

Investeringsselskabet LUXOR $\frac{A}{S}$

Frederiksborggade 50, 1360 København K · Telefon 33 32 50 15 · Telefax 33 12 41 70 · CVR-nr. 49 63 99 10

Nasdaq Copenhagen A/S
Nikolaj Plads 6
PO Box 1040
DK-1007 Copenhagen K

Announcement No 5
page 1 of 19
date 29 February 2016
ref. IK/ls

Interim Report as at 31 December 2015

The Supervisory Board of Investeringsselskabet Luxor A/S has today adopted the Interim Report as at 31 December 2015.

First quarter of the financial year:

- Basic earnings amount to DKK 8.8 million (DKK 4.5 million), which is DKK 3.7 million higher than expected. The improvement is primarily attributable to an increase in net financial income of DKK 1.8 million and an improvement of net loss/gain on mortgage deeds of DKK 1.5 million.
- The Group's results before tax for the period show a loss of DKK 9.5 million (DKK -13.3 million). After tax, the Group shows a loss of DKK -7.4 million (DKK -10.4 million).

The results are negatively affected by DKK 18.3 million, of which DKK -16.4 million relates to net negative fair value adjustments and realised losses on bonds as a result of volatility in the bond market and a widening of the yield spread to government bonds, among other things as a consequence of exposure to the energy and commodity sectors as well as currency hedging, and DKK -1.9 million relates to other fair value adjustments etc not included in basic earnings.

- The net asset value per share in circulation is DKK 346.89 (DKK 402.38). The net asset value per share in circulation is significantly affected by the dividend distribution of DKK 50 million in January 2015, corresponding to DKK 50 per share.

Expected profit for the year 2015/16

- At present, basic earnings of approx. DKK 24.0 million are expected for the financial year 2015/16 compared to approx. DKK 20.0 million previously expected.

Fair value adjustments and losses and gains realised on bonds, foreign currencies and interest swaps, etc are not included in basic earnings and will from the beginning of the financial year until 18 February 2016 affect results for the year before tax by approx. DKK -29.8 million, of which approx. DKK -18.3 million relates to the period until 31 December 2015 and approx. DKK -11.5 million to the period 1 January to 18 February 2016.

For additional information concerning this Interim Report, please contact Jannik Rolf Larsen, Manager.

Yours faithfully
Investeringsselskabet Luxor A/S

Svend Rolf Larsen
CEO

Jannik Rolf Larsen
Manager

Announcement No 5 of 29 February 2016
Interim Report for the period 1 October to 31 December 2015

Contents

	<u>Page</u>
Financial Highlights of the Group	3
Interim Report.....	4 - 9
Management's Statement	10
Consolidated Statement of Comprehensive Income.....	11
Consolidated Balance Sheet	12 - 13
Statement of Changes in Equity	14
Cash Flow Statement.....	15
Segment Reporting	16
Significant Notes.	17 - 19

Investeringselskabet Luxor A/S is an investment company investing shareholders' equity and debt capital in capital investments. The Company's main activities are distributed on mortgage deeds, bonds and properties. The Company has adopted a flexible investment strategy within a number of specific investment frameworks.

The overall objective of the Group is to achieve the best possible long-term return on investments for the shareholders by investing shareholders' equity and debt capital in capital investments within the risk frameworks established.

Pursuant to the Danish Act on Alternative Investment Fund Managers, Investeringselskabet Luxor A/S is permitted to invest in mortgage deeds, bonds and properties and has been granted an exemption in respect of being permitted to manage shares received in connection with a corporate bond in the portfolio being wholly or partly converted into shares.

