Annual Report 2014

Contents

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Registered office: Copenhagen Municipality

Annual General Meeting
The Annual General Meeting will be held on 27 April 2015 at 1.30 pm at the offices of DLH's lawyers Kromann Reumert, Sundkrogsgade 5, DK-2100 Copenhagen Ø.

Auditors
Ernst & Young
Godkendt Revisionspartnerselskab
Osvald Helmuths Vej 4
2000 Frederiksberg

CASH GENERATION OF CLOSE TO mDKK 200 FROM DIVESTMENTS / FINANCIAL HIGHLIGHTS / FINANCIAL REVIEW / THE BUSINESS AREAS / SHAREHOLDER INFORMATION

CASH GENERATION OF CLOSE TO DKK 200 MILLION FROM DIVESTMENTS

IMPLEMENTATION OF STRATEGY ADOPTED JANUARY 2014

On 9 January 2014, the General Meeting adopted a strategy, which involves the disposal of the Group's companies and operations.

Since then, DLH has announced and executed the sale of its Brazilian property, Polish and Slovakian companies, the US trading business and the Asian Global Sales entities. The proceeds resulted in the company becoming almost debt free by the end of 2014. The first completed business transaction was the sale of the US Panels business to CNG International Inc. The second was the sale of the Polish and Slovakian entities to the Polish conglomerate Grass. Later, the Austrian JAF Group acquired the Global Sales activities in Africa, Vietnam and China.

During 2014, the Group reduced its net interest bearing debt from DKK 204 million to DKK 13 million with some proceeds from the Global Sales transaction materialising early 2015. This should pave the way for the next phase where proceeds will primarily go to settling the outstanding debt and accumulating cash to be distributed to the shareholders.

By year end, Group equity amounted to DKK 151.7 million.

Following the end of the financial year, the Gadstrup property was sold on 5 January 2015. On 2 March 2015, it was announced that DLH's Russian subsidiary had been sold to the local management team with expected closing in April 2015. On 2 March 2015, furthermore, the disposal of DLH's Brazilian subsidiary was announced.

As announced on 10 October 2014, the Management Team and the remaining head office staff will leave the company by 30 April 2015. In order to secure continuity in the implementation of the strategy an agreement has been made with the current CFO, Peter Thostrup to operate as CEO from 1 May through August 2015 after which a solution will be arranged for future periods. The Group accounts and administration will be handled by an external provider.

The Group now mainly consists of DLH's Nordic operations based in Denmark and Sweden primarily dealing in sheet materials and the French subsidiary, primarily dealing in hardwood. All business units and the former head office premises in Taastrup remain for sale in order to complete the divestment strategy.

When the remaining businesses and assets are disposed of, the Board of Directors will decide on how and when to distribute the cash position. As a preliminary step, the Board of Directors will propose a reduction in the Company's nominal share capital at the Annual General Meeting on 27 April 2015.

Given the uncertainty of the outcome of the divestment plan, the Board of Directors does not believe it is prudent to provide an outlook on earnings for 2015. The company will report on any concluded divestments of business units as Company Announcements.

Kurt Anker Nielsen	Kent Arentoft
Chairman	President & CEO

Financial highlights for DLH Group

(DKK million) 1)	2014	2013	2012	2011	2010
Income statement:					
Profit/(loss) for the year from continuing operations	(65)	(82)	(78)	4	(20)
Profit/(loss) for the year from discontinued operations	(106)	(195)	(115)	(2)	24
Profit/(loss) for the year	(171)	(277)	(193)	2	4
Balance sheet details					
Total assets	304	754	1,163	1,689	2,013
Equity	152	323	599	776	528
Cash flow					
Cash flow from operating activities (CFFO)	(92)	(57)	(71)	(59)	(23)
Cash flow from investment activities	-	(2)	(1)	(20)	(59)
Cash flow from financing activities	(169)	(74)	(251)	(108)	5
Performance ratios					
Return on equity (ROE)	(72.1%)	(60.0%)	(28.1%)	0.2%	0.7%
Equity ratio	50.0%	42.8%	51.5%	45.9%	26.2%
Interest bearing debt, net	13	204	248	546	948
Average number of employees incl. discontinued operat.	335	473	578	604	713
Share-based ratios 2)					
Booked value per diluted DKK 5 / 10 share (BVPS-D) at end of the period	2.84	6.04	11.22	16.40	14.92
Share price, end of the period (P), DKK	2.68	5.60	3.88	6.40	30.70
Diluted share price / booked value (P/BV-D)	0.94	0.93	0.35	0.39	2.06
Average number of diluted shares issued (in denominations of 1,000 shares)	53,384	53,384	53,384	47,331	35,347
Cash flow per diluted DKK 5 / 10 share (CFPS-D)	(1.72)	(1.06)	(1.34)	(1.26)	(0.65)
Dividend per DKK 5 / 10 share (DPS)	-	-	-	-	-
Price Earning diluted (P/E-D)	(2.2)	(3.7)	(2.6)	84.1	(52.2)
EPS basic per share of DKK 5 / 10	(1.22)	(1.53)	(1.46)	(0.08)	(0.59)

1) The financial highlights for 2012 have been restated in line with the change in presentation of discontinued operations incurred in 2013. 2009, 2010 and 2011 have not been restated in line with the change in presentation of discontinued operations incurred in 2013 as this is not possible and figures for these years are therefore not comparable to 2013 and 2012.

2) Earnings per share have been determined in accordance with IAS 33 "Earnings per share". Other financial ratios have been calculated in accordance with the "Recommendations and Financial Ratios 2010" issued by the Danish Society of Financial Analysts.
The denomination of the shares was changed to DKK 5 in connection with the capital increase in April 2011 and has been restated solely for 2010.

Financial review

Total loss for the year was DKK 171 million. The loss comprises costs and financial expenses associated with the DLH head office of DKK 65 million and losses on discontinued operations of DKK 106 million. This is detailed below.

Continuing operations

Total loss in continuing operations was DKK 65 million. The operating loss on continuing operations amounts to DKK 45 million. The loss reflects the cost of operating the DLH Group head office and provisions for its wind down.

Financial expenses amounted to DKK 21 million. Interest expenses were lower than last year due to the lower debt, while exchange rate losses were higher.

Discontinued operations

Discontinued operations posted a loss of DKK 106 million comprising operating losses in the presently active as well divested business regions (see note 4) of DKK 30 million.

Discontinued operations posted a turnover of DKK 1,465 million (2013: DKK 2,209 million) which includes turnover of units divested or closed down during the year. The decline is therefore partly a result of the divestments completed during 2014.

The remaining business units continued to operate in their respective markets. As the Nordic market turned out to be very competitive, especially in Sweden, the Nordic operations were loss making in 2014. However, towards the end of the year, the Danish and Swedish sales organisations succeeded in securing a number of large key accounts in the retail segment, which has positioned both companies well for 2015.

At the beginning of the year, one of the major French product areas was closed down with the view to countering difficulties in the French market. It was also decided to close a warehouse in Nantes, which led to severance and redundancy payments that influenced the operating result.

The Russian activities operated under considerable uncertainty and difficult market conditions in 2014.

Other discontinued operations, including units being closed down (Benelux, Middle East, India, South America), impairments and gains on other disposals, such as the former head office building in Tasstrup and the Russian assets led to a loss of DKK 61 million.

Financial expenses for discontinued operations amounted to DKK 15 million.

Fourth quarter

In the fourth quarter, the combined loss on continuing and discontinued operations was DKK minus 99 million. The loss mainly reflects the following factors:

- A seasonally weak quarter leading to operating losses in the business regions of DKK 21 million.
- Costs of operating the head office combined with provisions for winding down the head office of DKK 21 million as described in the announcement of 10 October 2014.
- Financial expenses of DKK 15 million including foreign exchange adjustments.
- Moreover, IFRS 5 determines that assets and liabilities must be valued at the lower of the carrying amount and fair value less costs to sell. In the light of the longevity and assessment of the various sales processes, Management and the Board of Directors have assessed this to require provisions and write offs of DKK 35 million.

Balance sheet

At the end of the year, the Group's assets totalled DKK 304 million against DKK 754 million in 2013. The balance sheet has been reduced as a result of the divestments completed during the year.

By the end of the year, DLH's equity totalled DKK 152 million (2013: DKK 323 million), while solvency amounted to 50.0% against 42.8% last year.

The Group's net interest bearing debt was reduced by DKK 191 million to DKK 13 million (2013: DKK 204 million) as a result of the divestments completed during the year. The reduction has enabled the Group to reduce its credit facilities from DKK 325 million to DKK 50 million during the year. The facility runs until the end of March 2015. Given the duration of the expiring credit facility, the debt is classified as short term.

Key events after the close of the financial year

The Group has obtained credit commitments of DKK 50 million from its main bankers to replace the existing facility set to expire on 31 March 2015. The new facility is an overdraft facility that will expire by the end of December 2015 and will be repaid with proceeds from divestments or net working capital reductions. The facility is deemed sufficient to enable operations to continue through 2015. The Group has also obtained a credit commitment from FIH Kapitalbank A/S to purchase its former head office building in Taastrup.

Other events after the balance sheet date include the completion of the sale of land in Gadstrup, the disposal of the Russian subsidiary and the decision to utilise the option to repurchase the former head office in Taastrup. Further reference is made to note 23 of the consolidated financial statements. Apart from this, no key events, which are of significance to the consolidated or company accounts for 2014, have taken place after the close of the year.

Share capital

By the end of 2014, the parent company's equity was partly lost. The loss represents 69% of the share capital. At the Annual General Meeting in April 2015, a share capital reduction will be suggested in order to cover the losses and reestablish the share capital.

Dividend

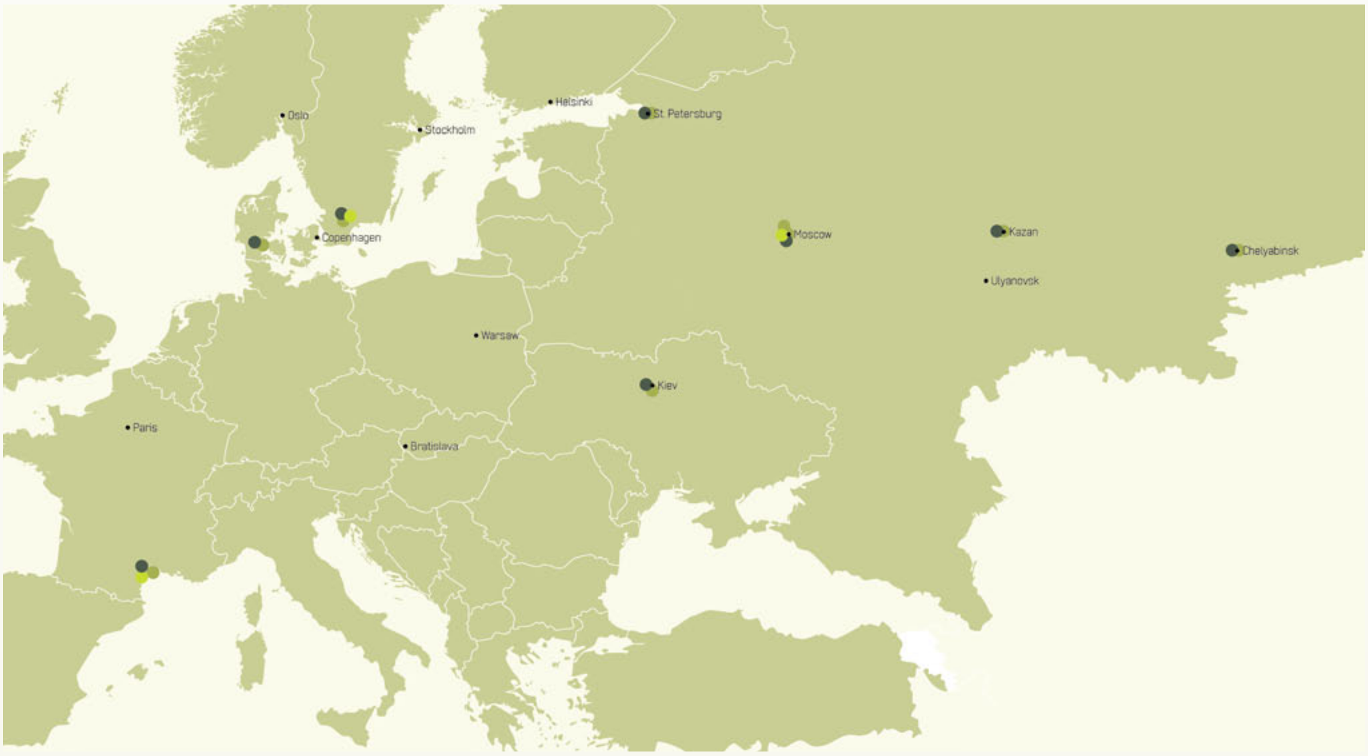
The Board of Directors recommends to the Annual General Meeting that no dividend be paid for 2014.

