

To NASDAQ OMX Copenhagen A/S  
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Annual Report 2013/14 for Aller Holding A/S

Aller Holding A/S has released its Annual Report for the Financial Year 2013/14 and sent notice of its Annual General Meeting to its shareholders. Please below find extracts of selected parts of these documents.

Consolidated Profit and Loss Statement for the period 01.10.2013 – 30.09.2014

<b>Amounts in DKK 1,000</b>	<b>2013/14</b>	<b>2012/13</b>
Net turnover	4,558,258	4,182,762
Other income	18,694	52,784
External costs	-2,702,116	-2,443,459
Costs re employees	-1,701,397	-1,457,777
Depreciation and amortization	-233,615	-214,012
<b>Result of primary activities</b>	<b>-60,176</b>	<b>120,298</b>
Share of after-tax result in associated companies	6,539	7,694
Financial income	193,987	105,852
Financial expense	-23,579	-2,479
<b>Result before tax</b>	<b>116,771</b>	<b>231,365</b>
Tax on the year's income	-54,694	-68,716
<b>The year's result before minority interests</b>	<b>62,077</b>	<b>162,649</b>
The minority interests' share of the result	-3,014	-4,141
<b>Net profit for the year</b>	<b>59,063</b>	<b>158,508</b>

The Aller Holding A/S Board of Directors comments upon the business year as follows:

“Seen as a whole, the Aller Group has had an unsatisfactory year which – as regards the result – fell short of the expectations expressed in the Annual Report 2012/13.

The Aller Group experienced a continued sharp fall in circulation numbers for both weeklies and magazines and a significant decline in advertising turnover. These circumstances and the decision to close the Norwegian print shop have been the main reasons for the negative result of primary activities of DKK 60m, which is lower than 2012/13, where the result of primary activities were positive at DKK 120m. In most areas, this decrease was worse than expected. The lower result of primary activities should be seen in connection with the development of new activities and severance costs in the subsidiaries in connection with rationalizations. In addition came costs and losses caused by the “Se og Hør” case in Denmark.

Also in 2013/14, the financial markets saw a continued very low interest rate level. Financial net income amounts to DKK 170m, which is DKK 67m higher than last year. In view of the market situation, this result is considered satisfactory. The Aller Group's financial assets consists of both Danish and international bonds and shares, to which should be added cash deposits, a total of DKK 3,051m (2012/13: DKK 2,983m).

The year's result before tax amounts to DKK 117m against DKK 231m in 2012/13, a decrease of DKK 114m. The year's result after tax and minorities amounts to DKK 59m compared to DKK 159m last year, which is not satisfactory.

Cash flow from operations was also positive this year: DKK 268m against DKK 405m last year."

The operating loss is further explained in the Annual Report in the following way:

"The result of primary activities fell by DKK 180m to an operating loss of DKK 60m. The most significant decrease comes from Norway, where the decline amounts to DKK 144m as a result of a general decrease in the markets for weeklies and advertisement, one-off costs related to the implementation of efficiency improvements and costs associated with the scheduled closure of the print shop in Norway. Similarly, the result of primary activities in Denmark dropped by DKK 69m because of the drop in circulation numbers for weeklies and magazines and the resulting restructuring costs and costs associated with discontinuing delivery of a number of products. Costs caused by the "Se og Hør" case also influenced the operating result. These decreases are partially offset by an improvement in earnings of DKK 36m in Finland, which is the result of rationalizations carried out in previous years. The operating income in Sweden was similar to last year. "

## Main figures from the Consolidated Balance Sheet

<b>Amounts in DKK 1,000</b>	<b>30.09.2014</b>	<b>30.09.2013</b>
<b><u>Assets</u></b>		
Immaterial assets	577,700	581,965
Tangible fixed assets	1,346,819	1,346,254
Financial long term assets	2,917,900	2,760,045
Deferred tax assets	129,335	109,160
<b>Total fixed assets</b>	<b>4,971,754</b>	<b>4,797,424</b>
Stocks and goods	109,468	112,370
Total debtors	537,531	529,478
Other securities and shares	5,817	25,026
Cash	257,304	346,374
<b>Total current assets</b>	<b>910,120</b>	<b>1,013,248</b>
<b>Total assets</b>	<b>5,881,874</b>	<b>5,810,672</b>

