

# Rella Holding A/S

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Copenhagen, 24 March 2011

NASDAQ OMX Copenhagen A/S  
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## **Financial Summary 2010 for Rella Holding A/S**

Rella Holding A/S' Board of Directors have today discussed and approved the Company's Annual Report for 2010.

At its Annual General Meeting on 4 February 2011, the holding company of the Aller Group, Carl Allers Etablissement A/S, decided to change its name to Aller Holding A/S. Consequently, the new name has been used throughout in this announcement instead of Carl Allers Etablissement A/S.

## **Highlights**

- Dividends from Aller Holding A/S (for the accounting year 2008/09) DKK 25.8m (2009: DKK 25.7m).
- Net financial expenses DKK 4.8m (2009: DKK 6.2m) and administrative expenses DKK 1.2m (2009: DKK 1.1m).
- Net profit after tax DKK 19.8 m (2009: DKK 18.4m), which is approximately 16% higher than expected in the 2009 Annual Report.
- Proposed dividends DKK 0 (2009: DKK 0).
- During the accounting year, Rella Holding A/S purchased 654,429 treasury shares representing a total investment of DKK 23.48m (average purchase price: DKK 35.8 per share). In 2011, additional 338,224 own shares were bought. As of today, the total holding of treasury shares amounts to 948,621.
- At the Annual General Meeting on 29 April 2011, it will be proposed that 900,000 treasury shares be cancelled together with a corresponding reduction of the share capital. The Company's share capital will hereafter amount to nominal value DKK 24.7m.
- The share repurchases will be continued to an extent allowed by the general economic environment and Rella Holding A/S' financing costs.
- Total equity at year-end 2010 DKK 416m (year-end 2009: DKK 419m).
- Total debt at year-end 2010 DKK 124m (year-end 2009: DKK 117m). 98% of the total debt at year-end 2010 was long term.
- Solvency ratio at year-end 2010 77% (year-end 2009: 78%).
- During 2010, the holding of B-shares in Aller Holding A/S was increased by nominal value DKK 40,000 and now amounts to nominal value DKK 9,312,000 or 57.5% of Aller Holding A/S' outstanding shares as at 30.9.2010. In Rella Holding A/S' balance sheet at year-end 2010,

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the holding is carried at historical cost price, DKK 540m (year-end 2009: DKK 536m).

- For 2010, Rella Holding A/S is expecting a net profit of appr. DKK 42m (dividends received from Aller Holding A/S minus Rella Holding A/S' own net financial expenses and administration costs).

## KEY FIGURES, RELLA HOLDING A/S

<u>DKKm</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Result before financial items and tax	-1.2	-1.1	-1.3	-1.3	-8.2
Dividends from Aller Holding A/S	25.8	25.7	49.6	57.1	87.9
Financial expenses, net	-4.8	-6.2	-6.1	-5.5	-5.1
Result before tax	19.8	18.4	42.2	50.2	74.6
<b>The year's result after tax</b>	<b>19.8</b>	<b>18.4</b>	<b>42.2</b>	<b>50.2</b>	<b>74.6</b>
Financial long term assets	540	536	534	533	533
<b>Total assets</b>	<b>540</b>	<b>536</b>	<b>534</b>	<b>533</b>	<b>533</b>
Share capital	25.6	25.9	26.6	26.6	26.6
<b>Equity</b>	<b>416</b>	<b>419</b>	<b>414</b>	<b>411</b>	<b>413</b>
Long term debt	122	113	117	119	117
Short term debt	2	4	3	3	3

## RATIOS, RELLA HOLDING A/S

Return on equity (%)	5	4	10	12	18
Solvency ratio (%)	77	78	78	77	77
Outstanding shares at year-end (1,000) 1)	24,990	25,644	25,987	26,600	26,600
Earnings Per Share (EPS), DKK	0.78	0.71	1.61	1.89	2.81
Book value per share at year-end, DKK	16.65	16.35	15.93	15.43	15.55
Market price per share at year-end, DKK	35	44	41	83	155
Dividend per share, DKK	0.00	0.00	0.00	0.00	2.00
Pay-out ratio, %	0	0	0	0	71
Price Earnings Ratio (PE)	44	62	25	44	55
Price/Book value (PB)	2.1	2.7	2.6	5.4	10.0

1) The number of shares in 2008-2010 has been adjusted for the Company's holding of treasury shares at year-end in the respective years.