The business areas

Until October 2014, DLH was organised into two main business areas; a European warehouse-based business and the Global Sales business area. By end of October 2014, the Global Sales activity had been sold.

European warehouse-based business

DLH's European warehouse-based business serves industrial and retail customers from its own warehouses. The majority of the turnover derives from Europe. The business area is organised into the following geographical sales regions: the Nordic area, Western Europe and Central Europe and Russia.



Sales Warehouse Administration

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Shareholder information

Share capital
DLH's nominal share capital is DKK 267,832,485 and the number of issued shares is 53,566,497. The shares are listed on NASDAQ OMX Copenhagen A/S and are included in the SmallCap index. All shares have the same rights, including the same number of votes per share.

Treasury share policy
By authority granted at the Annual General Meeting, DLH may acquire up to 10% of the share capital.

At 31 December 2014, DLH's portfolio of treasury shares had a total nominal value of DKK 910,940, corresponding to 0.3% of the share capital.

Dividend
The Board of Directors recommends to the Annual General Meeting that no dividend be paid for 2014.

DLH shares on the Stock Exchange
At the end of 2013, the price of DLH shares was DKK 5.60 and remained fairly stable during the first quarter of 2014. It ended at DKK 2.68 by the end of December. Viewed over the period as a whole, DLH shares decreased by 48%.

Liquidity in DLH shares increased by 8% throughout the year compared to the same period the previous year; and an average value of DKK 0.3 million DLH shares were traded on a daily basis.

By the end of 2014, the Group had 2,640 shareholders, corresponding to a fall of 15% compared to the level at the beginning of 2014. The number of registered foreign shareholders was stable over the period.

Investor relations
DLH pursues an open and active dialogue with existing and potential investors, financial analysts and other stakeholders concerning the company's business development and financial position. The purpose is to provide participants in the Stock Market with the best possible information and thus enable them to make an objective and independent assessment of the company's market value, thereby creating the basis for fair price information on DLH shares.

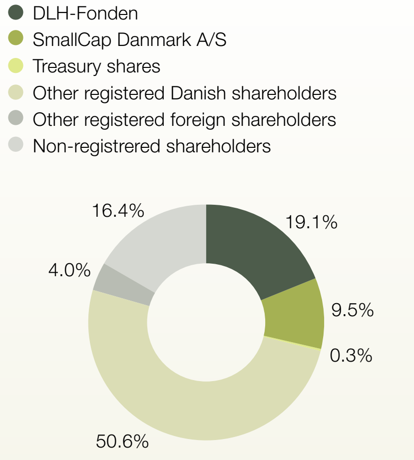
Due to the reduced scope of activities, the future reporting on the first and third quarters will be presented as interim information only.

Investor enquiries
Enquiries about DLH, its business areas and the Annual Report should be directed to President & CEO Kent Arentoft or Executive Vice President & CFO Peter Thostrup.

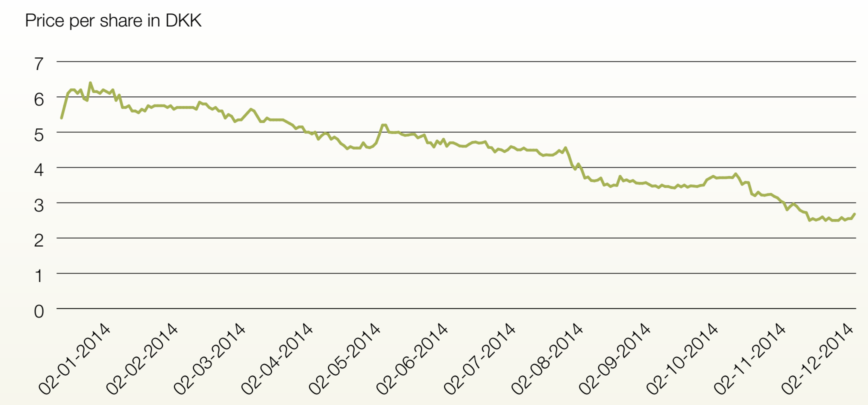
Shareholders with a minimum of 5% share capital at 31 December 2014

Name	Registered Office	Proportion of share capital
DLH-Fonden	Amerika Plads 37, 2100 Copenhagen O	19.1%
Smallcap Danmark A/S	Dr. Tværgade 41, 1. 1302 Copenhagen K	9.5%

Composition of shareholders at 31 December 2014



Development in the share price 1 January 2014 – 31 December 2014



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KEY STOCK EXCHANGE ANNOUNCEMENTS

3 January 2014	Announcement in accordance with the Securities Act §29
9 January 2014	Information from the Chairman of the Extraordinary General Meeting in DLH
20 January 2014	Articles of association of Dalhoff Larsen & Horneman A/S
30 January 2014	Announcement in accordance with the Securities Act §29
14 February 2014	Establishment of incentive scheme
28 March 2014	Annual Report 2013
28 March 2014	Notice of Annual General Meeting to be held on 28 April 2014
11 April 2014	Change in the Board of Directors of DLH
28 April 2014	Interim Report 3 months 2014
28 April 2014	Information from the Chairman of the Annual General Meeting in DLH
2 July 2014	DLH disposes of property in Belem, Brazil
16 July 2014	DLH disposes of its Polish and Slovakian entities
4 August 2014	DLH divests its US trading business
13 August 2014	Revised Financial Calendar 2014
21 August 2014	Interim Report 6 months 2014
1 October 2014	DLH disposes of its Asian Global Sales entities
10 October 2014	DLH takes the next step in its divestment strategy
20 October 2014	Revised Financial Calendar 2014 and Financial Calendar 2015
31 October 2014	DLH completes sales of its Asian Global Sales entities
3 November 2014	DLH completes sales of its Polish and Slovakian entities
4 November 2014	Divestment process makes DLH Group debt free
10 November 2014	DLH optimizes its product range in Denmark
25 November 2014	Announcement in accordance with the Securities Act §29
30 December 2014	DLH disposes of property in Gadstrup near Roskilde

FINANCIAL CALENDAR 2015

11 March 2015	Annual Report 2014
27 April 2015	Annual General Meeting and Interim information 3 months 2015
19 August 2015	Interim report 6 months 2015
29 October 2015	Interim information 9 months 2015

Board of Directors

Kurt Anker Nielsen
Chairman
Joined the Board of Directors in 2011.
Year of birth: 1945

Positions of trust:
Chairman of the Board of Directors of Collstrups Mindelegat.

Areas of expertise:
Kurt Anker Nielsen has management experience from a number of international companies, including qualifying as an Audit Committee Financial Expert as defined by the US Securities and Exchange Commission.

Particular expertise in economics, accounting, capital markets and other financial matters as well as managerial experience from an international and listed group of companies.

Shareholding
Number of shares: 17,000 (no transactions in 2014).

Agnete Raaschou-Nielsen
Vice-Chairman
Joined the Board of Directors in 2010.
Year of birth: 1957

Positions of trust:
Chairman of the Board of Directors of Brdr. Hartmann A/S, Arkil Holding A/S and one subsidiary. Vice-Chairman of Novozymes A/S, Solar A/S and Investeringsforeningen Danske Invest, three other UCITS and two AIF funds. Member of the Board of Directors of Danske Invest Management A/S, Aktieselskabet Schouw & Co., Icopal Holding and two subsidiaries.

Areas of expertise:
Agnete Raaschou-Nielsen has experience from a number of management positions, including Aalborg Portland A/S, Zacco Denmark A/S, Coca-Cola Tapperierne A/S and Carlsberg A/S.

Particular expertise in macroeconomics, emerging markets, international building materials industry, logistics, production, sales and management.

Shareholding:
Number of shares: 6,500 (no transactions in 2014).

Kristian Kolding
Joined the Board of Directors in 2008.
Year of birth: 1947

Positions of trust:
Chairman of the Board of Directors of Rechnitzer A/S, Asko Aktieselskab, Alfred Priess A/S, Alfred Priess Holding A/S, Nordlux A/S, Nordlux Invest A/S, Lampekonsulenten A/S, Gottfred Petersen A/S, Gottfred Petersen Holding A/S and Incentive Fonden. Member of the Board of Directors of Daniamant A/S, Daniamant Holding A/S, Daniamant (UK) Ltd., Daniamant Electronics A/S, Alex Gundersen Tobacco Aktieselskab and Ferd. and Ellen Hindsgauls Alm. Fond.

Areas of expertise:
Kristian Kolding has management experience from Martin Gruppen and from a number of management positions at DV Industri a/s and Superfos A/S.

Particular expertise in management, wholesale company and industry, logistics and economics.

Shareholding:
Number of shares: 56,521 (no transactions in 2014).

Lars Green
Joined the Board of Directors in 2011.
Year of birth: 1967

Positions of trust:
Member of the Board of Directors of Novozymes A/S. Senior Vice President, Finance & Operations, Novo Nordisk Inc., USA.

Areas of expertise:
Lars Green has experience from a number of management and board positions within the Novo Nordisk Group.

Particular expertise within financial management in an international Group of companies, economics, accounting and auditing.

Shareholding:
Number of shares: 15,000 (no transactions in 2014).

John Stær
Joined the Board of Directors in 2011.
Year of birth: 1951

Positions of trust:
Member of the Board of Directors of Ambu A/S, Trans Digm Group Inc. and Leki Aviation A/S..

Areas of expertise:
John Stær has particular expertise in management in general, including the management of international wholesale companies, logistics and supply chain management and the acquisition and divestment of companies. He also has an accounting background.

Shareholding:
Number of shares: 7,500 (no transactions in 2014).

Executive Board

Kent Arentoft
President & CEO
Appointed: September 2009
Year of birth: 1962

Positions of trust:
Chairman of of the Board of Directors of H+H International A/S.
Chairman of the Board of Directors of Cembrit Group A/S / Cembrit Holding A/S.
Chairman of DSVM Holding A/S including 9 subsidiaries.

Member of the Board of Directors of Solix Group AB.

CORPORATE SOCIAL RESPONSIBILITY

This section comprises the statutory Corporate Social Responsibility statement made in pursuance of section 99a of the Danish Financial Statements Act.

The section describes DLH's Corporate Social Responsibility (CSR) focus areas and gives an overview of the key programmes in 2014.

STRATEGY AND ENGAGEMENTS

In 2012, the new version of the Good Supplier Programme (GSP) was introduced and fully implemented in 2013. This programme serves as the basis for supplier due diligence and enables DLH to comply with international timber legality regulations such as the European Union Timber Regulation (EUTR) and the US Lacey Act.

GSP also serves as the basis for implementation of DLH's Environmental, Social and Human Rights policies with regard to our suppliers.

With the application of EUTR since March 2013, we have constantly been learning-by-implementing the new GSP throughout 2014. The programme supports and possibly improves the level of due diligence conducted. In 2014, we also completed the Country Guidelines to complement GSP and to train our sourcing and sales staff in timber legality and human rights affairs in the sourcing markets.

In 2013, DLH was among the first companies in Denmark and the EU to be audited by the EUTR Competent Authority in Denmark, the Danish Nature Agency. The EUTR certificate was fully maintained during 2014, both for the activities sold or closed down, and for the remaining businesses.

POLICIES

DLH's CSR strategy rests on three pillars: the Environmental Policy, the Social and Human Rights Policy and the Business Integrity Policy. The backbone of DLH's Environmental and Social and Human Rights Policies is the GSP, a risk-assessment tool used to collect and evaluate information on how suppliers produce, process and trade timber.

