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Announcement No 6

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**Interim Report
as at 31 December 2013**

The Supervisory Board of Investeringsselskabet Luxor A/S has today adopted the Interim Report as at 31 December 2013.

First quarter of the financial year:

- The Group's results before tax for the first quarter of the financial year show a profit of DKK 4.7 million (DKK 2.5 million) and after tax a profit of DKK 3.5 million (DKK 1.9 million). The results are better than assumed in the announcement of 20 December 2013, primarily as a consequence of positive fair value adjustments of securities.
- Basic earnings for the period increased from DKK 1.6 million to DKK 2.7 million, which is in line with expectations. The increased basic earnings include an improvement of losses and fair value adjustment of credit risk on mortgage deeds of DKK 1.8 million and increased expenses relating to investments properties of DKK 0.8 million as a consequence of planned maintenance work.
- The net asset value per share in circulation is DKK 411.15 (DKK 399.19).
- The expected results for the year before tax are adjusted upwards to DKK 15.0 - 20.0 million against previously DKK 12.0 - 17.0 million. The expected profit for the year includes basic earnings of an unchanged DKK 12.0 - 16.0 million.

This Interim Report includes:

- Financial Highlights of the Group
- Interim Report
- Management's Statement
- Consolidated Statement of Comprehensive Income for the Period 1 October - 31 December 2013
- Consolidated Balance Sheet as at 31 December 2013
- Statement of Changes in Equity
- Cash Flow Statement
- Segment Information
- Significant Notes

For additional information concerning this Interim Report, please contact the undersigned.

Yours faithfully
Investeringsselskabet Luxor A/S

Svend Rolf Larsen
CEO

FINANCIAL HIGHLIGHTS OF THE GROUP

	<u>OCTOBER - DECEMBER</u>			
<u>DKK million</u>	<u>2013/14</u>	<u>2012/13</u>	<u>2011/12</u>	<u>2012/13</u>
	<u>Q1</u>	<u>Q1</u>	<u>Q1</u>	<u>Full year</u>
<u>Key figures</u>				
Income.....	14.1	18.1	6.2	47.7
Net financials	10.2	11.8	-4.2	25.9
Gross earnings.....	7.7	7.9	-3.9	33.0
Profit/loss before tax	4.7	2.5	-13.6	14.4
Net profit/loss for the period.....	3.5	1.9	-10.1	10.3
Basic earnings	2.7	1.6	2.5	4.9
Assets	794.9	757.4	862.1	797.2
Equity	411.2	399.2	386.2	407.6
Investment in property, plant and equipment.....	0.0	0.2	0.0	0.2
Profit/loss for analytical purposes:				
Net profit/loss for the period (after tax).....	<u>3.5</u>	<u>1.9</u>	<u>-10.1</u>	<u>10.3</u>
<u>Ratios</u>				
<u>Values per DKK 100 share</u>				
Earnings per share (EPS) (DKK)	3.52	1.89	-10.08	10.33
Net asset value per share in circulation (DKK)	411.15	399.19	386.16	407.63
Return on equity in percentage p.a.....	3.44	1.90	-10.30	2.57
Equity share in percentage	51.72	52.70	44.80	51.14
<u>Share capital</u>				
Nominal share capital, end of period (DKK million)	100.0	100.0	100.0	100.0
Number of shares in circulation (DKK million).....	100.0	100.0	100.0	100.0
Official price on the Stock Exchange per DKK 100 share:				
Lowest.....	216	185	215	185
Highest	233	203	258	222
End of period.....	233	186	215	221
Volume of trade on the Stock Exchange,				
number of shares	6,062	3,065	4,654	17,947
Listed on the Stock Exchange, number of shares	825,000	825,000	825,000	825,000

The key figures have been calculated in accordance with "Recommendations and key figures 2010" issued by the Danish Society of Financial Analysts. EPS and diluted EPS are in accordance with IAS 33.

INTERIM REPORT

The Group's results before tax show a profit of DKK 4.7 million against a profit of DKK 2.5 million in the previous year. After recognition of tax for the period of DKK 1.2 million (DKK 0.6 million), the profit for the period after tax amounts to DKK 3.5 million (DKK 1.9 million).

The Group's results for the first quarter of the financial year are better than assumed in the announcement of 20 December 2013, primarily as a consequence of positive fair value adjustments of securities.