FINANCIAL HIGHLIGHTS OF THE GROUP

<u>DKK million</u>	<u>OCTOBER - DECEMBER</u>			
	<u>2015/16</u>	<u>2014/15</u>	<u>2013/14</u>	<u>2014/15</u>
	<u>Q1</u>	<u>Q1</u>	<u>Q1</u>	<u>Full year</u>
<u>Key figures</u>				
Income.....	4.2	17.1	14.1	59.9
Gross earnings.....	3.7	-0.8	7.7	43.1
Profit/loss before tax.....	-9.5	-13.3	4.7	-10.2
Net profit/loss for the period.....	-7.4	-10.4	3.5	-8.5
Basic earnings.....	8.8	4.5	2.7	24.1
Assets.....	917.2	893.9	794.9	915.5
Equity.....	346.9	402.4	411.2	354.3
Investment in property, plant and equipment	0.1	0.0	0.0	0.7
Profit/loss for analytical purposes:				
Net profit/loss for the period (after tax).....	<u>-7.4</u>	<u>-10.4</u>	<u>3.5</u>	<u>-8.5</u>
<u>Ratios</u>				
<u>Values per DKK 100 share</u>				
Earnings per share (EPS) (DKK).....	-7.40	-10.40	3.52	-8.48
Net asset value per share in circulation (DKK).....	346.89	402.38	411.15	354.29
Return on equity in percentage p.a.....	-8.45	-10.20	3.44	-2.21
Equity share in percentage.....	37.82	45.01	51.72	38.70
<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.....	310	261	216	261
Highest.....	355	305	233	362
End of period.....	350	305	233	317
Volume of trade on the Stock Exchange,				
number of shares.....	5,718	7,685	6,062	32,385
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 2015" issued by the Danish Society of Financial Analysts. EPS and diluted EPS are in accordance with IAS 33.

INTERIM REPORTBasic earnings and results

The Group's basic earnings amount to DKK 8.8 million (DKK 4.5 million).

Basic earnings are calculated as profit/loss before tax for the period adjusted for fair value adjustments of securities, debt and foreign exchange movements and realised losses on securities. Basic earnings are DKK 3.7 million higher than expected, which is primarily attributable to an increase in the Group's net financial income of DKK 1.8 million and an improvement of net loss/gain on mortgage deeds of DKK 1.5 million.

At present, basic earnings of approx. DKK 24.0 million are expected for the financial year 2015/16 compared to approx. DKK 20.0 million previously expected.

The Group's results before tax amount to DKK -9.5 million (DKK -13.3 million). After recognition of tax for the period of DKK -2.1 million (DKK -2.9 million), the results for the period after tax amount to DKK -7.4 million (DKK -10.4 million). The results for the period are affected by net negative fair value adjustments and realised losses on bonds as well as currency hedging of DKK 16.4 million.

Business areas

The Group's balance sheet, which compared with the same time last year has increased from DKK 893.9 million to DKK 917.2 million, includes the following business areas:

	<u>2015/16</u> DKK million	<u>2014/15</u> DKK million
Mortgage deeds.....	544.9	392.8
Bonds	125.3	243.4
Shares.....	<u>1.9</u>	<u>0.0</u>
Total securities.....	672.1	636.2
Investment properties.....	<u>180.5</u>	<u>180.1</u>
Total.....	<u>852.6</u>	<u>816.3</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 544.9 million (DKK 392.8 million).

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

	<u>2015/16</u> DKK million	<u>2014/15</u> DKK million
Interest income	10.8	6.8
Capital gains, mortgage deeds	1.3	0.5
Fair value adjustment	<u>-0.3</u>	<u>1.2</u>
Gross return.....	11.8	8.5
Realised and unrealised losses on mortgage deeds, bad debts recovered and gain on sale of properties acquired for the purpose of resale.....	<u>-1.1</u>	<u>-2.4</u>
	<u>10.7</u>	<u>6.1</u>

Fixed-interest mortgage deeds of a nominal amount of DKK 398.6 million are measured at fair value in the balance sheet on the basis of an average effective interest rate of 8.50% p.a. (8.50% p.a.) irrespective of the term to maturity and the present market rate for new mortgage deeds at the level of 7.5% - 9.0% p.a. (7.5% - 9.5% p.a.). Fixed-interest mortgage deeds of a nominal amount of DKK 49.1 million and cibor mortgage deeds of a nominal amount of DKK 174.8 million are measured at fair value on the basis of the cost of the mortgage deeds.

The Group's portfolio of mortgage deeds has an average fair value per mortgage deed of kDKK 273.7 (kDKK 293.0).

Net loss/gain and direct expenses amount to DKK -1.3 million (DKK -2.5 million), which is approx. DKK 1.5 million lower than expected as the development towards more normalised losses and fair value adjustment of credit risk have progressed more positively than expected.