The general objectives and focus areas within social and environmental responsibility are set out in these policies. DLH is committed to conducting business responsibly and in line with DLH's "house of values" (corporate values). Responsibility forms the roof of the DLH "house of values", which means that we want to act responsibly in all aspects of our business. Our CSR policies provide guidance on how we translate our values into action and act as a responsible company.

DLH's position on Climate Change is included in the Environmental Policy and further explained in DLH's website at http://www.dlh.com/CSR/Environment/Climate.aspx.

PROGRESS 2014

At an Extraordinary General Meeting of the DLH Group in January 2014, it was decided to divest all business activities in DLH Group. One of the consequences was that a centralised DLH CSR office became obsolete.

Instead, it was decided to transfer the responsibilities for continuing existing and fully implemented CSR activities to each operational division.

All operational units therefore are individually bound to continue already implemented Group CSR policies at a divisional level.

Also owing to the divestment of the various activities, in 2014 DLH ceased reporting on the Carbon Disclosure project's Forest program, formerly known as Forest Footprint disclosure.

INTELLECTUAL CAPITAL

DLH's staff play an important role in the strategic changes that have been implemented in recent years. DLH continuously strives to maintain a positive working environment in order to retain employees to achieve the strategic goals.

2014 RESULTS AND THE FUTURE

The progress and results for 2014 should be viewed in relation to the Group's current divestment strategy.

Going forward, the operational units will ensure that DLH Group maintains and updates its full Good Supplier Program, and remains compliant with the current EUTR regulations.

Further information on DLH Group's CSR policies can be found on www.dlh.com/csr.aspx.

As announced in press release of 12 February 2015, the Group may lose one of its certificates, FSC, due to a case dating back to 2012. DLH is not in agreement with FSC on the matter and will work to retain the certificate.

Risks

DLH's activities are exposed to a number of commercial, financial and insurable risks that are given high priority in the Group's risk management

The following risk factors should be taken into account when evaluating investment in the company's shares. The management believes that the key risks to be considered in relation to an analysis of the Group and its activities are described below. The conditions mentioned are not necessarily exhaustive and are not listed in order of importance. Should some of the risk factors mentioned below materialise, it could have a significant impact on the Group's future development, results, cash flow and financial position.

Risks relating to the Group's current divestment strategy

Assets classified as held for sale must be measured at the lower of carrying amount and fair value less costs to sell.

It is associated with risk to make the correct accounting assessment of the fair value at which the individual business units or assets may sell. Hence, there is a risk that book value may not reflect actual fair value less costs to sell.

It is associated with risk to determine if the assets or businesses can sell and when. Some entities may be closed. It is associated with risk to assess the actual cost related to such closure. Hence, there is a risk associated with the current strategy in terms of both feasibility and timing.

It is associated with risk to run a number of operational units in a divestment scenario. Key employees, customers and suppliers may leave and negatively influence the operations, results and value of the Group.

Furthermore, the Group is exposed to risk from the executed divestments in the form of guarantees granted to the purchasers.

The current strategy means that the staff at Group head office will leave on 30 April 2015. There is a risk that managerial insights and overview will be reduced. There is a risk associated with the loss of knowledge about historical events and individual specific items. The loss of staff may also mean reduced focus and a less rigorous internal control environment. There is a risk i transferring administrative functions to an external provider.

Risks relating to the Group's operations

The value of DLH's inventories can develop negatively

As a stock-holding wholesale business, DLH maintains substantial stock in order to meet customer orders with short delivery times. If DLH does not dispose of its stock correctly or in the event of price falls or reduced demand for its warehoused products, there is a risk that the value of such stock will fall.

DLH is dependent on access to certified tropical hardwood

Part of the Group's sales comprises trade in certified tropical hardwood. As a result, the Group is dependent on sourcing sufficient quantities. The development of certified forest in supply markets has been very slow in recent years and the supply of certified tropical hardwood is limited. There is a risk if the Group cannot gain access to sufficient quantities of certified tropical hardwood.

DLH is dependent on a few major sheet product suppliers

DLH has signed agreements with a limited number of producers for the supply of sheet products. Should the partnership with one or more of these producers cease, DLH is exposed to a supply risk until such supplies have been replaced by equivalent sheet products from other suppliers.

DLH is dependent on an efficient supply chain

DLH is dependent on having an efficient supply chain all the way from purchasing to delivery to the end customer. As a focused wholesaler in the market for trading timber and timber products, DLH operates in a market characterised by relatively low earnings margins. If the supply chain is inefficient, therefore, the Group risks losing competitiveness and market share. The low earnings margins also mean that even minor cost increases can have a relatively significant adverse effect on the Group's earnings.

Access to freight and transport may be limited

The access to freight and transport of DLH's products from the supply countries to the Group's markets can be periodically limited or subject to delays for several reasons.

Access to sea freight can be limited at times of high business activity if ship owners' tonnage availability is deployed on other freight routes. Similarly, a lack of access to road transport, especially in certain African countries can delay deliveries. Moreover, climate conditions may limit access to freight and transport of supplies from vulnerable geographical areas.

DLH buys raw materials from countries where trade, logistics and legislation as well as political and economic conditions differ from western norms

Some of DLH's supply areas are located in countries where trade, logistics and legislation differ from western norms. This can result in a lack of law enforcement, corruption and other types of criminality.

Moreover, the political and economic conditions in several supply areas are unstable and the risk of political turbulence, unrest etc. exists. Changes to policies in certain countries have resulted in export bans on goods, including timber products, for shorter or longer periods.

DLH is exposed to losses on receivables or other counterparties

The Group's credit risks primarily relate to receivables, prepayments for goods and receivables from derivative financial instruments and, to a lesser extent, from bank account deposits. The current strategy involves the discontinuation of relationships with some customers, which may increase the credit risk. The risk also increases when credit insurance companies reduce and, in the worst case scenario, terminate their insurance limits for insured customers or when the Group's own risk on uninsured customers increases. In addition to the increased risk, considerable costs for credit information and debtor insurance can be expected.

To secure supplies from Africa, South America and Eastern Europe, the company uses prepayments to suppliers as a substantial element. This involves a risk of losses.

DLH can be made responsible for deficiencies
As an intermediary, DLH is exposed to risk if the products that are sold are deficient. If the risk cannot be transferred to the producer, the Group risks that certain products have to be recalled, which can mean considerable costs for replacement, repair or compensation. Such events may also damage the DLH brand and reputation.

DLH is dependent on certain major customers
If one or more of the Group's major customers terminate their contracts with DLH or stop buying DLH products, this could have a negative impact on the Group.

Risks relating to markets in which the Group operates

The Group is subject to global economic trends
DLH is exposed to considerable risks in relation to developments in its sales markets. The financial crisis and the subsequent downturn in global economic trends have led to falling consumption. The construction sector, DLH's most important market, has been among the hardest hit in that orders for new build and renovation are closely linked to general economic trends.

The Group sells products in several markets with political and economic risks
DLH sells the majority of its products in Europe although a considerable proportion is sold in emerging markets such as Russia. The Group's sales in such markets are, in general, subject to risks that normally relate to sales in new markets, including possible political and economic turmoil. The current political situation with regard to Russia has created more market uncertainty as well as an uncertain environment for investments and the outcome of the divestment process in Russia.

DLH is exposed to risks from global and regional disasters and other incidents
The Group's activities and results can be negatively affected by disasters or other incidents. DLH may also be affected by damage to its stock as a result of, for example, fire or other incidents. Damage to stock may, for instance, impede service to the Group's customers and therefore have a negative impact on the Group's turnover and reputation.

Negative publicity may harm the Group's activities
The Group is engaged in trading in certified tropical hardwood. Trading – especially in tropical wood – is of interest to the media and DLH has, in the past, experienced negative publicity.

Despite the fact that the Group's strategy is based on high profile environmental policies and that it is committed to operating as an environmentally responsible company, there is a risk that the Group may be subject to negative publicity in the future.

The Group operates in a competitive market
The market in which DLH operates, timber and timber products, is highly competitive. Price competition has further intensified in recent years in part because of low entry barriers, an increasing number of back-to-back customers and new wholesalers in the market. This has impacted on DLH's market position and earnings.

Financial risks

Financing
The Group has access to credit lines from a bank consortium. Access to these lines is related to certain financial targets. Should the Group fail to reach these targets, there is a risk that access to financing will be lost or reduced. Please refer to note 19 for further information.

The Group is exposed to changes in foreign exchange rates
Due to its international activities, DLH is exposed to foreign exchange fluctuations. The Group's main foreign exchange exposure relates to USD and to a lesser extent to RUB, SEK and NOK. If Denmark's fixed rate policy vis-à-vis EUR changes, DLH's foreign exchange exposure will increase.

The Group is exposed to changes in interest rates
As a consequence of its financing activities, DLH is exposed to risks relating to fluctuations in interest rate levels in both DKK and other borrowing currencies. It is DLH's policy to hedge interest rate risks on loans when it is deemed that interest payments can be hedged at a satisfactory level. Hedging is usually implemented at the time of the conclusion of interest rate swaps when variable rate loans are converted to fixed interest.

Risks relating to litigation, disputes and legal issues

DLH is at a risk of being a party to litigation and other disputes
DLH could become a party to litigation and arbitration cases and may incur liability if these were to have a negative outcome for the Group. There is a risk that DLH may incur damages, fines or other sanctions at a future date.

Risks relating to divested companies and activities
DLH has disposed of a number of companies and activities. Within this context, DLH

has issued certain guarantees to purchasers that may involve a risk of losses.

DLH is subject to prevailing laws in a number of special jurisdictions

The Group is subject to extensive national and international legislation within, for instance, employment law, the environment and competitive issues and prevailing industry standards and practices. The Group is represented within a number of jurisdictions and, therefore, subject to significantly different legislation and regulations. Irrespective of the fact that the Group strives to comply with all relevant legislation and regulations, there is a risk if DLH has not fully complied in all cases.

Tax regulations in some of DLH's markets may differ substantially from European traditions

DLH's global timber trading business involves activities in a number of countries where the Group is exposed to changes in taxation, levies, customs and accounting regulations.

In particular, the above is true where the taxation regulations and the administrative traditions and interpretation thereof may deviate considerably from regulations, traditions and administrative practice in Europe.

In certain jurisdictions, the local tax authorities have made a claim for payment of further corporation tax, VAT and levies. There is also a risk that the authorities will issue new claims. Current and potential disputes are dealt with partly through negotiation with the local tax authorities and partly within the country's legal system.

The management's view is that the claims and risks have been properly recognised in the financial statements, but there may be risks associated therewith in that both current and potential demands from the local tax authorities are substantial.

With regard to the former jointly-taxed subsidiary in Brazil, a retaxation liability in Denmark exists, which, as at 31 December, 2014 amounted to DKK 81 million. In line with previous years, the liability has not been recognised in DLH's Annual Report because the management has taken, and will continue to take, measures to prevent the deferred tax commitment from being triggered. There may be a risk that these precautions prove insufficient.

In March 2015, the disposal of the Group's subsidiary in Brazil was announced. Subject to the final closing of this transaction, the above risk is permanently eliminated.

The Group's principles for managing risks

The Group has established a number of systems and policies for countering the above-mentioned risks.

The most important element is the company's management structure where, through close dialogue and rules for arrangement and procuration, a pro-active approach is ensured for every important issue that may incur a risk for the Group.

The Group has established a number of systems for managing quality and supplies under the frequently difficult conditions applying in the supply areas. The systems are supported by the Group's physical presence in the form of procurement offices in some of the supply areas. These offices undertake random inspections of the quality of the purchased timber before shipment.

With regard to tropical hardwood, DLH generally trades with many small and medium-sized suppliers, which ensures good supplier diversification. Usually it is possible to substitute a product from one supply region with products from other supply regions.

Risk relating to selling on credit is selectively covered through an active credit policy where credit insurance is used to a significant extent. The Group's credit risks and policies for covering such risks are described in more detail in Note 19.

DLH's financial risk management operates on the basis of fixed policies, which ensure that positions are only taken up to hedge risks. Risk management and the hedging of currencies linked to the Group's product transactions are, in the main, managed on a decentralised basis while the hedging of the Group's interest rate risk is managed centrally. The Group primarily uses forward exchange contracts and interest rate swaps for its financial risk management. Financial risks and DLH's foreign exchange policy are described in more detail in Note 19 on financial risks.

