweden	Nordisk Film Distribution AB	Stockholm		
	Nordisk Film ShortCut AB	Stockholm		
	Venuepoint AB	Gothenburg		
Finland	Egmont Holding Oy/Egmont Holding Ab	Helsinki		
	Oy Nordisk Film Ab	Helsinki		
	Dominova Oy/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		
United Kingdom	Egmont Holding Ltd.	London		
	Egmont UK 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 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		
	Mosart LLC	Frederik	-	
China	Egmont Hong Kong Ltd.	Hong Kong		
	Egmont Sourcing (HK) Ltd.	Hong Kong		
South Africa	Egmont Africa Pty, LTD	Cape Town		
Australia	Mosart Pty Ltd	Northbridge	-	

30 Group entities (continued)

JOINT VENTURES

Country	Entity	Registered office	Ownership share 2014	2013
Norway	Mediehuset Nettavisen AS	Oslo	50%	50%
	Næringslivsavisen Na24 AS *(Merged with Mediehuset Nettavisen AS)*	Oslo	-	50%
	Bootstrap AS	Oslo	50%	50%
	Nettavisen Oslo AS	Oslo	50%	-
	Nordic World 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 ANS	Oslo	50%	50%
	Larsforlaget AS *Cappelen Damm Holding AS owns*	Oslo	66%	66%
	Flamme Forlag AS *Cappelen Damm Holding AS owns* *(Merged with Cappelen Damm Holding AS)*	Oslo	-	80%
	Maipo Film AS	Oslo	50.1%	50.1%
Finland	Solar Films Oy	Helsinki	50.1%	50.1%
	Egmont Kustannus Oy Ab	Helsinki	50%	50%
Turkey	Dogan ve Egmont Yayincilik A.S.	Istanbul	50%	50%
Australia	Hardie Grant Egmont Pty Ltd	Melbourne	50%	50%
China	Children's Fun Publishing Company Ltd.	Beijing	49%	49%
Thailand	Nation Egmont Edutainment Company Ltd.	Bangkok	-	50%

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30 Group entities (continued)

ASSOCIATES

Country	Entity	Registered office	Ownership share 2014	2013
Denmark	Zentropa Folket ApS	Hvidovre	49.69%	49.69%
	Ugebladenes Fælles Opkrævningskontor I/S	Albertslund	50%	50%
	Great Communications ApS	Gentofte	-	33.3%
	Publizon A/S	Aarhus	36%	36%
	Unique Models of Copenhagen A/S	Copenhagen	30%	-
	Med24.dk ApS	Løkken	18.75%	-
	I/S Ugebladsdistributionen *	Albertslund	50%	50%
Norway	KinoSør AS	Kristiansand	49%	-
	Motor ANS	Oslo	-	50%
	Bonzaii AS	Oslo	34%	-
	Fjellsport Group AS	Sandefjord	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%	-
	Publish Lab as	Oslo	50%	-
Sweden	Klintberg Nihlén Media AB	Stockholm	49%	49%
	Jollyroom Group AB	Mölndal	30%	25%
	ZooZoocom AB	Stockholm	28.9%	30%
	Motorrad AB	Solna	44%	44%
United Kingdom	Wendy Promotion Ltd.	London	50%	50%

Danish partnerships forming part of associates do not prepare official annual reports.

72 Notes to the Consolidated Financial Statements (EURk)

Income Statement of Egmont Fonden

(EURk)

Note		2014	2013
	Royalty income, etc.	3,232	4,042
2	Personnel costs	230	(155)
	Other external expenses	(1,362)	(875)
	Operating profit	**2,100**	**3,012**
	Dividends from investments in subsidiaries	5,102	17,142
	Financial income	214	227
	Financial expenses	(41)	(416)
	Profit before tax	**7,375**	**19,965**
3	Tax on profit for the year	(509)	(843)
	Net profit for the year	**6,866**	**19,122**
	Distribution of net profit:		
	Transfer to reserve fund	1,362	3,813
	Transfer to charitable fund	4,085	11,439
	Transfer to liquid reserve fund	1,419	3,870
	Total	**6,866**	**19,122**

Balance Sheet of Egmont Fonden at 31 December

(EURk)

Note	Assets	2014	2013
4	Investments in subsidiaries	181,469	181,063
5	Investments in associates	252	251
	Financial assets	**181,721**	**181,314**
	Total non-current assets	**181,721**	**181,314**
	Receivables from group enterprises	109,732	113,263
	Other receivables	1,642	3,789
	Receivables	**111,374**	**117,052**
	Securities	**625**	**596**
	Cash and cash equivalents	**12**	**546**
	Total current assets	**112,011**	**118,194**
	TOTAL ASSETS	293,732	299,508

Note	Equity and liabilities	2014	2013
6	Capital fund	29,555	29,489
7	Reserve fund	227,899	227,356
8	Charitable fund	15,077	16,632
9	Liquid reserve fund	6,354	9,083
	Total equity	**278,885**	**282,560**
	Pensions	0	376
	Non-current liabilities	**0**	**376**
	Payables to group enterprises	66	528
	Donations committed but not yet paid	12,753	12,434
	Other payables	2,028	3,610
	Current liabilities	**14,847**	**16,572**
	Total liabilities	**14,847**	**16,948**
	TOTAL EQUITY AND LIABILITIES	293,732	299,508

1 Accounting policies

The financial statements of Egmont Fonden have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class C enterprises (large) and the financial reporting requirements of the Foundation's Charter.

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 Fonden, as reference is made to the consolidated cash flow statement.

The accounting policies of Egmont Fonden 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 recognised 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 recognised as a reduction of the cost of the investment.

Equity

Profit is distributed according to the Foundation's Charter. The Charitable Activities' donations and associated expenses are charged directly to the liquid reserve fund under equity.