Net loss/gain and direct expenses include:

- realised net losses on mortgage deeds and mortgage deed receivables of DKK 0.8 million (DKK 6.0 million);
- an increase in adjustment to meet the credit risk on mortgage deeds and mortgage deed receivables of DKK 1.2 million (DKK -0.1 million);
- bad debts recovered of DKK 0.8 million (DKK 0.4 million);
- loss on sale of properties acquired for the purpose of resale of DKK 0.1 million (DKK 0.5 million) and reversed provisions for losses on properties acquired for the purpose of resale of DKK 0.2 million (DKK 2.6 million). Properties acquired for the purpose of resale have been purchased to secure loans granted by the Group.

The total fair value adjustment of credit risk on mortgage deeds amounts to DKK 16.0 million (DKK 14.8 million), corresponding to 2.8% (3.6%) of the portfolio.

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 125.3 million (DKK 243.4 million).

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

	<u>2015/16</u> <u>DKK million</u>	<u>2014/15</u> <u>DKK million</u>
Interest income	3.1	4.6
Realised capital gains on bonds (including foreign exchange)	-14.2	2.3
Fair value adjustment	2.0	-14.9
Forward exchange contracts	-0.9	-0.9
Exchange loss/gain on foreign loans etc, net	<u>-3.3</u> <u>-16.4</u>	<u>-4.4</u> <u>-17.9</u>
Return after currency hedging	<u>-13.3</u>	<u>-13.3</u>

The loss on bonds realised includes a realised exchange gain of DKK 2.5 million (DKK 2.6 million), and fair value adjustments include an unrealised exchange loss of DKK 1.9 million (DKK 1.3 million).

The portfolio of bonds, which is primarily in USD, has by and large been hedged with regard to currency fluctuations by means of currency swaps and loans in the same currency.

Fair value adjustments for the period with addition of reversed write-downs on the sale of bonds are negative as a result of volatility in the bond market and a widening of the yield spread to government bonds, among other things as a consequence of exposure to the energy and commodity sectors.

At 31 December 2015, the portfolio of bonds comprises a total negative fair value adjustment and possible gains on redemptions of up to approx. DKK 34.5 million excluding foreign exchange (approx. DKK 13.8 million excluding foreign exchange) provided that the portfolio of bonds is redeemed or sold at par. Gains on redemptions are expected to be reversed over the period to maturity of the bonds until 2022/23. 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. 4.3 years).

Since the closing of the financial period and until 18 February 2016, the Group has seen negative fair value adjustments of bonds of DKK 14.7 million and a realised gain of DKK 5.5 million. The fair value adjustments and realised gain include an exchange loss of DKK 1.2 million.

Shares

The fair value of the Group's portfolio of shares amounts to DKK 1.9 million (DKK 0.0 million). The shares were received in connection with a reconstruction of a bond issuer where the Group's portfolio of bonds has been converted into shares.

To the extent that corporate bonds in the Parent Company's portfolio are converted into shares, the Supervisory Board has granted authority to maintain the ownership of the listed or unlisted shares for a period until the shares can be sold at a value which, in the opinion of the Parent Company, reflects the actual value of the share.

Investment properties

The Group's balance sheet includes 5 (5) investment properties with a fair value of DKK 180.5 million (DKK 180.1 million).

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

	<u>2015/16</u> <u>DKK million</u>	<u>2014/15</u> <u>DKK million</u>
Rental income.....	3.5	3.7
Direct expenses, investment properties.....	<u>1.0</u>	<u>1.6</u>
	<u>2.5</u>	<u>2.1</u>

Properties acquired for the purpose of resale

Properties acquired for the purpose of resale, DKK 10.7 million (DKK 15.6 million), comprise 3 (5) properties taken over to secure loans granted by the Group. The properties are distributed with DKK 10.0 million on business-related properties and DKK 0.7 million on residential property.

During the first quarter of the financial year, the Group sold a small part of a business property.