DLH's insurance policy determines the general framework for insuring persons, property and interests associated with the Group. Insurable risks are evaluated on an ongoing basis, with assets and serious financial losses being insured against. In general, no insurance is taken out against losses where, from the Group's point of view, the costs of insurance are deemed to exceed the risk. DLH's insurance portfolio consists of global Group policies comprising all risk, general and product liability, transport, and travel, as well as local policies such as vehicles, workers' compensation, and other locally required insurances. With regard to general insurance, DLH has joined forces with the international insurance broker, Willis.

Corporate governance and risk management

DLH Group's Board of Directors and Executive Board continuously strive to ensure that the Group's management structure and control systems are appropriate and function satisfactorily. A range of internal policies and procedures has been developed and is maintained on an ongoing basis to ensure an active and safe management of the Group with a view to securing the best financial outcome of the current strategy

Corporate Governance
The Board of Directors monitors developments within the field of corporate governance and it is the company's intention to follow applicable recommendations, where it is deemed relevant. Updates appear on the company's website throughout the year. A number of internal policies and procedures have been developed and are maintained on an ongoing basis with a view to ensuring active, safe and profitable management of the Group. This includes monitoring the ongoing divestment process of the Group's businesses.

In November 2014, the Committee on Corporate Governance published revised "Recommendations for Corporate Governance" based on a "comply or explain" principle. The Board of Directors' view is that the Corporate Governance Recommendations are followed by the Board and management of DLH Group.

In accordance with the recommendations, the company's website sets out how the company complies with each point of the recommendations, c.f. the following URL: http://www.dlh.com/Investor/Corporate_governance/Corporate_governance_historical/2014.aspx

The role of shareholders and interaction with the company's management
DLH Group seeks to ensure that the information given to, and the opportunity for discussion with, the Group's shareholders is achieved through the regular publication of news, financial reports and annual reports as well as at the Annual General Meeting. DLH Group works actively to provide investors and analysts with the best possible insight into issues that can ensure the fair pricing of the Group's shares, which is achieved partly through the information provided to the market on a regular basis and also through meetings with professional investors. Information to the market is published on the website and is distributed directly to those shareholders who have requested it.

The Board of Directors regularly assesses whether the Group's capital structure is in line with the Group and its shareholders' interests. The main objective is to secure a structure that supports the current strategy, which includes ensuring that the Group is always capitalised in order to obtain financing on usual terms.

The Annual General Meeting is the ultimate authority. The Board of Directors' intention is to ensure that shareholders receive detailed information about, as well as an adequate basis for, examining the items discussed and the decisions taken at the Annual General Meeting.

Notice of the Annual General Meeting is issued at least three weeks before the meeting. Together with the notice, supplementary information on the nominated candidates for election to the Board of Directors, such as qualifications and directorships of other companies and key organisations, together with information on whether the candidate is considered independent, is also provided.

The aim is to ensure that all board members take part in the Annual General Meeting. In 2014, seven out of nine board members took part. All shareholders are entitled and encouraged to attend and vote in person or by proxy and put forward proposals for consideration. Shareholders may give a proxy to the Board of Directors or other participants at the Annual General Meeting for each item on the agenda.

The supreme and central governing bodies' tasks and responsibilities
The Board of Directors ensures that the Executive Board complies with the objectives, strategies, policies, etc. decided by the Board of Directors.

In April 2013, the Board of Directors laid down the Company's objectives to increase the proportion of women among the members of the Board of Directors from 17% in 2013 to 40% in 2017. In 2014 the Board of Directors comprised 20% women. A policy for gender balance in DLH was also adopted with the aim of including more women among DLH's managerial staff. Considering the Group's current divestment strategy, there is nothing to report on these policies.

Briefings from the Executive Board to the Board of Directors occur systematically at meetings and through written and oral reports. Reporting includes matters relating to the financial position, profitability, development and factors relevant to the surrounding world.

The Board of Directors meets at least four times a year and as required. In 2014, there were five Board of Directors' meetings and one strategy seminar. The Board of Directors receives regular written information on the Group's operations and position as well as risks in significant areas. In addition to decisions relating to significant operational conditions, i.e. decisions on disposals and possible acquisitions, the adequacy of the capital base and the composition of long-term commitments, the Board of Directors also decides on key policies and auditing matters. The Board of Directors examines, adjusts and approves the business procedures for the Executive Board on an annual basis and sets out the reporting requirements sent to the Board of Directors and

for communication between the two governing bodies.

The Chairman and Vice-Chairman constitute the chairmanship. The specific tasks of the Chairman and, in his absence, the Vice-Chairman, are specified in the rules of procedure.

The Board of Directors evaluates its composition and desirable/necessary areas of expertise as well as cooperation with the Executive Board and the results arising. Self-evaluation, based on questionnaires and individual conversations with the Chairman, provides the basis for an evaluation of the Board of Directors' composition. The evaluation comprises the number of members and their competences, including diversity regarding gender, age and special skills possessed by the individual members, and whether the individual members of the Board of Directors and Executive Board actively participate in the Board of Directors' discussions and contribute their own evaluations. In 2013, on the basis of the self-evaluation, the Board of Directors concluded that a board with 5-6 shareholder elected members is suitable and that the Board of Directors' current composition and areas of expertise reflect the Board of Directors' desired competence profile.

The Board of Directors assesses annually whether there is an opportunity to update or enhance board members' skills in terms of their responsibilities. In addition, the Board of Directors determines annually its most important tasks in relation to an ongoing assessment of the Executive Board's work and the financial and managerial control of the Group.

The Board of Directors appoints the CEO. The Executive Board is responsible for the organisation and implementation of the strategic plans etc. decided by the Board of Directors. The Executive Board is not a member of the Board of Directors, but typically participates in board meetings.

The supreme governing body's composition and organisation

The Board of Directors is elected at the Annual General Meeting. All elected members of the Board of Directors are independent. DLH-Fonden has a statutory right to appoint one member provided that DLH-Fonden holds at least 10% of the company's capital. DLH-Fonden chose not to make use of this right in 2014.

The Board of Directors comprises five members who are elected by the Annual General Meeting. The Board of Directors deems the number of members to be appropriate, but in the light of the current strategy the Board of Directors is considering a possible reduction in the number of Board members.

All members of the Board of Directors elected by the Annual General Meeting stand for election every year. Re-election can take place, albeit not of individuals who, at the time of the election, have reached the age of 70. The Chairman and Vice-Chairman of the Board of Directors are elected by the Annual General Meeting. The Board of Directors determines its own rules of procedure.

The current members of the Board of Directors, their age, positions held, the year that they were first elected as a member of the Board of Directors and the number of shares and changes in their shareholdings during the financial year are given in the overview on page 10.

The company is of the opinion that all members of the Board of Directors possess the professional and international experience required to function as board members.

The Board of Directors has established an Audit Committee. The Audit Committee's terms of reference, the number of meetings and information about the committee members are available at the Group's website: http://www.dlh.com/Investor/Corporate_governance/Revisionsudvalg.aspx?sc_lang=en.

Audit Committee

The Board of Directors and the Audit Committee, along with the Executive Board, monitors the Group's internal control systems and the process of financial reporting as well as reviewing interim and annual reports prior to submitting these for approval and publication. The Audit Committee also evaluates the independence and competence of the auditors and nominates candidates for the position of independent auditors.

The Audit Committee also reviews the Group's accounting policies and evaluates key accounting matters. The Audit Committee recommends to the Board of Directors fees, deadlines and other terms pertaining to the Group's independent auditors; and it also monitors the audit process.

The independent auditors report directly to the Audit Committee with regard to the auditors' remarks and other recommendations on matters pertaining to accounting policies and the reporting process. Auditor remarks and recommendations from the independent auditors are also reviewed by the Group's Chief Financial Officer to ensure that all key aspects have been addressed correctly.

Financial reporting

The Board of Directors and Executive Board are responsible for ensuring that the Annual Report and other financial reporting are prepared in accordance with legislation and applicable standards. Prior to the publication of financial reports, the Board of Directors ensures that these are comprehensible and balanced, and provide a true and fair picture of assets, liabilities, the financial position as well as results and cash flow. It also ensures that the Management's review contains a true and fair account of the matters to which the report relates, including future prospects.

Organisation, financial reporting process and internal controls

The Board of Directors and Executive Board have overall responsibility for the Group's risk management and internal controls in the financial reporting process, including compliance with relevant legislation and other financial reporting regulations.

Management has drawn up policies, instructions, manuals, procedures etc. for the key areas relating to financial reporting, such as accounting and reporting instructions, which are kept updated on an ongoing basis. The individual Group companies' compliance with such guidelines is regularly monitored by the heads of the business areas and at Group level by the Group's Finance Department. Formal confirmation of compliance is requested annually.

The Audit Committee and the Executive Board carry out various general risk assessments for the Group, which also include risks relating to the financial reporting process. Control activities are based on risk assessment. DLH Group's control activities aim to ensure compliance with the targets, policies, instructions, procedures and other guidelines adopted by management and to ensure the timely prevention, discovery and correction of any errors, deviations or defects. Control activities include manual and physical controls as well as general IT controls and automatic application controls in the IT systems used.

During 2014, the Group's activities were divided into four regions, each under a regional director. The individual regions include companies in different countries with local management and finance functions. The level of competence in the local finance functions is regularly assessed and determined with regard to the significance and complexity of the activities. The individual companies operate their own IT systems for their local financial recording. All Group companies, however, use a common reporting and consolidation system.

To some extent, business procedures and the extent of internal controls are determined on a decentralised basis by the management of the individual companies. The Group has standardised risk management and internal control procedures in connection with the financial reporting process. This work includes documentation of risk evaluation regarding the Group's preparation of accounts, including specification of the most important processes and key controls. In addition, the work includes the design and implementation of a system for periodic reporting from the units to the Group's management regarding the performance of the key controls. The work has primarily comprised the essential and most risk-bearing processes and business units within the Group.

Financial reporting for the Group is conducted through monthly reporting from the individual Group companies to Group Finance, which is responsible for preparing quarterly and annual reports. The Finance Department is the main contributor to financial reporting and is responsible for determining the Group's financial assets and financial liabilities.

Monthly reports from the Group companies are unaudited. However, at divisional and at Group level, internal control of financial reporting and cash flows is carried out independently of the business units.

Current divestment strategy

The current divestment strategy encompasses a number of risks of which the Board is aware. In order to mitigate these, the Board of Directors has taken a number of steps. The Board of Directors has actively sought to minimise the risks associated with key staff leaving by making use of retention schemes and stay on bonuses. The Board of Directors has also sought to ensure continuity in the downscaling process by retaining some staff beyond 30 April 2015 and by entering consultancy agreements with former staff. Future administration of the Group will be handled by the external provider, Accountor, who will be responsible for bookkeeping, reporting etc. Going forward, the Executive Vice Presidents of the Nordic Region and the French company will report to the Board. The CEO role will primarily be administrative in nature, overseeing remaining outstanding issues and disposals.

Going concern statement

In connection with financial reporting, the Board of Directors, Audit Committee and Executive Board have assessed whether it is justified that the Going Concern assumption is taken as its basis. The Board of Directors, the Audit Committee and the Executive Board have concluded that there are no important factors at the time of financial reporting that give rise to doubts as to whether the Group and the company are able to, and wish to, continue operations at least until the next balance sheet date. The conclusion is made on the basis of knowledge of the Group and the company, the estimated future prospects and the identified uncertainties and risks related to this (referred to in the Management Review and Note 19) and after examination of budgets, including expected cash flow and developments in the capital base etc., the presence of credit facilities with associated contractual and expected maturity periods as well as covenants and conditions in general. It is, therefore, considered reasonable, judicious and well founded to assign the going concern assumption as the basis for financial reporting.

Statements

Management statement

The Board of Directors and Executive Board have today discussed and approved the Annual Report of Dalhoff Larsen & Horneman A/S for the financial year 2014. The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

It is our opinion that the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position as at 31 December 2014 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January – 31 December 2014. In our opinion, the Management commentary includes a fair review of developments in the Group's and the parent company's operations and financial conditions, the results for the year, cash flows and financial position as well as a description of the significant risks and uncertainty factors that the Group and parent company face.

We recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 11 March 2015

Executive Board:

Kent Arentoft

Board of Directors:

Kurt Anker Nielsen
(Chairman)

Agnete Raaschou-Nielsen
(Vice-Chairman)

Lars Green

Kristian Kolding

John Stær

Independent auditors' report

To the shareholders of Dalhoff Larsen & Horneman A/S

Independent auditors' report on the consolidated financial statements and the parent company financial statements
We have audited the consolidated financial statements and the parent company financial statements of Dalhoff Larsen & Horneman A/S for the financial year 1 January – 31 December 2014, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies for the Group as well as for the parent company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management's responsibility for the consolidated financial statements and the parent company financial statements
Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control that management determines is necessary to enable the preparation of consolidated financial statements and parent company 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 parent company 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 parent company 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 parent company financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation of consolidated financial statements and parent company 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 company'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 parent company 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 parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2014 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January to 31 December 2014 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

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 parent company 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 parent company financial statements.

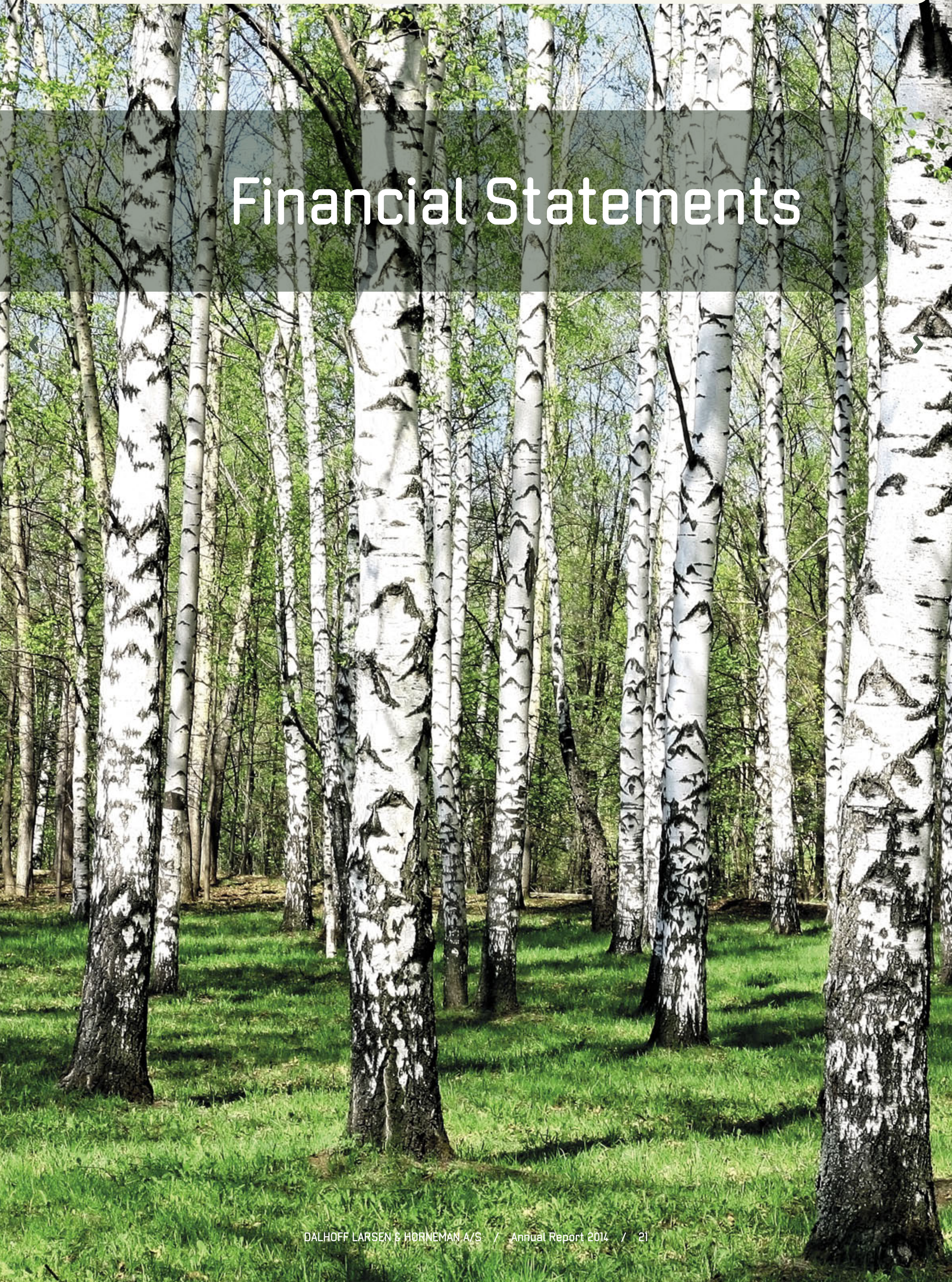
Copenhagen, 11 March 2015

Ernst & Young
Godkendt Revisionspartnerselskab

Finn L. Meyer
State Authorised Public Accountant

Birgit M. Schrøder
State Authorised Public Accountant

Financial Statements



Income statement

		Group		Parent company	
Note	**(DKK million)**	**2014**	**2013**	**2014**	**2013**
5	Other external expenses	(6.3)	(13.0)	(11.9)	(13.0)
6	Staff costs	(37.9)	(20.9)	(37.9)	(20.9)
	Other operating income	0.2	0.3	5.8	0.3
	Operating profit/(loss) before depreciation and amortisation (EBITDA)	**(44.0)**	**(33.6)**	**(44.0)**	**(33.6)**
11	Depreciation and amortisation	(0.7)	(1.9)	(0.7)	(1.9)
11	Impairment losses	-	(0.6)	-	(10.9)
	Operating profit/(loss) (EBIT)	**(44.7)**	**(36.1)**	**(44.7)**	**(46.4)**
	Financial items:				
7	Financial income	0.8	0.1	74.6	23.1
8	Financial expenses	(21.2)	(20.5)	(31.8)	(37.2)
	Profit/(loss) from continuing operations before tax (EBT)	**(65.1)**	**(56.5)**	**(1.9)**	**(60.5)**
9	Tax for the year on the profit/(loss) from continuing operations	-	(25.2)	-	(25.2)
	Profit/(loss) for the year from continuing operations	**(65.1)**	**(81.7)**	**(1.9)**	**(85.7)**
3	Profit/(loss) for the year from discontinued operations	(106.2)	(194.8)	(81.1)	(238.9)
	Profit/(loss) for the year	**(171.3)**	**(276.5)**	**(83.0)**	**(324.6)**
10	**Earnings per share:**				
	Earnings per share (EPS) of DKK 5 each	(3.21)	(5.18)		
	Earnings per share diluted (EPS-D) of DKK 5 each	(3.21)	(5.18)		
	Earnings per share (EPS) for continuing operations of DKK 5 each	(1.22)	(1.53)		
	Earnings per share diluted (EPS-D) for continuing operations of DKK 5 each	(1.22)	(1.53)		
	Recommended appropriation of profits:				
	Dividend proposed 0% (2013: 0%) per share of DKK 5 each			-	-
	Retained earnings			(83.0)	(324.6)
				(83.0)	(324.6)

Statement of comprehensive income

Note	(DKK million)	2014	2013
	Group		
	Profit/(loss) for the year	**(171.3)**	**(276.5)**
	Other comprehensive income:		
	Items that may not be reclassified to the income statement:		
17	Actuarial gains/(losses) on defined benefit plans	0.5	(0.9)
9	Tax	-	-
		0.5	(0.9)
	Items that may be reclassified to the income statement:		
	Foreign currency translation adjustments on conversion of foreign operations	(0.7)	(0.9)
	Foreign currency adjustments transferred to profit/(loss), discontinued operations	1.8	-
	Value adjustments of hedging instruments:		
	Value adjustment for the year	(0.2)	0.9
	Value adjustment transferred to turnover	(1.8)	(1.0)
	Value adjustment transferred to financial items	0.9	1.8
	Tax	-	-
		-	0.8
	Other comprehensive income after tax	**0.5**	**(0.1)**
	Comprehensive income in total	**(170.8)**	**(276.6)**
	These may be broken down as follows:		
	Comprehensive income for the reporting period, continuing operations	(64.4)	(78.1)
	Comprehensive income for the reporting period, discontinued operations	(106.4)	(198.5)
	Parent company		
	Profit/(loss) for the year	**(83.0)**	**(324.6)**
	Other comprehensive income:		
	Value adjustment of hedging instruments:		
	Value adjustment for the year	(0.2)	0.9
	Value adjustment transferred to turnover	(1.8)	(1.0)
	Value adjustment transferred to financial items	0.9	1.8
9	Tax on other comprehensive income	-	-
	Other comprehensive income after tax	**(1.1)**	**1.7**
	Comprehensive income in total	**(84.1)**	**(322.9)**

Assets

		Group		Parent company	
Note	**(DKK million)**	**2014**	**2013**	**2014**	**2013**
	Non-current assets:				
11	**Property, plant and equipment:**				
	Land and buildings	0.1	0.1	0.1	0.1
	Other plant and equipment, fixtures and fittings	1.5	2.0	1.5	2.0
		1.6	2.1	1.6	2.1
	Other non-current assets:				
12	Receivables from group enterprises	-	-	0.0	3.3
		-	-	0.0	3.3
	Total non-current assets	**1.6**	**2.1**	**1.6**	**5.4**
	Current assets:				
	Receivables:				
15	Trade receivables	12.1	-	12.1	-
12	Receivables from group enterprises	-	-	10.8	90.4
	Other receivables	21.6	1.0	21.6	1.0
	Prepaid expenses	0.8	1.1	0.8	1.1
		34.5	2.1	45.3	92.5
3	Assets held for sale	267.6	749.6	214.7	456.5
	Total current assets	**302.1**	**751.7**	**260.0**	**549.0**
	Total assets	**303.7**	**753.8**	**261.6**	**554.4**

Equity and liabilities

		Group		Parent company	
Note	**(DKK million)**	**2014**	**2013**	**2014**	**2013**
16	**Equity:**				
	Share capital	267.8	267.8	267.8	267.8
	Hedging reserve	(0.2)	0.9	(0.2)	0.9
	Foreign currency translation adjustment reserve	(25.4)	(26.5)	-	-
	Retained earnings	(90.5)	80.3	(183.4)	(100.4)
		151.7	322.5	84.2	168.3
	Non-current liabilities:				
18	Provisions	3.0	5.9	3.0	5.9
		3.0	5.9	3.0	5.9
	Current liabilities:				
	Credit institutions	10.8	161.3	10.8	161.3
	Trade payables and other payables	18.8	9.8	18.8	9.8
19	Subordinated loan	-	18.6	-	18.6
	Payables to group enterprises	-	-	89.7	109.1
18	Provisions	3.3	2.7	3.3	2.7
		32.9	192.4	122.6	301.5
3	Liabilities relating to assets held for sale	116.1	233.0	51.8	78.7
	Total liabilities	**152.0**	**431.3**	**177.4**	**386.1**
	Total liabilities and equity	**303.7**	**753.8**	**261.6**	**554.4**

Cash flow statement

		Group		Parent company	
Note	(DKK million)	2014	2013	2014	2013
	Profit/(loss) before tax for continuing operations	(65.1)	(56.5)	(1.9)	(60.5)
25	Adjustment for non-cash operating items etc.	18.8	17.9	(44.8)	21.7
	Cash flow from operating activities before change in working capital	**(46.3)**	**(38.6)**	**(46.7)**	**(38.8)**
26	Change in working capital	(18.1)	0.1	(18.1)	0.1
	Operating cash flow	**(64.4)**	**(38.5)**	**(64.8)**	**(38.7)**
	Financial income, received	0.8	0.1	74.7	23.1
	Financial expenses, paid	(28.2)	(18.5)	(38.8)	(24.4)
	Income taxes paid/refunded	-	0.1	-	-
	Cash flow from operating activities	**(91.8)**	**(56.8)**	**(28.9)**	**(40.0)**
	Acquisition of intangible assets	-	(0.3)	-	(0.3)
	Acquisition of tangible assets	(0.1)	(1.7)	(0.1)	(1.7)
	Sale of intangible and tangible assets	0.1	-	0.1	-
	Cash flow to investment activities	**-**	**(2.0)**	**-**	**(2.0)**
	Cash flow from operating activities and after investments	**(91.8)**	**(58.8)**	**(28.9)**	**(42.0)**
	Repayment of subordinated loan	(18.7)	(18.7)	(18.7)	(18.7)
	Raising/repayment of intra-group accounts, net			63.4	122.7
	Repayment of debt from credit institutions	(150.0)	(55.4)	(150.0)	(55.4)
	Cash flow from financing activity	**(168.7)**	**(74.1)**	**(105.3)**	**48.6**
3	Cash flow from discontinued operations	242.6	60.2	132.6	(25.8)
	Cash flow for the year	**(17.9)**	**(72.7)**	**(1.6)**	**(19.2)**
	Cash at 1 January	26.7	99.4	1.9	21.1
	Foreign currency translation adjustment of cash	(2.3)	-	-	-
27	Cash at 31 December	6.5	26.7	0.3	1.9