Exclusive of fair value adjustments of securities, foreign exchange movements and realised gains on securities, basic earnings before tax for the period amount to DKK 2.7 million (DKK 1.6 million), which is in line with expectations. The increased basic earnings compared with the same period last year include an improvement of losses and fair value adjustment of credit risk on the mortgage deeds portfolio of DKK 1.8 million and increased direct expenses relating to investments properties of DKK 0.8 million as a consequence of planned maintenance work.

Basic earnings for the full financial year are expected to remain unchanged in the range of DKK 12.0 - 16.0 million.

The Group's balance sheet, which compared with the same time last year has increased from DKK 757.4 million to DKK 794.9 million, includes the following business areas:

	<u>2013/14</u> <u>DKK million</u>	<u>2012/13</u> <u>DKK million</u>
Mortgage deeds.....	312.1	294.4
Bonds	<u>210.1</u>	<u>195.8</u>
Total securities	522.2	490.2
Investment properties.....	<u>179.7</u>	<u>181.8</u>
Total	<u>701.9</u>	<u>672.0</u>

Below, the individual business areas are described. The financing and the effect of currency hedging as well as currency exposure and hedging of currency risk are described in the section financing and debt.

Mortgage deeds

The fair value of the Group's portfolio of mortgage deeds amounts to DKK 312.1 million (DKK 294.4 million).

The total return on the portfolio of mortgage deeds for the financial period is specified as follows:

	<u>2013/14</u> <u>DKK million</u>	<u>2012/13</u> <u>DKK million</u>
Interest income	5.5	5.2
Capital gains, mortgage deeds	0.1	0.2
Fair value adjustment	<u>0.5</u>	<u>0.6</u>
Gross return.....	6.1	6.0

	<u>2013/14</u> <u>DKK million</u>	<u>2012/13</u> <u>DKK million</u>
Gross return.....	6.1	6.0
Realised and unrealised losses on mortgage deeds, bad debts recovered and gain on sale of properties acquired for the purpose of resale.....	<u>-2.1</u>	<u>-3.9</u>
	<u>4.0</u>	<u>2.1</u>

The Group's portfolio of mortgage deeds is distributed with DKK 189.2 million (DKK 162.1 million) fixed-interest mortgage deeds and DKK 122.9 million (DKK 132.3 million) floating-rate cibor mortgage deeds.

A significant part of the Group's portfolio of mortgage deeds is still placed in detached houses, freehold flats and summer houses with an average market value per mortgage deed of kDKK 322.1 (kDKK 335.3).

Fixed-interest mortgage deeds and cibor mortgage deeds are measured at fair value. Irrespective of the term to maturity and the present market rate for new mortgage deeds of approx. 7.5% - 9.5% p.a. (7.5% - 10.0%), the Group's portfolio of fixed-interest mortgage deeds is measured at fair value on the basis of an average effective interest rate of 8.5% p.a. against 9.25% p.a. in the Interim Report at 31 December 2012. The fair value adjustment of mortgage deeds is a positive DKK 0.5 million (DKK 0.6 million). The fair value adjustment is recognised in fair value adjustment of financial assets in the income statement.

Net loss/gain and direct expenses amount to DKK -2.2 million (DKK -4.0 million). The item includes a reversed adjustment to cover credit risk on mortgage deeds of DKK 2.2 million (DKK 0.9 million), after which the total fair value adjustment of credit risk on mortgage deeds amounts to DKK 22.6 million (DKK 21.7 million), corresponding to 6.8% (6.9%) of the portfolio. Bad debts recovered amount to DKK 0.3 million against DKK 0.9 million in the previous financial year, which was affected by a number of extraordinary payments received. Provisions for losses on properties acquired for the purpose of resale amount to DKK 0.2 million (DKK 0.5 million). Properties acquired for the purpose of resale have been purchased at forced sale with a view to limitation of losses on lending.

The first quarter of the financial year saw an improvement in net loss/gain and realised losses on mortgage deeds of DKK 1.8 million. The improvement is in line with expectations and is attributable to a decrease in realised losses and fair value adjustment of credit risk on mortgage deeds, respectively. In the coming quarters, continued normalisation of net losses and direct expenses is expected.

For the current financial year, the Group expects a continued increase of the mortgage deed portfolio.

Bonds

The fair value of the Group's portfolio of bonds amounts to DKK 210.1 million (DKK 195.8 million).