## **Comments on Developments in 2010 and Rella Holding A/S' Annual Accounts 2010**

### **Rella Holding A/S**

Rella Holding A/S is a holding company for non-voting B-shares in Aller Holding A/S.

As at 31.12.2010, Rella Holding A/S owned nominal value 9,312,000 B-shares in Aller Holding A/S corresponding to 51.7% of Aller Holding A/S' total share capital and 69.0% of the B-shares as additional nominal value DKK 40,000 B-shares were acquired during 2010.

Adjusted for Aller Holding A/S' holding of treasury shares as at 30.9.2010, Rella Holding A/S at year-end 2010 owned 57.5% of Aller Holding A/S' outstanding shares.

During the accounting year, Rella Holding A/S purchased 654,429 treasury shares and after the end of the accounting year additional 338,224. After cancellation of 300,000 treasury shares in 2010, the holding as of today amounts to 948,621 shares.

At year-end 2010, total debt amounts to DKK 124m which apart from DKK 2m is all long term and based on floating rates.

Rella Holding A/S is owned by 1,350 private and institutional shareholders in Denmark and abroad.

For the year 2009/10, Aller Holding A/S realized a profit of DKK 274m (2008/09: DKK 5m) which, in the Management's own words "*fully lived up to the expectations expressed in the Annual Report 2008/09.*"

Total equity at the end of the accounting year was DKK 3,940m compared to DKK 3,702m the year before.

Aller Holding A/S' operating profit increased to DKK 271m in 2009/10 compared to an operating loss of DKK 111m in 2008/09, while the result of financial items was a profit of DKK 155m against DKK 159m last year.

As regards the outlook for 2010/11, please refer to the following excerpts from Aller Holding A/S' expectations for the current accounting year:

*"Based on the budget figures for 2010/11 from the leading subsidiaries, a result of primary activities (EBIT) in the range DKK 175 – 225m is expected – with reservation for the current market situation. For 2009/10, the realized result was DKK 156m when the gain from the sale of the previous domicile is excluded.*

*A moderate fall in circulation numbers is expected, especially for the weeklies.*

*Competition etc. might again necessitate restructurings within the Group, e.g. closing down or sale of non strategic and/or loss-making activities and other measures to achieve necessary cost savings and restructuring benefits.*

*It is still the Group's policy not to express any expectations with regard to financial income. However, the Group's investments have been structured conservatively with the goal of achieving a long term stable return in line with the market."*

The full wording of Aller Holding A/S' expectations has been included in Rella Holding A/S' Annual Report 2010. Aller Holding A/S' complete Annual Report 2009/10 can be downloaded from Rella Holding A/S' web site, [www.rella.dk](http://www.rella.dk).

## **Rella Holding A/S' Profit and Loss Accounts 2010**

The administration costs amount to DKK 1.2m, which is DKK 0.1m higher than last year.

Dividends from Aller Holding A/S amount to DKK 25.8m against DKK 25.7m last year (unchanged dividend percentage but additional nominal value DKK 30,000 B-shares acquired in 2009).

Net financial expenses are DKK 4.8m compared to DKK 6.2m last year.

Rella Holding A/S' net result therefore increases to DKK 19.8m against DKK 18.4m last year. The result is approximately 16% better than expected at the beginning of the accounting year as Rella Holding A/S had budgeted with a higher interest rate level on the Company's bank debt.

The Board of Directors propose that the year's result, DKK 19,768,351, be distributed as follows:

Dividends DKK 0,00 per share (2009: DKK 0,00 per share)	DKK	0
Carried forward to next year	DKK	19,768,351
	<b>DKK</b>	<b>19,768,351</b>

It is Rella Holding A/S' overall dividend policy to pay out in full the dividends received from Aller Holding A/S after deduction of administration costs and net financial expenses. The pay-out can take place either by way of dividends or through share repurchases or a combination thereof. The share repurchases begun during 2008 will therefore be continued in 2011 to the extent allowed by the general economic environment and the development in Rella Holding A/S' financing costs.

At the Annual General Meeting on 29 April 2011, it will be proposed that 900,000 shares of the Company's holding of treasury shares be cancelled together with a corresponding reduction of the share capital. The Company's share capital will hereafter amount to nominal value DKK 24.7m.

## **Rella Holding A/S' Balance Sheet as at 31.12.2010**

Rella Holding A/S' sole asset is the holding of B-shares in Aller Holding A/S as the holding of treasury shares is carried at DKK 0.