Statement of changes in equity

Group

Note	(DKK million)	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total
	Equity at 1 January 2013	**267.8**	**(0.8)**	**(25.6)**	**357.7**	**599.1**
	Comprehensive income in 2013:					
	Profit/(loss) for the year	-	-	-	(276.5)	(276.5)
	Other comprehensive income:					
	Foreign currency translation adjustments on conversion of foreign operations	-	-	(0.9)	-	(0.9)
	Foreign currency adjustments transferred to profit/(loss), discontinued operations	-	-	-	-	-
	Value adjustment of hedging instruments:					
	Value adjustment for the year	-	0.9	-	-	0.9
	Value adjustment transferred to turnover	-	(1.0)	-	-	(1.0)
	Value adjustment transferred to cost of sales	-	-	-	-	-
	Value adjustment transferred to financial items	-	1.8	-	-	1.8
17	Actuarial gains/(losses) on defined benefit plans	-	-	-	(0.9)	(0.9)
9	Tax of other comprehensive income	-	-	-	-	-
	Other comprehensive income in total	**-**	**1.7**	**(0.9)**	**(0.9)**	**(0.1)**
	Total comprehensive income in 2013	**-**	**1.7**	**(0.9)**	**(277.4)**	**(276.6)**
	Total transactions with owners	**-**	**-**	**-**	**-**	**-**
	Equity at 31 December 2013	**267.8**	**0.9**	**(26.5)**	**80.3**	**322.5**
	Comprehensive income in 2014:					
	Profit/(loss) for the year	-	-	-	(171.3)	(171.3)
	Other comprehensive income:					
	Foreign currency translation adjustments on conversion of foreign operations	-	-	(0.7)	-	(0.7)
	Foreign currency adjustments transferred to profit/(loss), discontinued operations	-	-	1.8	-	1.8
	Value adjustment of hedging instruments:					
	Value adjustment for the year	-	(0.2)	-	-	(0.2)
	Value adjustment transferred to turnover	-	(1.8)	-	-	(1.8)
	Value adjustment transferred to financial items	-	0.9	-	-	0.9
17	Actuarial gains/(losses) on defined benefit plans	-	-	-	0.5	0.5
9	Tax of other comprehensive income	-	-	-	-	-
	Other comprehensive income in total	**-**	**(1.1)**	**1.1**	**0.5**	**0.5**
	Total comprehensive income in 2014	**-**	**(1.1)**	**1.1**	**(170.8)**	**(170.8)**
	Total transactions with owners	**-**	**-**	**-**	**-**	**-**
	Equity at 31 December 2014	**267.8**	**(0.2)**	**(25.4)**	**(90.5)**	**151.7**

Statement of changes in equity

Parent company

Note	(DKK million)	Share capital	Hedging reserve	Retained earnings	Total
	Equity 1 January 2013	**267.8**	**(0.8)**	**224.2**	**491.2**
	Comprehensive income in 2013:				
	Profit/(loss) for the year	-	-	(324.6)	(324.6)
	Other comprehensive income:				
	Value adjustment of hedging instruments:				
	Value adjustment for the year	-	0.9	-	0.9
	Value adjustment transferred to turnover	-	(1.0)	-	(1.0)
	Value adjustment transferred to financial items	-	1.8	-	1.8
	Other comprehensive income in total	**-**	**1.7**	**-**	**1.7**
	Total comprehensive income in 2013	**-**	**1.7**	**(324.6)**	**(322.9)**
	Total transactions with owners	**-**	**-**	**-**	**-**
	Equity at 31 December 2013	**267.8**	**0.9**	**(100.4)**	**168.3**
	Comprehensive income in 2014:				
	Profit/(loss) for the year	-	-	(83.0)	(83.0)
	Other comprehensive income:				
	Value adjustment of hedging instruments:				
	Value adjustment for the year	-	(0.2)	-	(0.2)
	Value adjustment transferred to turnover	-	(1.8)	-	(1.8)
	Value adjustment transferred to financial items	-	0.9	-	0.9
	Other comprehensive income in total	**-**	**(1.1)**	**-**	**(1.1)**
	Total comprehensive income in 2014	**-**	**(1.1)**	**(83.0)**	**(84.1)**
	Total transactions with owners	**-**	**-**	**-**	**-**
	Equity at 31 December 2014	**267.8**	**(0.2)**	**(183.4)**	**84.2**

Overview of notes

Notes

Note 1 Accounting policies

Dalhoff Larsen & Horneman A/S is a limited liability company domiciled in Denmark. The Annual Report for the period 1 January to 31 December 2014 consists of the consolidated financial statements of Dalhoff Larsen & Horneman A/S and its subsidiaries (DLH Group) and the Annual Report of the parent company.

The 2014 Annual Report of Dalhoff Larsen & Horneman A/S has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for annual reports of listed companies.

In addition, the Annual Report is in compliance with the International Financial Reporting Standards issued by the IASB as adopted by EU and the Danish disclosure requirements for listed companies.

Basis of preparation

The Annual Report is presented in Danish Kroner, the parent company's functional currency, in amounts rounded to the nearest million with one decimal point.

The Annual Report was prepared under the historical cost convention, except for the following assets and liabilities, which were measured at their fair values: derivatives, financial instruments held for trading and financial instruments classified as held for sale.

Non-current assets and divestment groups determined for sale are measured at the lowest value of the carrying amount prior to the changed classification or fair value less sales costs.

The accounting policies outlined below have been applied consistently during the financial year, also with respect to comparative figures.

Change in accounting policies

Dalhoff Larsen & Horneman A/S implemented the standards and interpretations that became effective in 2014. None of these impacted on recognition and measurement in 2014 or is expected to prospectively affect Dalhoff Larsen & Horneman A/S.

Consolidated financial statements

The consolidated financial statements comprise the parent company Dalhoff Larsen & Horneman A/S and subsidiaries in which Dalhoff Larsen & Horneman A/S has control, i.e. the power to govern the financial and operating policies so as to obtain a return on its investment or otherwise benefit from its operations. Control is obtained when the company, directly or indirectly, controls or holds more than 50% of the voting rights in the subsidiary or controls the subsidiary in some other way.

Please refer to page 67 for the Group chart.

The consolidated financial statements have been prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements prepared according to DLH Group's accounting policies, eliminating intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on transactions between the consolidated entities.

In the consolidated financial statements, accounting items of subsidiaries are recognised in full.

Assets held for sale

Assets held for sale comprise non-current assets and disposal groups held for sale. Disposal groups are groups of assets that are to be sold or disposed of in some other manner by means of a single transaction. Liabilities relating to assets held for sale are liabilities attached to the said assets, which will be transferred in connection with the transaction. Assets are classified as 'held for sale' when the carrying amount of the asset would primarily be recovered by means of a sale within 12 months according to a formal plan rather than through continuing use.

Assets or disposal groups held for sale are measured at the carrying amount at the time of the asset being classified as 'held for sale' or the fair value less selling costs, whichever is the lower. Depreciation and amortisation are not charged for assets from the time when they are classified as 'held for sale'.

Impairments upon the initial classification as 'held for sale' as well as gains or losses ascertained upon any subsequent measurement at carrying amount or fair value less selling costs, whichever is the lower, are recognised under the relevant items in the income statement. Gains and losses are disclosed in the notes.

Assets and related liabilities are presented on separate lines in the balance sheet, and the main items are specified in the notes. Comparative figures are not restated in the balance sheet.

Presentation of discontinued operations

Discontinued operations constitute a significant part of an entity if operations and cash flows can be clearly separated from the remaining business operations for the purposes of operating and accounting, and if the entity has either been disposed of or singled out as held for sale and the sale is expected to be completed within one year in accordance with a formal plan. Discontinued operations also include entities that have been classified as 'held for sale' in connection with acquisitions.

The profit after tax of discontinued operations and value adjustments after tax on the assets and liabilities as well as gains or losses relating to the discontinued operation are presented on a separate line in the income statement, together with comparative figures. The notes disclose turnover, costs, value adjustments and tax for the discontinued activity. Assets and the related liabilities of discontinued operations are presented on separate lines in the balance sheet without restatement of the comparative figures. Please refer to the section 'Assets held for sale', and the main items are specified in the notes.

Notes

Note 1 Accounting policies (continued)

Cash flows from operating, investment and financing activities for the discontinued operations are disclosed in a note.

Foreign currency translation
DLH Group fixes a functional currency for each of its reporting entities. The functional currency is the currency that is applied in the primary economic environment in which the individual reporting entity operates. Transactions denominated in currencies other than the functional currency are foreign currency transactions.

On initial recognition, transactions denominated in foreign currencies are translated to the functional currency at the exchange rates prevailing at the transaction date. Foreign currency differences arising between the exchange rates prevailing 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 prevailing at the balance sheet date. The difference between the exchange rates prevailing at the balance sheet date and at the date on which the receivable or payable item arose, or was recognised in the most recent annual report, is recognised in the income statement as financial income or financial expenses.

On recognition in the consolidated financial statements of entities with a functional currency other than Danish Kroner, the income statements of such entities are translated to the rate prevailing at the transaction date, and balance sheet items are translated to the rate prevailing at the balance sheet date. An average exchange rate for the month is used as the exchange rate prevailing at the transaction date provided that this does not significantly distort the presentation of the underlying transactions. Foreign currency differences arising on translation of the opening balance of equity of such entities at the exchange rates prevailing at the balance sheet date and on translation of the income statements from the exchange rates prevailing at the transaction date to the exchange rates prevailing at the balance sheet date are recognised in Other comprehensive income in a separate reserve for foreign currency adjustments under equity.

Foreign currency rate adjustments of balances that are considered part of the overall net investment in entities with a functional currency other than Danish Kroner are recognised in the consolidated accounts in Other comprehensive income and classified in a separate reserve for foreign currency adjustments under equity. Correspondingly, foreign currency gains or losses on that portion of loans and derivative financial instruments that is designated as an investment hedge in such entities and that provides an efficient hedge against corresponding foreign currency gains and losses on the net investment in the entity are also recognised in Other comprehensive income in a separate reserve for foreign currency adjustments under equity.

Upon disposal of 100%-owned foreign entities, the exchange rate adjustments recognised in Other comprehensive income and which are attributable to the entity are reclassified from Other comprehensive income to Profit for the year together with any gains or losses incurred on disposal.

Settlement of intra-group balances that is considered part of the net investment is not in itself deemed partial disposal of the subsidiary.

Derivative financial instruments
Derivative financial instruments are recognised at fair value in the balance sheet from the transaction date. Positive and negative fair values of derivative financial instruments are included in other receivables, trade payables and other payables, respectively, and positive or negative values are only set off if the entity has the right and the intention to settle several financial instruments net. Fair values of derivative financial instruments are determined on the basis of current market data and generally accepted methods of measurement.

Fair value hedges
Changes in the fair value of derivative financial instruments designated as and qualifying as a fair value hedge of recognised assets and liabilities 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. Hedging of future cash flows in accordance with an agreement (firm commitment), other than foreign currency hedging, is treated as fair value hedging.

The portion of the value adjustment of a derivative financial instrument that is not part of the hedge will be presented under the heading of Financial items.