The total return on the portfolio of bonds for the financial period is specified as follows:

	<u>2013/14</u> <u>DKK million</u>	<u>2012/13</u> <u>DKK million</u>
Interest income	3.8	4.2
Realised capital gains on bonds (including foreign exchange)	0.4	3.7
Fair value adjustment	<u>-2.6</u>	<u>-5.4</u>
	<u>1.6</u>	<u>2.5</u>

The fair value adjustment includes an unrealised exchange loss of DKK 3.0 million (DKK -4.5 million), and realised capital gains on bonds include a realised exchange loss of DKK 1.1 million (DKK 2.8 million). The amounts have by and large been hedged with regard to currency fluctuations through forward exchange transactions and loans in similar currencies, DKK 4.0 million (DKK 1.2 million), respectively.

At 31 December 2013, the portfolio of bonds comprises a total negative fair value adjustment and expected gains on redemptions of up to approx. DKK 20.4 million excluding foreign exchange (approx. DKK 30.5 million excluding foreign exchange), which is expected to be reversed over the period to maturity of the bonds until 2021/22. The portfolio of bonds is characterised by an overweight of bonds with a relatively short to medium term to maturity and an average macaulay duration of approx. 3.9 years (approx. 1.2 years).

Since the closing of the financial period and until 18 February 2014, the Group has seen positive fair value adjustments of bonds of DKK 0.4 million and a realised profit of DKK 2.3 million. The fair value adjustments and realised profit include an exchange gain of DKK 0.6 million. The portfolio of bonds has been hedged with regard to currency fluctuations.

The Group expects a small increase in the portfolio of bonds in this financial year.

Investment properties

The Group's balance sheet includes 6 (6) rental properties with a fair value of DKK 179.7 million (DKK 181.8 million).

The total return on investment properties for the financial period is specified as follows:

	<u>2013/14</u> <u>DKK million</u>	<u>2012/13</u> <u>DKK million</u>
Rental income.....	3.7	3.8
Direct expenses, investment properties.....	<u>2.2</u>	<u>1.4</u>
	<u>1.5</u>	<u>2.4</u>

The increase in direct expenses of DKK 0.8 million is primarily due to expenses paid in connection with a number of planned ongoing maintenance projects.

Properties acquired for the purpose of resale

Properties acquired for the purpose of resale, DKK 26.8 million (DKK 15.0 million), comprise 9 (9) properties taken over to secure loans granted by the Group. The properties are distributed with DKK 21.9 million on business-related properties and DKK 4.9 million on residential properties.

During the financial period, no properties have been acquired for the purpose of resale, and no properties held for sale have been sold. Provisions for losses on properties acquired for the purpose of resale have been recognised as expenses at DKK 0.2 million (DKK 0.5 million). The items are recognised in the item net loss/gain and direct expenses.

In the period after 31 December 2013, the Group has sold a minor property acquired for the purpose of resale.

Financing and debt

The fair value of the Group's short-term debt to credit institutions amounts to DKK 287.6 million (DKK 266.5 million). After conversion by means of matching forward contracts, the debt is distributed as follows:

<u>Currency</u>	<u>2013/14</u>	<u>2012/13</u>
EUR.....	15.12%	24.57%
DKK	21.01%	42.70%
USD.....	57.91%	29.10%
NOK	<u>5.96%</u>	<u>3.63%</u>
	<u>100.00%</u>	<u>100.00%</u>

The Group's total fixed-interest loans, excl. mortgage credit loans, amount to DKK 0.0 million (DKK 103.3 million). Moreover, the Company has had the interest rate pegged on approx. DKK 0.0 million (DKK 28.3 million) through USD interest swaps. Last year, the fair value adjustment of the expired USD interest swap was a positive DKK 1.2 million.

The net movement for the period from exchange adjustments of loans in foreign currencies, forward contracts, securities, etc is a negative DKK 0.0 million (DKK 0.5 million).

Fair value adjustments of mortgage credit institutes including interest swaps amount to DKK 0.0 million (DKK -0.4 million) at 31 December 2013.