The foundation's equity consists of a capital fund and a reserve fund intended for the Commercial Activities. The capital fund is an undistributable reserve, while the reserve fund comprises distributable reserves. The charitable fund serves to ensure the existence of funds required for Egmont Fonden's Charitable Activities. The liquid reserve fund is the amount which is to be used for charitable purposes under the Foundation's Charter within the scope of the Charitable Activities. The total of the charitable fund and the liquid reserve fund represent the Foundation's basis of distribution.

In the calculation of tax, due allowance is made for the deductibility of charitable donations made according to the Charter of Egmont Fonden. These are charged to equity. Tax provisions for future donations are also taken into account. Provision for deferred tax is made in case Egmont Fonden does not expect to use liquid funds for charitable purposes equal to the tax provisions.

2	Personnel costs	2014	2013
	Wages and salaries	(137)	(128)
	Pensions	(9)	(39)
	Adjustment of pension obligation	376	12
	Total	**230**	**(155)**

Compensation paid to the Board of Trustees amounted to 155 in 2014 (2013: 155), of which 75 (2013: 75) was included in the costs of the Charitable Activities.

The Management Board of the foundation is also employed by Egmont International Holding A/S, which pays all salaries to the Management Board. The foundation pays an overall fee to Egmont International Holding A/S for this administration.

3	Tax on profit for the year	2014	2013
	Calculated royalty tax for the year	(509)	(843)
	Total	**(509)**	**(843)**

Tax on profit for the year consists of royalty tax.

4	Investments in subsidiaries	2014	2013
	Cost at 1 January	181,063	181,061
	Foreign exchange adjustments	406	2
	Cost at 31 December	**181,469**	**181,063**

5	Investments in associates	2014	2013
	Cost at 1 January	251	251
	Foreign exchange adjustments	1	0
	Cost at 31 December	**252**	**251**

Investments in associates consist of 50% of the equity in I/S Ugebladsdistributionen, Albertslund.

6	Capital fund	2014	2013
	Balance at 1 January	29,489	29,489
	Foreign exchange adjustments	66	0
	Balance at 31 December	**29,555**	**29,489**

7	Reserve fund	2014	2013
	Balance at 1 January	227,356	228,218
	Foreign exchange adjustments	511	3
	Transfer from distribution of net profit	1,362	3,813
	Transfer to liquid reserve fund	(1,330)	(4,678)
	Balance at 31 December	**227,899**	**227,356**

76 Notes of Egmont Fonden (EURk)

8	Charitable fund	2014	2013
	Balance at 1 January	16,632	12,431
	Foreign exchange adjustments	43	0
	Transfer from distribution of net profit	4,085	11,439
	Transfer to liquid reserve fund	(5,683)	(7,238)
	Balance at 31 December	**15,077**	**16,632**

9	Liquid reserve fund	Use according to articles 6-10	Use according to article 11	Total
	Balance at 1 January 2013	3,555	135	3,690
	Used for charitable purposes	(8,908)	(469)	(9,377)
	Costs	(1,016)	0	(1,016)
	Transfer from reserve fund	4,210	468	4,678
	Transfer from charitable fund	7,238	0	7,238
	Transfer from distribution of net profit	3,483	387	3,870
	Balance at 31 December 2013	**8,562**	**521**	**9,083**
	Foreign exchange adjustments	21	1	22
	Used for charitable purposes	(9,528)	(645)	(10,173)
	Costs	(1,010)	0	(1,010)
	Transfer from reserve fund	1,197	133	1,330
	Transfer from charitable fund	5,683	0	5,683
	Transfer from distribution of net profit	1,277	142	1,419
	Balance at 31 December 2014	**6,202**	**152**	**6,354**

The liquid reserve fund is the amount which is to be used for charitable purposes under the Foundation's Charter within the scope of the Charitable Activities.

Notes of Egmont Fonden (EURk) 77

Board of Trustees and Management Board of Egmont Fonden

BOARD OF TRUSTEES

Steen Riisgaard (Chairman)
Director, born 1951, took office 2002
Member of the boards of 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 A/S, Novo A/S, Aarhus University

Lars-Johan Jarnheimer (Vice Chairman)
Director, born 1960, took office 2011
Member of the boards of 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

Ulrik Bülow
CEO, Otto Mønsted A/S, born 1954, took office 2003
Member of the boards of Plougmann & Vingtoft A/S (CM), FDM Travel A/S, GateHouse A/S, Have Kommunikation A/S, Oreco A/S, Plaza Ure & Smykker A/S, Widex A/S, Gigtforeningen (CM)

Torben Ballegaard Sørensen
Director, born 1951, took office 2006
Member of the boards of AS3-Companies A/S (CM), Capnova A/S (CM), Tajco Group A/S (CM), AB Electrolux (VC), Systematic A/S (VC), Holstebro Musik Teater

Jeppe Skadhauge
Attorney and partner, Bruun & Hjejle, born 1954, took office 2009
Member of the boards of Blindes Støttefond (CM), Tømmerhandler Johannes Fogs Fond (VC), The Danish Arbitration Association (CM), Designmuseum Danmark (VC), the Council of the Danish Bar and Law Society, the Danish Institute of Arbitration, the Dubai International Arbitration Centre

Martin Enderle
Director, born 1965, took office 2014

Anna von Lowzow
Journalist and film director, born 1961, took office 1996

Peder Høgild
Operator supervisor, born 1958, took office 2009

Marianne Oehlenschlæger
HR consultant, born 1958, took office 2011

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

Hans J. Carstensen
Executive Vice President and CFO, born 1965
Member of the board of Freja Ejendomme A/S (VC)

All information as of 20 March 2015.

CM: Chairman
VC: Vice Chairman