Cash flow hedges
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 the value of future cash flows are recognised in Other comprehensive income in a separate reserve for hedging transactions under equity until the hedged cash flows have an impact on the income statement. Once there is an impact on the income statement, gains or losses incidental to such hedging transactions are transferred from Other comprehensive income and recognised in the same item as the hedged item.

If a hedging instrument no longer qualifies for hedge accounting, the hedging relationship will cease from that point onward. The accumulated change in value recognised in Other comprehensive income will be transferred to the income statement when the hedged cash flows affect the income statement.

Notes

Note 1 Accounting policies (continued)

If the hedged cash flows are no longer likely to be realised, the accumulated change in value will immediately be taken to the income statement.

The portion of the value adjustment of a derivative financial instrument that is not part of the hedge will be presented under Net financials.

Net investment hedges
Changes in the fair value of derivative financial instruments used to hedge net investments in foreign subsidiaries that are effective hedges of currency fluctuations in the entities in question are recognised directly in the consolidated accounts in Other comprehensive income under a separate reserve for foreign currency adjustment.

The portion of the value adjustment of a derivative financial instrument that is not part of the hedge will be presented under the heading of Net financials.

Other derivative financial instruments
For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised as financial income or financial expenses in the income statement.

Some contracts contain provisions corresponding to derivative financial instruments. Such embedded derivatives are recognised separately and measured at fair value if they differ significantly from the host contract, unless the entire host contract is recognised and measured at fair value.

INCOME STATEMENT

Net turnover
Net turnover derived from the sale of goods for resale and finished goods is recognised in the income statement provided that delivery has taken place and the risk has passed to the purchaser before year-end and the income can be reliably measured and is likely to be received.

Net turnover is measured at the fair value of the agreed consideration exclusive of Value Added Tax and taxes charged on behalf of a third party. All discounts granted are recognised in net turnover.

Cost of sales
Cost of sales comprises costs incurred to generate the net turnover for the year. Trading entities recognise cost of sales, and production entities recognise production costs corresponding to the turnover for the year. The item includes direct and indirect costs of raw materials, auxiliary materials, wages and salaries. In addition, central sourcing costs are recognised as a part of the cost of sales on a consistent basis.

Other external expenses
Other external expenses comprise distribution expenses and administrative expenses.

Distribution expenses include expenses incurred for the distribution of goods sold during the year and for sales campaigns launched during the year. Costs relating to advertising and exhibitions are included in this item.

Administrative expenses include expenses incurred during the year for management and administration, including expenses incurred for administrative personnel and office premises as well as office expenses.

Write-down charges relating to trade receivables are also included in Other external expenses..

Staff costs
Employee benefits such as salaries/wages, social contributions, holiday and sick leave, bonuses and non-monetary benefits are recognised in the year in which the Group's employees have performed the related work. In connection with the Group's long-term employee benefits, the costs are accrued so that they are recognised as being the employees in question performing their work.

Other operating income and expenses
Other operating income and expenses comprise accounting items of a secondary nature in relation to the companies' activities, including gains and losses from ongoing sales and replacement of intangible and tangible assets. Gains and losses on the sale of intangible and tangible assets are calculated as the selling price less sales costs and the carrying value at the time of sale.

Financial items
Financial income and expenses comprise interest income and expenses, foreign currency gains and losses, and impairment of securities, payables and transactions denominated in foreign currencies. Moreover, amortisation of financial assets and liabilities are included as well as surcharges and refunds under the on-account tax scheme as well as changes to the fair value of derivative financial instruments that do not qualify as hedging contracts.

Borrowing costs from general borrowing or loans directly related to the acquisition, construction or development of qualifying assets are attributed to the cost of such assets.

Dividends from profits in subsidiaries are recognised as income in the income statement of the parent company in the financial year in which the dividends are declared. If the dividend distributed exceeds the subsidiary's comprehensive income for the period under review, an impairment test will be performed.

Tax on profit for the year
Tax for the year, which consists of the year's current tax and changes in deferred tax, is recognised in the year's profits in Other comprehensive income or directly in the equity.

Notes

Note 1 Accounting policies (continued)

BALANCE SHEET

Intangible assets

Goodwill
Goodwill is initially recognised at cost in the balance sheet. Subsequently, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised.

The carrying amount of goodwill is allocated to DLH Group's cash-generating entities at the acquisition date. The identification of cash-generating entities is based on the management structure and internal financial control. Due to the integration of acquired entities into the existing Group and the existence of segment managers in each of the Group's reporting segments, management estimates that the smallest cash-generating entities to which the carrying amount of goodwill can be allocated are the operating segments, the regions, Nordic, Western Europe, Central Europe & Russia and Global Sales.

Customer relations, trademarks and IT systems
Intangible assets acquired in connection with business combinations, covering the value of customer relations, trademarks and IT systems, are measured at cost less accumulated amortisation and impairment losses. Customer relations, trademarks and IT systems are amortised on a straight line basis over the expected useful life of the asset. The amortisation period is usually 5 to 15 years. The basis of amortisation is calculated less any impairment losses.

Intangible assets with indefinite useful lives are not amortised, but tested annually for impairment requirements.

Tangible assets

Property, plant and equipment
Land and buildings, plant and machinery and fixtures and fittings, as well as other plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the cost of acquisition as well as costs directly attributable to the acquisition until the time when the asset is ready for use.

If the useful lives of the individual components of an aggregate asset differ, the cost is divided into separate components that are depreciated separately. Depreciation of property, plant and equipment is charged on a straight-line basis over the expected useful lives of the assets/components.

These are as follows:

Office buildings	20-50 years
Other buildings and plant	20-25 years
Plant and machinery	5-10 years
Rolling stock and equipment	3-7 years
IT equipment	1-5 years

Land is not depreciated.

The depreciation base is determined on the basis of the residual value of the asset less any impairment losses. The residual value is determined at the acquisition date and reassessed annually. Depreciation is discontinued if the residual value exceeds the carrying amount.

When changing the depreciation period or the residual value, the effect on the depreciation is recognised prospectively as a change in accounting estimates.

Depreciation and impairment losses are recognised under a separate heading in the income statement.

Other non-current assets

Investments in subsidiaries
Investments in subsidiaries are measured at cost in the parent company's annual financial statements. If there is an indication of impairment, an impairment test is performed. Where the recoverable amount is lower than the carrying amount, investments are written down to this lower value.

Distribution of reserves, other than dividends from profits in subsidiaries, will reduce the cost of the shares if the distribution constitutes a repayment of the investment made by the parent company.

Other investments and securities
Other investments and securities classified as 'held for sale' are recognised under the heading of non-current assets at their fair values with the addition of cost at the trading date and measured at their estimated fair values, corresponding to the market price for listed securities, and at their estimated fair values, computed on the basis of current market data and generally accepted valuation methods for unlisted securities. Unrealised value adjustments are recognised directly in equity with the exception of write-downs for impairment, which are recognised in the income statement under financial items. On realisation, the accumulated value adjustment recognised in equity is transferred to financial income or financial expenses in the income statement.

Impairment test of non-current assets
Goodwill and intangible assets with indefinite useful lives are tested annually for impairment requirements, initially before the end of the acquisition year. Similarly, development projects in progress are subject to an annual impairment requirement.

The carrying amount of goodwill is impairment tested together with the other non-current assets in the cash-generating entity to which goodwill is allocated and written down to the recoverable amount in the income statement if the carrying amount is higher. The recoverable amount is generally determined as the present value of expected future net cash flows from the entity or activity (cash-generating entity) to which goodwill is allocated.

Deferred tax assets are evaluated annually and are recognised only to the extent that it is probable that the assets will be utilised.

Notes

Note 1 Accounting policies (continued)

The carrying amount of other non-current assets is assessed annually for indications of impairment. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined. The recoverable amount is the asset's fair value less expected selling costs or its value in use. The value in use is calculated as the present value of expected future net cash flows from the asset or the cash-generating entity of which the asset is part.

An impairment is recognised if the carrying amount of an asset or a cash-generating entity exceeds the recoverable amount of the asset or the cash-generating entity. Impairments are recognised in a separate line in the income statement.

Impairments on goodwill are not reversed. Impairments on other assets are only reversed in connection with changes in the assumptions and estimates underlying the impairment calculation. Impairments are only reversed to the extent that the asset's new carrying amount does not exceed the carrying amount of the asset after amortisation, had the asset not been impaired.

Current assets

Inventories
Inventories are measured at cost according to the weighted average cost formula or at net realisable value, whichever is the lower.

The cost of goods for resale and raw materials and auxiliary materials comprises the purchase price plus delivery costs.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined on the basis of marketability, obsolescence and the trend in the expected selling price.

Receivables
Receivables are measured at amortised cost. Receivables are written down to provide for losses where there is objective evidence that an individual receivable or a portfolio of receivables has decreased in value.

Receivables in respect of which there is no objective evidence of impairment at the individual level are assessed at portfolio level for an objective indication of an impairment requirement. Portfolios are primarily based on the domicile of debtors and credit ratings in accordance with DLH Group's credit risk management policy. The objective indicators applicable to portfolios are based on historical loss records.

Prepaid expenses
Prepaid expenses are recognised under assets, comprising costs paid concerning subsequent financial years and are measured at amortised costs.

EQUITY

Dividends
Proposed dividends are recognised as a liability at the date when they are adopted by the Annual General Meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Interim dividends are recognised as a liability at the date when the decision to pay is made.

Treasury share reserve
Treasury share reserve comprises the purchase sums for the company's holding of treasury shares. The dividend for treasury shares is recognised directly in retained comprehensive income in the equity.

Gains and losses on the sale of treasury shares are recorded in equity.

Translation reserve
Translation reserve contains the parent company shareholders' share of foreign currency translation adjustments arising on translation of the financial statements of entities with a functional currency other than Danish Kroner, foreign currency translation adjustments relating to assets and liabilities that are part of DLH Group's net investments in such entities as well as foreign currency translation adjustments relating to hedging transactions that hedge DLH Group's net foreign currency investments in such entities.

On full or partial realisation of the net investment, foreign currency differences are recognised in the income statement.

Hedging reserve
The hedging reserve contains the accumulated net changes in the fair values of hedging transactions that fulfil the criteria for hedging future payment flows in cases where the hedged transaction has not yet been realised.

EMPLOYEE BENEFITS

Pension schemes and similar non-current liabilities
The DLH Group has pension commitments and similar agreements with a few employees in the DLH Group.

Regular payments to independent pension funds by the DLH Group under defined contribution plans are recognised in the income statement in the period earned, whereas amounts due at the balance sheet date are recognised under other payables in the balance sheet.

With respect to defined benefit plans, an actuarial calculation is made annually (projected unit credit method) of the present value of future contributions in accordance with the plan. The present value is determined on the basis of assumptions concerning future developments in factors such as salary trends, interest rates, inflation and mortality rates. The present value is calculated only on benefits that employees have earned during their employment with the DLH Group until the present time. The actuarial calculation of the present value less the fair value of any assets relating to the pension plan is recognised under pension liabilities.

Notes

Note 1 Accounting policies (continued)

In the income statement, pension costs for the year are recognised on the basis of actuarial estimates and financial expectations at the beginning of the year. Differences between the expected development in assets and liabilities under the pension plan and the actual values at the end of the year are designated as actuarial gains or losses and recognised in Other comprehensive income.

Changes in benefits relating to earnings of former employees will result in changes in the actuarial calculation of the value in use and are considered historical costs. Historical costs are charged to the income statement immediately if employees have gained a right to the changed benefit. Otherwise, the historical cost is recognised for the period in which the right is earned.

If a pension plan is a net asset, the asset is only recognised to the extent that it is offset by future repayments under the plan or will result in future reduced payments into the plan.

Liabilities

Tax payable and deferred tax
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.

Deferred tax is measured according to the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax on temporary differences relating to goodwill that cannot be amortised for tax purposes is not recognised, with the exception of business combinations, if such differences arose at the acquisition date without affecting either the profit or loss for the year or the taxable income. If the tax base may be measured according to alternative tax regulations, deferred tax is measured on the basis of the use of the asset or liability planned by the management.

Deferred tax assets, including the tax base of tax losses carried forward, are recognised under other non-current assets at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax assets and tax liabilities are offset if the entity has a legal right to offset current tax liabilities and tax assets or intends to redeem current tax liabilities and tax assets on a net basis or to realise assets and liabilities simultaneously.