At the beginning of the accounting year, the holding was nominal value DKK 9,272,000 recognized in the balance sheet at DKK 536m (historical cost price). During 2010, the holding was increased through the purchase of additional nominal value DKK 40,000 B-shares and thus at year-end amounts to nominal value DKK 9,312,000 or 57.5% of Aller Holding A/S' outstanding shares as at 30.9.2010. The carrying value in the balance sheet has increased by the cost price of the purchased shares and amounts to DKK 540m as at year-end 2010.

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The development in Rella Holding A/S' equity has been as follows:

DKKm	
Equity as at 1.1.2010	419.4
The year's result according to the proposed distribution	19.8
- Purchase of treasury shares	-23.4
<b>Equity as at 31.12.2010</b>	<b>415.8</b>

At year-end 2010, Rella Holding A/S' debt amounted to DKK 124m, out of which 98% was long term (year-end 2009: DKK 117m and 97%).

## **Rella Holding A/S' expectations for 2011**

For 2011, Rella Holding A/S is expecting a net profit of approximately DKK 42m (dividends received from Aller Holding A/S for this company's accounting year 2009/10 minus Rella Holding A/S' administration costs and net financial items).

## **Financial Calendar for Rella Holding A/S 2011**

29 April	Annual General Meeting
29 April	Information on Q1 2010
29 August	Interim Report 1st Half 2010
28 October	Information on Q3 2010

## **Rella Holding A/S' Annual General Meeting**

The Annual General Meeting will be held on Friday 29 April 2011 at 16.00 at the Company's office, c/o PricewaterhouseCoopers, Strandvejen 44, DK-2900 Hellerup.

## **Aller Holding A/S**

The development in Aller Holding A/S' business during the accounting year 2009/10 has been described in detail in Rella Holding A/S' announcement of 21 January 2011 to NASDAQ OMX Copenhagen. Furthermore, a translation of Aller Holding A/S' entire Annual Report can be downloaded from Rella Holding A/S' web site, [www.rella.dk](http://www.rella.dk).

Appendix 1 to the present announcement contains key figures and ratios 2005/06 – 2009/10 for the Aller Holding A/S Group.

Yours sincerely,  
The Board of Directors, Rella Holding A/S

Contact: Jens Arnth-Jensen, CEO. Telephone: +45 45 42 45 17.

Appendix 1: Key figures and ratios for Aller Holding A/S 2005/06-2009/10

## Appendix 1 to Announcement No. 8/2011

### KEY FIGURES AND RATIOS 2005/06 - 2009/10 FOR ALLER HOLDING A/S(GROUP)

<u>DKKm</u>	<u>2009/10</u>	<u>2008/09</u>	<u>2007/08</u>	<u>2006/07</u>	<u>2005/06</u>
Turnover, net	3,916	3,865	4,303	4,067	3,961
Gross profit	1,865	1,466	1,795	1,755	1,728
Result of primary activities	271	-111	101	265	285
Result of associated companies	-23	-20	-22	-9	16
Net financial income	155	159	-77	104	144
Result before tax	403	28	1	359	445
Result after tax	274	5	-20	277	317
Dividends	96	50	50	97	111
Equity	3,940	3,702	3,753	3,900	3,703
Cash and liquid securities	2,748	2,308	2,426	3,209	3,300
Total assets	5,482	5,161	5,327	5,309	5,146
<u>All figures in %</u>	<u>2009/10</u>	<u>2008/09</u>	<u>2007/08</u>	<u>2006/07</u>	<u>2005/06</u>
Gross margin	46.3	37.9	41.7	43.1	43.6
Return on sales	6.9	-2.9	2.3	6.5	7.2
Return on assets	10.3	-4.2	4.3	13.7	17.4
Solvency ratio	71.9	71.7	70.5	73.5	71.9
Return on equity	7.2	0.1	-0.5	7.3	8.7
Book value at year-end	23,774	22,615	22,850	23,510	22,179
Pay-out ratio	35.0	n.m.	n.m.	35.0	35.0

The Aller Holding A/S Group prepares its Annual Report in accordance with the Danish Financial Statements Act (class C: large companies). The holding company, Aller Holding A/S, is unlisted.

At Rella Holding A/S' internet site, [www.rella.dk](http://www.rella.dk), the complete annual reports 2005/6 – 2009/10 for Aller Holding A/S as well as the Company's articles of association can be downloaded.