Part of the Group's assets is placed in foreign currencies. The Group's total currency exposure in respect of assets and liabilities is distributed as follows:

<u>Currency</u>	<u>31 December 2013</u>		<u>31 December 2012</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
DKK	73.27%	71.43%	71.42%	79.79%
EUR	2.03%	5.46%	17.21%	8.66%
NOK	2.66%	2.16%	0.95%	1.28%
CHF	0.00%	0.00%	0.00%	0.01%
USD	<u>22.04%</u>	<u>20.95%</u>	<u>10.42%</u>	<u>10.26%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Risk relating to equity and market values upon change of parameter

The below table shows the sensitivity of a number of significant balance sheet items at 31 December 2013 and 31 December 2012.

<u>DKK million</u>	<u>Increase in parameter</u>	<u>2013/14 Fair value</u>	<u>2013/14 Change of value</u>	<u>2012/13 Fair value</u>	<u>2012/13 Change of value</u>
Mortgage deeds	1% effective rate of interest	312.1	10.0	294.4	9.5
Bonds	1% effective rate of interest	210.1	9.7	195.8	3.0
Investment properties	0.5% yield requirement	179.7	11.0	181.8	11.4
Foreign currency loans	10% change in exchange rate	197.3	19.7	114.5	11.5
Securities in foreign currencies	10% change in exchange rate	199.9	20.0	195.8	19.6

It should be added that if the above parameters were to develop negatively due to an increase in interest rates, this would be counterbalanced by a certain reduction of the cash value of mortgage credit loans raised.

The Group's risk factors are described in note 35 to the Annual Report, see the Company's website www.luxor.dk.

Own shares

In the financial period, no repurchases took place under the scheme for repurchase of own shares. At present, the Group does not hold any own shares.

Future prospects and post balance sheet events

Considering the results announced and the progress until 18 February 2014 of the second quarter of the financial year, the expected results for the year before tax have been adjusted upwards to DKK 15.0 - 20.0 million against previously DKK 12.0 - 17.0 million. The expectation presupposes stable conditions as regards interest, securities and foreign exchange. Basic earnings are included in the above-mentioned expectations with an unchanged DKK 12.0 - 16.0 million.

In view of the general economic development, estimated basic earnings are subject to some uncertainty, including the development in losses and fair value adjustment of credit risk on mortgage deeds.

Basis of preparation

The Interim Report has been prepared in accordance with the same accounting policies as the Annual Report 2012/2013, to which we refer.

The Interim Report comprises summarised consolidated financial statements of Investeringselskabet Luxor A/S.

The Interim Report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, including IAS 34 on Interim Reports, and additional Danish disclosure requirements relating to listed companies.

MANAGEMENT'S STATEMENT

The Supervisory and Executive Boards have today considered and adopted the Interim Report of Investeringselskabet Luxor A/S for the period 1 October - 31 December 2013.

The Interim Report, which comprises summarised consolidated financial statements of Investeringselskabet Luxor A/S, has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, including IAS 34 on Interim Reports, and additional Danish disclosure requirements relating to listed companies.

We consider the accounting policies applied appropriate, so that the Interim Report gives a true and fair view of the financial position as at 31 December 2013 of the Group and of the results of the Group's operations and cash flows for the period 1 October - 31 December 2013.

The Interim Report has not been audited by the Company's auditor.

Copenhagen, 26 February 2014

Executive Board:

Svend Rolf Larsen

Supervisory Board:

Casper Moltke
Chairman

Steffen Heegaard

Michael Hedegaard Lyng

Jannik Rolf Larsen

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD
1 OCTOBER - 31 DECEMBER 2013

	Note	<u>G R O U P</u>		
		1/10 - 31/12 2013	1/10 - 31/12 2012	1/10 2012- 30/9 2013
		<u>DKK '000</u>	<u>DKK '000</u>	<u>DKK '000</u>
Income				
Financial income	1	10,036	14,005	32,041
Rental income		3,741	3,800	14,280
Other income		<u>326</u>	<u>337</u>	<u>1,335</u>
Total income		14,103	18,142	47,656
Loss on sale of investment property		0	0	223
Net loss/gain and direct expenses	2	-2,171	-3,987	-16,448
Direct expenses, properties		<u>2,175</u>	<u>1,438</u>	<u>4,757</u>
		9,757	12,717	26,228
Fair value adjustment of financial assets	3	-2,056	-4,866	4,879
Fair value adjustment of investment properties ..		<u>0</u>	<u>0</u>	<u>1,900</u>
Total gross earnings		7,701	7,851	33,007
Financial expenses	4	<u>-124</u>	<u>2,255</u>	<u>6,122</u>
		<u>7,825</u>	<u>5,596</u>	<u>26,885</u>
Other external expenses		683	688	2,904
Other income and expenses		0	0	83
Staff expenses		2,399	2,347	9,234
Depreciation and amortisation		<u>59</u>	<u>60</u>	<u>251</u>
		<u>3,141</u>	<u>3,095</u>	<u>12,472</u>
Profit/loss before tax		4,684	2,501	14,413
Tax on profit/loss for the period	5	<u>1,162</u>	<u>611</u>	<u>4,084</u>
NET PROFIT/LOSS FOR THE PERIOD		<u>3,522</u>	<u>1,890</u>	<u>10,329</u>
Earnings per A & B share (EPS) in DKK		3.5	1.9	10.3
Earnings per A & B share (EPS) in DKK (diluted value)		3.5	1.9	10.3