Financing and debt

The fair value of the Group's short-term debt to credit institutions amounts to DKK 458.2 million (DKK 396.3 million). After conversion by means of matching forward contracts, the debt is distributed as follows:

<u>Currency</u>	<u>2015/16</u>	<u>2014/15</u>
EUR.....	15.99%	9.48%
DKK	52.03%	30.19%
USD.....	30.23%	55.53%
NOK	<u>1.75%</u>	<u>4.80%</u>
	<u>100.00%</u>	<u>100.00%</u>

The Company has pegged the interest rate on DKK 150.0 million (DKK 25.0 million) through DKK interest swaps with a remaining term of up to 9 years. Fair value adjustment of interest swaps for the period is a negative DKK -0.9 million (DKK -0.1 million).

The net movement for the period deriving from exchange adjustments of foreign loans, forward contracts, securities, etc is a negative DKK 3.6 million (DKK -1.2 million) as a result of a volatile USD rate and negative fair value adjustments. Financing in foreign currencies is primarily used with a view to hedging assets in foreign currencies.

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 in percentage:

<u>Currency</u>	31 December 2015		31 December 2014	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
DKK	85.77%	76.00%	73.44%	69.00%
EUR	0.61%	8.01%	0.58%	4.21%
NOK	1.02%	0.88%	2.38%	2.13%
USD	<u>12.60%</u>	<u>15.11%</u>	<u>23.60%</u>	<u>24.66%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Fair value adjustments of mortgage credit institutes for the period, including interest swaps, are a negative DKK 0.2 million (DKK 1.0 million) as a consequence of changes in interest rates. The amount is counterbalanced through current fair value adjustments over the remaining term of the loans/contracts.

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 2015 and 31 December 2014.

<u>DKK million</u>	<u>Increase in parameter</u>	<u>2015/16 Fair value</u>	<u>2015/16 Change of value</u>	<u>2014/15 Fair value</u>	<u>2014/15 Change of value</u>
Mortgage deeds	1% effective rate of interest	544.9	20.3	392.8	12.9
Bonds	1% effective rate of interest	125.3	4.1	243.4	10.0
Shares	10% change in value	1.9	0.2	0.0	0.0
Investment properties	0.5% yield requirement	180.5	11.3	180.1	10.8
Foreign currency loans	Change in exchange rate *	447.8	15.8	255.5	22.2
Securities in foreign currencies	10% change in value	125.3	12.5	232.9	23.3

* Change in exchange rate 1% for loans in EUR and 10% for loans in NOK and USD.

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 and interest swaps.

The Group's financial risks and financial instruments are described in note 36 to the Annual Report; see the Company's website www.luxor.dk.

Future prospects and post balance sheet events

At present, basic earnings of approx. DKK 24.0 million are expected for the financial year 2015/16 compared to basic earnings previously expected of approx. DKK 20.0 million.

Fair value adjustments and losses and gains realised on bonds, foreign currencies and interest swaps, etc are not included in basic earnings and will from the beginning of the financial year until 18 February 2016 affect results for the year before tax negatively by approx. DKK 29.8 million, of which approx. DKK -18.3 million relates to the period until 31 December 2015 and approx. DKK -11.5 million to the period 1 January to 18 February 2016.

The expectations for the future, including expectations relating to basic earnings, fair value adjustments and losses/gains on securities, are subject to risks and uncertainties and may be affected by factors such as global economic conditions, including the credit market and interest rate and foreign exchange developments. Thus, the actual development and actual results might differ significantly from the expectations in the Annual Report.

Basis of preparation

The Interim Report has been prepared in accordance with the same accounting policies as the Annual Report 2014/2015, 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 2015.

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 2015 of the Group and of the results of the Group's operations and cash flows for the period 1 October - 31 December 2015.

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

Copenhagen, 29 February 2016

Executive Board:

Svend Rolf Larsen

Jannik Rolf Larsen

Supervisory Board:

Steffen Heegaard

Casper Moltke
Chairman

Michael Hedegaard Lyng

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD
1 OCTOBER - 31 DECEMBER 2015