<b>Amounts in DKK 1,000</b>	<b>30.09.2014</b>	<b>30.09.2013</b>
<b><u>Liabilities</u></b>		
<b>Total equity</b>	<b>4,074,146</b>	<b>4,070,616</b>
<b>Minority interests</b>	<b>15,163</b>	<b>13,103</b>
<b>Total provisions (pension liabilities)</b>	<b>325,903</b>	<b>315,556</b>
Long term debt	7,497	13,049
Short term debt	1,459,165	1,398,348
<b>Total debt</b>	<b>1,466,662</b>	<b>1,411,397</b>
<b>Total liabilities</b>	<b>5,881,874</b>	<b>5,810,672</b>

A major part of the tangible fixed assets is Land and Buildings with a total book value of DKK 1,192m. The buildings consist of 71,000 sqm. of office buildings and 25,000 sqm of production buildings. Both offices and production buildings are being depreciated, and total depreciation of buildings amounted to DKK 28m.

As at 30.09.2014, the Group's cash amounts to DKK 263m, which combined with a holding of liquid securities and shares valued at DKK 2,788m adds up to a total liquid reserve of DKK 3,051m (2012/13: DKK 2,983m).

Regarding the return on investments in cash and liquid securities and shares the following information is given:

“During the year the Group recorded a positive return on cash and liquid securities and shares of DKK 170m compared to DKK 103m last year, equivalent to a return of 5.6% (2012/13: 3,5%). The return in percent is calculated on the average of holdings of cash and securities at the beginning and at the end of the year.”

## Development in the Aller Group's equity

### **Amounts in DKK 1,000**

Total equity as at 01.10.2013	<b>4,070,616</b>
Paid-out dividends	-55,395
Dividend on treasury shares	10,447
Purchase and sale of treasury shares	-2,029
Net profit for the year	59,063
Currency adjustment re foreign subsidiaries	-12,564
Value adjustment financial derivatives	4,008
<b>Total equity as at 30.09.2014</b>	<b>4,074,146</b>

During the accounting year, Aller Holding A/S purchased nominal value DKK 12,000 treasury shares corresponding to 0.07% of the company's share capital. As at 30.09.2014, the holding of

treasury shares amounts to nominal value DKK 3,398,000 or 18.88% of the company's share capital.

At the Annual General Meeting of Aller Holding A/S to be held on Friday 6 February 2015, the Board of Directors will ask for an authorization to purchase treasury stock to bring the total holding up to 25% of the share capital. The price for the B-shares shall minimum be DKK 8,000 and maximum DKK 15,000 per share of nominal value of DKK 100.

At the AGM, it will be proposed to pay out a dividend of 278% to the B-shareholders (2012/13: 308%) corresponding to a total dividend of DKK 50m including dividends on treasury shares.

## Outlook for the accounting year 2014/15

In the Annual Report, Aller Holding A/S' Board of Directors makes the following comments on the outlook for the current business year in the section "Expected Future Development:

"The considerable structural market changes with continuing decreases in circulation numbers, which also characterized 2013/14, and changes in placing of the clients' marketing activities are expected to have a significant effect also on the accounting year 2014/15 and the following years. We expect to see continued marked decreases in circulation numbers for weeklies and magazines. However, there will be marked differences in the development of circulation numbers within the various weeklies and magazine segments and markets.

The media picture continues to be characterized by a fight for the consumers' time and attention – supported by a technological development, which faster than ever leads to marked changes in consumer and advertiser patterns.

During the accounting year, the Aller Group has demonstrated that it continues to place a high priority on innovation within existing and related activities and that it at the same time is implementing necessary market initiatives to maintain the Group's market position.

A strict cost control with rationalizations to increase efficiency will be continued during the coming years combined with an on-going focus on increased Nordic cooperation to obtain mutual synergies.

Sharper competition and changes in the market may again necessitate adjustments and restructurings within the Group to achieve necessary savings and rationalization benefits. Loss-making products and activities will be subject to a current critical evaluation and will if necessary be closed down.

Based on the current activity level and the 2014/15 budget figures from the leading subsidiaries and the accounts for the latest time periods, a result of primary activities before depreciation (EBITDA) is expected in the level of DKK 250m - 300m as well as an operating result (EBIT) of DKK 50-80m.

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 to obtain a long-term stable return."

An English version of Aller Holding A/S' Annual Report 2013/14 will be prepared by Rella Holding A/S and should be available for download from our web-site during the coming week.

Kind regards,  
**Rella Holding A/S**

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