BALANCE SHEET AS AT 31 DECEMBER 2013

ASSETS

	GROUP		
	31/12 2013 DKK '000	31/12 2012 DKK '000	30/9 2013 DKK '000
Fixed assets			
Domicile properties.....	11,691	13,689	11,738
Fixtures, fittings and equipment.....	330	395	342
Property, plant and equipment.....	12,021	14,084	12,080
 Investment properties	 179,700	 181,800	 179,700
Securities.....	522,239	490,224	532,025
Fixed asset investments.....	522,239	490,224	532,025
 Deferred tax.....	 13,161	 17,179	 14,323
Non-current assets.....	727,121	703,287	738,128
 Properties acquired for the purpose of resale	 26,817	 14,982	 26,856
Other properties held for sale.....	1,813	0	1,813
Properties held for sale	28,630	14,982	28,669
Other receivables.....	27,195	13,967	26,292
Forward contracts, currency swaps	270		14
Prepayments	208	153	594
Receivables.....	27,673	14,120	26,900
Cash at bank and in hand.....	11,503	25,031	3,456
Current assets	67,806	54,133	59,025
ASSETS.....	794,927	757,420	797,153

BALANCE SHEET AS AT 31 DECEMBER 2013

LIABILITIES AND EQUITY

	G R O U P		
	31/12 2013 DKK '000	31/12 2012 DKK '000	30/9 2013 DKK '000
Share capital.....	100,000	100,000	100,000
Proposed dividend.....	6,000	0	6,000
Retained earnings.....	305,150	299,189	301,628
Equity	411,150	399,189	407,628
Mortgage credit institutes.....	61,248	68,949	62,746
Forward contracts, interest swaps	3,923	5,766	4,025
Non-current liabilities	65,171	74,715	66,771
Mortgage credit institutes, properties acquired for the purpose of resale	1,641	3,570	1,732
Mortgage credit institutes, other properties held for sale.....	969	0	996
Mortgage credit institutes, properties held for sale	2,610	3,570	2,728
Mortgage credit institutes.....	3,802	3,308	2,748
Credit institutions.....	287,564	266,503	295,360
Deposits.....	3,087	2,887	3,026
Corporation tax	0	252	616
Other payables.....	21,202	5,432	17,867
Forward contracts, currency and interest swaps	0	978	0
Deferred income.....	341	586	409
Current liabilities	318,606	283,516	322,754
Liabilities	383,777	358,231	389,525
LIABILITIES AND EQUITY	794,927	757,420	797,153

STATEMENT OF CHANGES IN EQUITY
Group

	Share capital A shares DKK '000	Share capital B shares DKK '000	Retained earnings DKK '000	Proposed dividend DKK '000	Total DKK '000
Equity A & B shares at 1 October 2012.....	17,500	82,500	297,299	0	397,299
Net profit/loss for the period (comprehensive income).....	<u>0</u>	<u>0</u>	<u>1,890</u>	<u>0</u>	<u>1,890</u>
Equity A & B shares at 31 December 2012.....	<u>17,500</u>	<u>82,500</u>	<u>299,189</u>	<u>0</u>	<u>399,189</u>
Equity A & B shares at 1 October 2013.....	17,500	82,500	301,628	6,000	407,628
Net profit/loss for the period (comprehensive income).....	<u>0</u>	<u>0</u>	<u>3,522</u>	<u>0</u>	<u>3,522</u>
Equity A & B shares at 31 December 2013.....	<u>17,500</u>	<u>82,500</u>	<u>305,150</u>	<u>6,000</u>	<u>411,150</u>