		G R O U P		
		1/10 - 31/12 2015	1/10 - 31/12 2014	1/10 2014- 30/9 2015
Note		DKK '000	DKK '000	DKK '000
Income				
	1	730	13,094	45,246
		3,508	3,659	14,295
		0	325	360
		4,238	17,078	59,901
	2	-1,294	-2,529	-12,291
		1,055	1,636	5,305
		1,889	12,913	42,305
	3	1,800	-13,674	417
		0	0	400
		3,689	-761	43,122
	5	9,005	9,187	39,416
		-5,316	-9,948	3,706
		1,411	805	3,266
		0	0	-7
	4	2,675	2,476	10,381
		96	59	253
		4,182	3,340	13,893
		-9,498	-13,288	-10,187
	6	-2,096	-2,891	-1,702
		-7,402	-10,397	-8,485
		-7.4	-10.4	-8.5
		-7.4	-10.4	-8.5

BALANCE SHEET AS AT 31 DECEMBER 2015

ASSETS

	G R O U P		
	31/12 2015 DKK '000	31/12 2014 DKK '000	30/9 2015 DKK '000
Fixed assets			
Domicile properties	11,317	11,504	11,364
Fixtures, fittings and equipment	927	282	922
Property, plant and equipment	12,244	11,786	12,286
Investment properties.....	180,500	180,100	180,500
Rebuilding in progress	351	0	0
	180,851	180,100	180,500
Securities	672,042	639,055	665,882
Fixed asset investments	672,042	639,055	665,882
Deferred tax	14,397	13,489	12,301
Non-current assets	879,534	844,430	870,969
Properties acquired for the purpose of resale	10,686	15,632	12,622
Other receivables	22,860	28,436	22,322
Corporation tax receivable.....	102	215	270
Forward contracts, currency swaps	82	289	0
Prepayments	291	445	506
Receivables	23,335	29,385	23,098
Cash at bank and in hand	3,658	4,446	8,852
Current assets	37,679	49,463	44,572
ASSETS	917,213	893,893	915,541

BALANCE SHEET AS AT 31 DECEMBER 2015

LIABILITIES AND EQUITY

	G R O U P		
	31/12 2015 DKK '000	31/12 2014 DKK '000	30/9 2015 DKK '000
Share capital	100,000	100,000	100,000
Proposed dividend	20,000	50,000	20,000
Retained earnings	226,890	252,380	234,292
Equity	346,890	402,380	354,292
Mortgage credit institutes	76,944	60,409	77,898
Forward contracts, interest swaps	9,008	7,801	8,121
Non-current liabilities	85,952	68,210	86,019
Mortgage credit institutes, properties held for sale	0	1,267	0
Mortgage credit institutes	4,577	3,916	4,595
Credit institutions	458,222	396,306	449,525
Deposits	2,978	2,985	3,026
Other payables	17,345	18,248	16,806
Forward contracts and currency swaps	253	224	736
Deferred income	996	357	542
Current liabilities	484,371	423,303	475,230
Liabilities	570,323	491,513	561,249
LIABILITIES AND EQUITY	917,213	893,893	915,541

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 2014.....	17,500	82,500	262,777	50,000	412,777
Net profit/loss for the period (comprehensive income).....	<u>0</u>	<u>0</u>	<u>-10,397</u>	<u>0</u>	<u>-10,397</u>
Equity A & B shares at 31 December 2014.....	<u>17,500</u>	<u>82,500</u>	<u>252,380</u>	<u>50,000</u>	<u>402,380</u>
Equity A & B shares at 1 October 2015.....	17,500	82,500	234,292	20,000	354,292
Net profit/loss for the period (comprehensive income).....	<u>0</u>	<u>0</u>	<u>-7,402</u>	<u>0</u>	<u>-7,402</u>
Equity A & B shares at 31 December 2015.....	<u>17,500</u>	<u>82,500</u>	<u>226,890</u>	<u>20,000</u>	<u>346,890</u>