CASH FLOW STATEMENT FOR THE PERIOD 1 OCTOBER - 31 DECEMBER 2013

	G R O U P	
	2013/14 DKK '000	2012/13 DKK '000
Cash flows from operating activities		
Interest received on mortgage deeds and bonds	10,392	10,321
Other financial income	255	615
Other income	326	337
Rental income.....	3,911	4,086
Interest payments.....	-3,369	-3,799
Operating expenses.....	-2,009	-3,136
Properties acquired for the purpose of resale	-172	-3,104
Tax payments.....	-616	39
Cash flows from operating activities.....	8,718	5,359
 Cash flows from investing activities		
Additions of mortgage deeds and bonds.....	-41,607	-24,443
Disposals of mortgage deeds and bonds.....	45,711	54,326
Deposits received.....	61	25
Capital investments	0	-225
Cash flows from investing activities.....	4,165	29,683
 Cash flows from financing activities		
Raising of loans, credit institutions.	30,343	9,168
Repayment, credit institutions	-34,544	-32,815
Repayment, mortgage credit institutes, properties acquired for the purpose of resale	-91	-174
Raising of loans, mortgage credit institutes.....	39,857	0
Raising of loans, mortgage credit institutes, properties acquired for the purpose of resale.....	0	850
Repayment, mortgage credit institutes	-40,401	-1,662
Deposits paid	0	-117
Cash flows from financing activities.....	-4,836	-24,750
Net change in cash and cash equivalents.....	8,047	10,292
Cash and cash equivalents, beginning of period.....	3,456	14,739
Cash and cash equivalents, end of period.....	11,503	25,031

SEGMENT REPORTING
Group

	Mortgage deeds DKK '000	Bonds DKK '000	Shares DKK '000	Investment properties DKK '000	Other DKK '000	Total DKK '000
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<u>Group 2013/14</u>						
Income (realised)	5,363	4,673	0	3,741	326	14,103
Fair value adjustment....	529	-2,585	0	0	0	-2,056
Gross earnings	3,721	2,088	0	1,566	326	7,701
Assets.....	362,094	213,911	0	156,834	62,088	794,927
Capital investments.....	16,337	25,270	0	0	0	41,607
Liabilities (segments)....	185,235	103,970	0	65,791	4,151	359,147

<u>Group 2012/13</u>						
Income (realised)	5,445	8,470	90	3,800	337	18,142
Fair value adjustment....	575	-5,441	0	0	0	-4,866
Gross earnings	2,033	3,029	90	2,362	337	7,851
Assets.....	317,533	200,873	0	156,714	82,300	757,420
Capital investments.....	24,443	0	0	0	225	24,668
Liabilities (segments)....	157,498	112,575	0	73,575	4,448	348,096

The liabilities in the segment reporting can be reconciled with group totals as follows:

	Group	
	2013/14 DKK '000	2012/13 DKK '000
Non-current liabilities	65,171	74,715
Credit institutions, short-term loans....	287,564	266,503
Mortgage credit institutes, short-term loans	6,412	6,878
Segment liabilities	359,147	348,096

GROUP

	<u>2013/14</u>	<u>2012/13</u>
	<u>DKK '000</u>	<u>DKK '000</u>

1. Financial income

Mortgage deeds, interest.....	5,459	5,185
Bonds, interest	<u>3,802</u>	<u>4,194</u>
	9,261	9,379
Capital gains, mortgage deeds	99	217
Capital gains, bonds.....	1,505	855
Capital gains, shares	0	118
Forward contracts	451	572
Exchange adjustments, securities	-1,085	2,821
Other financial income	<u>-195</u>	<u>43</u>
	<u>10,036</u>	<u>14,005</u>

2. Net loss/gain and direct expenses

Realised net losses on mortgage deeds and mortgage deed receivables.....	4,495	5,198
Change of fair value adjustment of credit risk, mortgage deeds	-2,238	-942
Net loss/gain on sale of properties acquired for the purpose of resale.....	11	-19
Provision for losses on properties acquired for the purpose of resale	200	525
Bad debts recovered	<u>332</u>	<u>875</u>
	-2,136	-3,887
Fees.....	2	55
Collection charges	<u>33</u>	<u>45</u>
	<u>-2,171</u>	<u>-3,987</u>

3. Fair value adjustment of financial assets

Fair value adjustment, mortgage deeds	529	575
Fair value adjustment, bonds	<u>-2,585</u>	<u>-5,441</u>
	<u>-2,056</u>	<u>-4,866</u>

GROUP

	<u>2013/14</u>	<u>2012/13</u>
	<u>DKK '000</u>	<u>DKK '000</u>

4. Financial expenses

Credit institutions	2,345	1,632
Interest swaps, credit institutions.....	0	1,205
Interest swaps, credit institutions, fair value adjustment.....	0	-1,215
Exchange loss/gain on foreign loans etc, net.....	<u>-3,595</u>	<u>-593</u>
	-1,250	1,029
Mortgage credit institutes	516	666
Interest swaps, mortgage credit institutes.....	215	196
Mortgage credit institutes, fair value adjustment	74	-14
Interest swaps, mortgage credit institutes, fair value adjustment	-102	378
Expenses and loss on conversion of debt to mortgage credit institutes	<u>423</u>	<u>0</u>
	<u>-124</u>	<u>2,255</u>

5. Corporation tax

Tax on profit/loss on ordinary activities for the period is specified as follows:

Calculated tax 24.5% (25%) on profit/loss before tax for the period.....	1,148	625
Tax effect of:		
Non-taxable income, expenses, value adjustments, etc.....	<u>14</u>	<u>-14</u>
	<u>1,162</u>	<u>611</u>
Effective tax rate.....	<u>24.81%</u>	<u>24.43%</u>
Tax asset at 1 October 2013	37,745	43,298
Transferred to Metalvarefariken Luxor A/S.....	0	-1
Transferred to DI-Ejendoms Invest A/S.....	-130	-173
Change in deferred tax recognised in the income statement	<u>-1,036</u>	<u>-269</u>
Tax asset at 31 December 2013.....	<u>36,579</u>	<u>42,855</u>
Deferred tax at 1 October 2013	23,422	25,507
Change in deferred tax recognised in the income statement	<u>-4</u>	<u>169</u>
Deferred tax at 31 December 2013.....	<u>23,418</u>	<u>25,676</u>
Total tax asset at 31 December 2013.....	<u>13,161</u>	<u>17,179</u>

GROUP

	<u>2013/14</u>	<u>2012/13</u>
	<u>DKK '000</u>	<u>DKK '000</u>

Note 5 continued:

The deferred tax asset is recognised at the tax rate which is expected to be applicable when the deferred tax is realised. The calculation has been made at 24.5% - 22% (25%). The value is distributed on the following items:

Tax asset:		
Property, plant and equipment.....	-23,378	-25,459
Fixed asset investments, mortgage deeds, bonds and fair value adjustments relating to mortgage credit institutes and credit institutions, etc..	2,489	1,697
Tax loss carry-forwards.....	<u>34,050</u>	<u>40,941</u>
 Tax asset.....	 <u>13,161</u>	 <u>17,179</u>

When measuring deferred tax, the Company applies the corporation tax rate which is expected to be applicable to the temporary differences in the financial years in which the Company's temporary differences are expected to be realised.

The tax asset is recognised to the extent that it is expected to be realised in the form of future taxable profits. It is assessed that the tax asset of DKK 13.2 million (DKK 17.2 million) can be realised within a period of up to five years. Utilisation of the tax asset is assessed on the basis of expected basic earnings and profits on the Company's portfolio of bonds.

The loss on the Group's portfolio of shares which is deductible against income from like-kind source is not recognised in the tax loss. At 31 December 2013, the loss amounts to DKK 97.6 million (DKK 111.1 million) measured on the basis of a tax rate of 22% (25%).

GROUP

	<u>2013/14</u>	<u>2012/13</u>
	<u>DKK million</u>	<u>DKK million</u>

6. Statement of basic earnings

Financial income	9.2	9.6
Rental income.....	3.7	3.8
Other income	0.3	0.3
Net loss/gain and direct expenses.....	2.2	4.0
Direct expenses, properties.....	2.2	1.4
Financial expenses.....	3.0	3.7
Other external expenses.....	0.7	0.7
Staff expenses.....	<u>2.4</u>	<u>2.3</u>
 Basic earnings	 <u>2.7</u>	 <u>1.6</u>