CASH FLOW STATEMENT FOR THE PERIOD 1 OCTOBER - 31 DECEMBER 2015

	G R O U P	
	2015/16 DKK '000	2014/15 DKK '000
Cash flows from operating activities		
Interest received on mortgage deeds and bonds	13,285	11,453
Other financial income	-205	-1,152
Other income	0	325
Rental income.....	4,161	3,721
Interest payments.....	-4,507	-3,723
Operating expenses and other payments	-5,365	-10,183
Properties acquired for the purpose of resale	1,979	8,108
Tax payments.....	168	-2
Cash flows from operating activities.....	9,516	8,547
 Cash flows from investing activities		
Additions of mortgage deeds and bonds.....	-51,367	-64,026
Disposals of mortgage deeds and bonds.....	33,508	48,050
Deposits received.....	13	5
Other capital investments	-405	0
Cash flows from investing activities.....	-18,251	-15,971
 Cash flows from financing activities		
Raising of loans, credit institutions.	4,728	9,197
Repayment, mortgage credit institutes, properties acquired for the purpose of resale.....	0	-95
Raising of loans, mortgage credit institutes.....	0	5,311
Repayment, mortgage credit institutes	-1,127	-3,906
Deposits paid	-60	-31
Cash flows from financing activities.....	3,541	10,476
Net change in cash and cash equivalents.....	-5,194	3,052
Cash and cash equivalents, beginning of period.....	8,852	1,394
Cash and cash equivalents, end of period.....	3,658	4,446

SEGMENT REPORTING
Group

	Mortgage deeds <u>DKK '000</u>	Bonds <u>DKK '000</u>	Shares <u>DKK '000</u>	Investment properties <u>DKK '000</u>	Other <u>DKK '000</u>	Total <u>DKK '000</u>
--	--------------------------------------	--------------------------	---------------------------	---	--------------------------	--------------------------

Group 2015/16						
Income (realised)	12,753	-12,023	0	3,508	0	4,238
Fair value adjustment....	-252	1,988	64	0	0	1,800
Gross earnings	11,207	-10,035	64	2,453	0	3,689
Assets.....	574,661	128,690	1,876	157,151	54,835	917,213
Capital investments.....	45,796	5,571	0	351	54	51,772
Liabilities (segments)....	375,889	84,091	1,284	85,440	5,025	551,729

Group 2014/15						
Income (realised)	7,059	5,933	102	3,659	325	17,078
Fair value adjustment....	1,238	-14,912	0	0	0	-13,674
Gross earnings	5,768	-8,979	102	2,023	325	-761
Assets.....	433,022	248,181	0	157,145	55,545	893,893
Capital investments.....	40,025	24,001	0	0	0	64,026
Liabilities (segments)....	244,545	154,087	0	68,806	5,246	472,684

Gross earnings of the segments do not include depreciation, amortisation and interest expenses. Consequently, there is an asymmetry between interest expenses and liabilities.

The segment mortgage deeds includes fair value adjustments relating to credit risks of kDKK 15,967 (kDKK 14,787). The financial period saw a negative fair value adjustment relating to credit risks on mortgage deeds and mortgage deed receivables of kDKK 1,212 (kDKK -74). Fair value adjustments relating to credit risks are based on an individual assessment of each claim.

For all segments, gross earnings include the item fair value adjustment, which is not a cash income/expense.

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

	Group	
	2015/16 <u>DKK '000</u>	2014/15 <u>DKK '000</u>
Liabilities, segments	551,729	472,684
Other payables	17,345	18,248
Forward contracts and currency swaps	253	224
Deferred income	996	357
Segment liabilities	570,323	491,513

GROUP

	2015/16 DKK '000	2014/15 DKK '000
1. Financial income		
Mortgage deeds, interest.....	10,778	6,816
Bonds, interest.....	<u>3,087</u>	<u>4,596</u>
	13,865	11,412
Capital gains, mortgage deeds.....	1,284	460
Capital gains, bonds.....	-16,702	-299
Capital gains, shares.....	0	102
Forward contracts.....	-896	-936
Exchange adjustments, securities.....	2,488	2,572
Other financial income.....	<u>691</u>	<u>-217</u>
	<u>730</u>	<u>13,094</u>
2. Net loss/gain and direct expenses		
Realised net losses on mortgage deeds and mortgage deed receivables.....	761	5,987
Change of fair value adjustment of credit risk, mortgage deeds and mortgage deed receivables.....	1,212	-74
Gain/loss on sale of properties acquired for the purpose of resale.....	132	-493
Provision for losses on properties acquired for the purpose of resale....	-175	-2,600
Bad debts recovered.....	<u>806</u>	<u>415</u>
	-1,124	-2,405
Fees.....	141	46
Collection charges.....	<u>29</u>	<u>78</u>
	<u>-1,294</u>	<u>-2,529</u>
3. Fair value adjustment of financial assets		
Fair value adjustment, mortgage deeds.....	-252	1,238
Fair value adjustment, bonds.....	1,988	-14,912
Fair value adjustment, shares.....	<u>64</u>	<u>0</u>
	<u>1,800</u>	<u>-13,674</u>
4. Staff expenses		
Remuneration of Supervisory Board.....	<u>144</u>	<u>181</u>
Wages and salaries.....	2,378	2,107
Defined contribution plan.....	134	171
Other social security expenses.....	<u>19</u>	<u>17</u>
Other staff, total.....	<u>2,531</u>	<u>2,295</u>
Total staff expenses.....	<u>2,675</u>	<u>2,476</u>
Average number of employees.....	<u>10</u>	<u>10</u>

Note 4 continued

Pursuant to the Danish Act on Alternative Investment Fund Managers etc, it can be stated that the remuneration policy and practice are in accordance with the requirements concerning sound and effective risk management. In the Parent Company, remuneration of the Executive Board and an employee, a total of three persons, who have a significant influence on the Parent Company's risk profile amounts to DKK 1.1 million.

	G R O U P	
	2015/16 DKK '000	2014/15 DKK '000
5. Financial expenses		
Credit institutions	3,218	2,933
Interest swaps, credit institutions.....	-2	58
Interest swaps, credit institutions, fair value adjustment.....	852	122
Exchange loss/gain on foreign loans etc, net.....	3,970	4,212
	8,038	7,325
Mortgage credit institutes	467	438
Interest swaps, mortgage credit institutes.....	311	214
Mortgage credit institutes, fair value adjustment	154	-103
Interest swaps, mortgage credit institutes, fair value adjustment	35	1,193
Expenses and loss on conversion of debt to mortgage credit institutes	0	120
	9,005	9,187
6. Corporation tax		
Tax on profit/loss on ordinary activities for the period is specified as follows:		
Calculated tax 22% (23.5%) on profit/loss before tax for the period.....	-2,090	-3,123
Tax effect of:		
Non-taxable income, expenses, value adjustments, etc.....	-6	-26
Reduction of the tax rate from 23.5% to 22% up until 2016.....	0	258
	-2,096	-2,891
Effective tax rate.....	22.07%	-21.76%
Tax asset at 1 October 2015	36,350	34,521
Transferred to DI-Ejendoms Invest A/S.....	-212	-172
Change in deferred tax recognised in the income statement	2,266	3,058
Tax asset at 31 December 2015	38,404	37,407
Deferred tax at 1 October 2015	24,049	23,922
Change in deferred tax recognised in the income statement	-42	-4
Deferred tax at 31 December 2015.....	24,007	23,918
Total tax asset at 31 December 2015.....	14,397	13,489

Note 6 continued:

	G R O U P	
	2015/16	2014/15
	<u>DKK '000</u>	<u>DKK '000</u>
<p>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 22% (23.5%). The value is distributed on the following items:</p>		
Tax asset:		
Property, plant and equipment.....	-23,907	-23,900
Fixed asset investments, mortgage deeds, bonds and fair value adjustments relating to mortgage credit institutes and credit institutions, etc..	1,046	1,218
Tax loss carry-forwards.....	<u>37,258</u>	<u>36,171</u>
Tax asset.....	<u>14,397</u>	<u>13,489</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 14.4 million (DKK 13.5 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 gains on redemptions 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 2015, the loss amounts to DKK 97.6 million (DKK 97.6 million) measured on the basis of a tax rate of 22%. Utilisation of the tax loss is not time-limited.

	G R O U P	
	2015/16	2014/15
	<u>DKK million</u>	<u>DKK million</u>
7. Statement of basic earnings		
Financial income	15.8	11.6
Rental income.....	3.5	3.7
Other income	0	0.3
Net loss/gain and direct expenses.....	1.3	2.5
Direct expenses, properties.....	1.0	1.6
Financial expenses.....	4.0	3.6
Other external expenses.....	1.4	0.8
Staff expenses.....	2.7	2.5
Depreciation and amortisation.....	<u>0.1</u>	<u>0.1</u>
Basic earnings	<u>8.8</u>	<u>4.5</u>