Deferred tax is adjusted for the elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to materialise as current tax. Any change in deferred tax due to changes in tax rates is recognised in the year's comprehensive income.

Provisions

Provisions are recognised when, as a result of events arising before or at the balance sheet date, the DLH Group has a legal or a constructive obligation and it is probable that there may be an outflow of resources incorporating economic benefits to settle the obligation.

The amount recognised as a provision is management's best estimate of the expenses required to settle the obligation.

On measuring provisions, costs required to settle the liability are discounted if this has a significant impact on the measurement of the provision. The pre-tax discount factor applied will reflect the prevailing interest-rate level and any risks specifically associated with the liability in question. Changes in present values during the year are recognised as financial expenses.

Provisions for restructuring costs are recognised when a detailed, formal restructuring plan has been communicated to the persons affected by the plan, at the balance sheet date at the latest. In connection with acquisitions, provisions for restructuring costs in the acquired business are only recognised in goodwill if the Group has a constructive obligation towards the acquired business at the date of acquisition.

Provisions for loss-making contracts are made if the inevitable costs under the contract exceed any benefits DLH Group may expect.

Provisions for the renovation of vacating rented premises are measured at the present value of the future dismantling and renovation liability as anticipated at the balance sheet date. The provisions are calculated on the basis of current orders and estimated costs, which are discounted to net present value. Specific risks deemed to be associated with the provision in question are recognised in the estimated costs. The discount rate applied will reflect the prevailing interest-rate level. Liabilities are recognised as incurred and adjusted regularly to reflect changes in requirements, prices etc. The present value of costs is recognised in the cost of the property, plant and equipment in question and depreciated together with the said assets. The temporal increase in the present value is recognised under the heading of financial expenses in the income statement.

Financial liabilities

Amounts owed to credit institutions etc. are recognised at the date of borrowing at fair value less transaction costs. In subsequent periods, financial liabilities are measured at amortised cost, applying the 'effective rate of interest method' in order that the difference between the proceeds and the nominal value is recognised in the income statement under financial expenses over the term of the loan.

Notes

Note 1 Accounting policies (continued)

Other financial liabilities are measured at amortised cost.

Leasing

Leasing payments relating to operating leases are recognised in the income statement on a straight line basis over the leasing period.

Assets hired out under operating leases are recognised, measured and presented in the balance sheet under the heading of other similar assets held by the DLH Group.

Deferred income

Deferred income is recognised as a liability, comprising payments received relating to income in subsequent years, measured at amortised cost.

Cash flow statement

The cash flow statement shows the Group's cash flow divided into operating activities, investment activities and financing activities for the year, the change in cash and cash equivalents during the year and the Group's cash and cash equivalent balances at the beginning of the year and at the year-end.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investment activities. Cash flows of acquired entities are recognised in the cash flow statement as from the acquisition date. Cash flows of entities sold are recognised up until the date of disposal.

Cash flows from operating activities are determined according to the indirect method as profit or loss before tax adjusted for non-cash operating items, changes in working capital, interest received and paid, dividends received and income tax paid.

Cash flows from investment activities comprise payments in connection with the acquisition and disposal of entities and activities, intangible assets and of property, plant and equipment and other non-current assets as well as the acquisition and disposal of securities not recognised as cash and cash equivalents.

Finance leases are considered non-cash transactions.

Cash flows from financing activities comprise changes in the amount or composition of the share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, purchase and sale of treasury shares and payment of dividends to shareholders.

Cash flows relating to assets under finance leases are recognised as debt service payments.

Cash and cash equivalents include cash.

Cash flows in currencies other than the functional currency are translated at average rates of exchange unless these deviate significantly from the rates prevailing at the transaction date.

The cash flow statement cannot be generated from the published financial statements only.

Segment information

Segment information is provided in accordance with DLH Group's accounting policies and is in line with intra-Group management reporting.

Segment turnover and costs and segment assets and investments comprise items that are directly attributable to individual segments and items that can be allocated to individual segments on a reliable basis. Non-allocated items primarily comprise income and expenses related to DLH Group's administrative functions, investment activities, etc.

Net Working Capital (NWC) within the segment comprises current assets that are used directly in the operations of the segment, including inventories, trade receivables and trade payables.

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Notes

Note 1 Accounting Policies (continued)

Financial ratios

Earnings per share (EPS) and earnings per share diluted (EPS-D) are determined in accordance with IAS 33.

Other financial ratios have been calculated in accordance with the Recommendations & Financial Ratios 2010 issued by the Danish Society of Financial Analysts.

Gross margin	=	Gross profit x 100 / Net turnover
Profit for ratio analysis	=	Profit on ordinary activities after tax
Net working capital/sales	=	Net working capital (at year-end) / Net turnover
Operating margin	=	Operating profit x 100 / Net turnover
Return on equity	=	Profit for ratio analysis x 100 / Average equity
Equity ratio	=	Equity at year-end x 100 / Consolidated balance sheet total at year-end
Equity ratio including subordinated loan	=	Equity + subordinated loan x 100 / Consolidated balance sheet total at year-end
Book value per diluted share (BVPS-D)	=	Equity at year-end / Number of diluted shares in issue at year-end
Diluted price/book value (P/BV-D)	=	Share price (at year-end) / Book value per diluted share
Earnings per share (EPS)	=	Profit for ratio analysis / Average number of shares in issue
Diluted earnings per share (EPS-D)	=	Profit for ratio analysis / Average number of diluted shares
Cash flow per diluted share in issue (CFPS-D)	=	Cash flow from operations / Average number of shares in issue
Dividend per share (DPS)	=	Dividend rate x nominal value of share / 100
Diluted price earnings ratio (P/E-D)	=	Market price per share / Earnings per diluted share

Notes

Note 2 Material accounting estimates and assessments

Outcome of divestment processes
In December 2013, the Group decided to pursue divestment of its individual business units. During 2014 divestments have materialised and the process continues. The Board of Directors and Management are not in a position to determine the exact outcome of the sales processes.

IFRS 5 determines that the value of the business units must be valued at the lower of book value and fair value less costs to sell.

It is associated with risk to make the correct accounting assessment of the fair value at which the individual business units or assets may sell. Hence, there is a risk that book value may not reflect actual fair value less costs to sell.

Estimation uncertainty
Determination of the carrying amounts of certain assets and liabilities is on the basis of assessments, estimates and assumptions with respect to future events.

The estimates and assumptions applied are based on past experience and other factors, which are deemed reasonable by management in the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. Actual results may deviate from the estimates as a consequence of the risks and uncertainties to which DLH Group is exposed. Those risks to which DLH Group is particularly vulnerable are discussed in the management review on page 13 and in note 19 of the consolidated accounts.

The notes disclose assumptions about the future and other estimation uncertainties at the balance sheet date. The assumptions are disclosed where there is a considerable risk of changes that may lead to a significant adjustment in the carrying amounts of assets or liabilities within the next financial year.

Estimates may have to be changed as a result of changes in the circumstances on which they were originally based, or on account of new information or subsequent events.

The above mentioned risks and uncertainties materialised for DLH Group to a significant degree during the years of the financial crisis as DLH Group's markets and financing terms have changed substantially. This, in turn, has considerably increased the uncertainty surrounding the accounting estimates made. Significant reduction in turnover and contribution margins as well as the resulting organisational changes and the impact on the terms of bank loan agreements have called for considerable adjustments to previous estimates.

The estimation uncertainties that have the greatest impact on the affairs of the Group are outlined below. These include: the net realisable values of activities that are to be sold; the determination of liabilities relating to companies and activities that have been sold; the recoverable amount of goodwill; depreciation, amortisation and impairment losses on non-current assets; the measurement of inventories; trade receivables and deferred taxes; and loan agreements as a basis for using the going concern assumption in the presentation of the financial statements and recognition of debt as long-term.

The estimates and assessments represent management's best judgment and evaluation at the balance sheet date.

Financing
Until 31 March 2015, the Group's financing is based on an agreement with a bank consortium. With effect from 1 April 2015, the Group's financing is based on agreements with three banks. The agreements were entered into in March 2015. Access to these lines is related to certain financial targets that the Group must adhere to.

The safety margin between the financial covenant and the Group's operating and cash budgets, as agreed with the bank consortium, allows for minor deviations. Management takes the view that the agreed safety margins are sufficient to absorb probable deviations from the forecast with respect to turnover, contribution margins, cash flows and other important parameters.

It is the opinion of the Board of Directors and Executive Boards that the company's cash resources are adequate in the light of the agreed credit limits and covenant, and the budgets and plans for 2015.

Assets held for sale and discontinued operations
Since 2010, DLH has sold numerous business units. On 11 December 2013, the Board of Directors announced its intention to divest all operating units. The operating units are therefore now classified as assets held for sale.

The units must therefore be valued at the lower of book value and fair value less costs to sell. These values are difficult to assess and are therefore subject to uncertainty.

Assets held for sale are described in greater detail in note 3.

Notes

Note 2 Material accounting estimates and assessments (continued)

Provisions relating to divested activities and assets held for sale
The agreements on the sale of companies and activities include certain guarantees provided by DLH. In determining gains and losses related to these divestments, provisions were made for these guarantees based on management's assessment of associated risks. Management's estimates of these risks are subject to significant uncertainty.

Gains and losses on the sale of discontinued activities are described in greater detail in note 3.

The activities that the DLH Group is in the process of divesting include a number of contractual obligations that were loss-making at 31 December 2014, including lease agreements. These obligations are recognised as provisions or debt based on management's estimate of future net payments, which may be subject to considerable uncertainty.

Breakdown of accounting items into continuing and discontinued activities
Divested and discontinued activities are classified as discontinued activities in the income statement. In connection with the sale and disposal of companies and activities, it has also proved necessary to discontinue leases as well as functions and systems that are directly related to the servicing thereof. The breakdown into continuing and discontinued activities of income and expenses relating to these sales and service functions and systems is based on management estimates.

Please refer to note 3 for further details regarding discontinued activities.

Shares in subsidiaries
In the parent company, due to IFRS 5, shares in the subsidiaries must be recognised at the lower of cost and fair value less costs to sell. As further explained in the Management Review, the Board of Directors and Management are not in a position to determine the exact outcome of the sales processes and hence find it difficult to assess the value of shares in subsidiaries. Therefore, the value is subject to significant uncertainty.

Property, plant and equipment
For 2013 and 2014, IFRS determines that assets must be valued at the lower of cost and fair value less costs to sell. This involves uncertainty.

Inventories
The estimation uncertainty involving inventories relates to the write-down to the net realisable value.

The need to write down inventories increases with the time individual goods are kept in stock as a certain degree of commercial obsolescence is deemed to exist in old inventories.

Inventories are written down in accordance with the Group's general write-down policy, and are also subject to an assessment on an individual basis with a view to ascertaining potential losses due to obsolescence, poor quality and market trends.

A portion of the Group's recognised inventories consists of prepayments to suppliers. When determining the net realisable value of inventories, the need to write down prepayments is assessed where it is unlikely that the Group will derive benefit from the prepayments in the form of goods from suppliers.

Trade receivables
The estimation uncertainty involving trade receivables relates to write-downs to provide for losses. Write-downs are assessed on the basis of inability to pay. The need for a write-down is determined after deducting the portion of the receivables that is covered by credit insurance and other securities. In the assessment, customers' past history of payment as well as political, national and economic conditions in the customers' home countries also play an important part. If customers' capacity to pay is impaired, it may be necessary to make additional write-downs in future financial reporting periods.

Please refer to note 15 for details on the assessment of credit quality and the need to write down trade receivables.

Deferred tax
The Group recognises the value of tax losses carried forward where management estimates that the tax asset may be offset against future income for the foreseeable future.

Estimation of future earnings and thus taxable profits and possible changes to tax rules are subject to considerable uncertainty. A time frame of 5 years for capitalisation of deferred tax assets has been used as well as those strategic measures management has implemented. For further particulars on recognised tax assets please refer to note 14.

For 2013 and 2014 due to the decision to divest all business units, DLH has chosen not to recognise any tax assets in the parent company as it is currently uncertain whether DLH may be able to utilise the accumulated tax losses.

Significant uncertainty is also related to the recognition of the re-taxation liability in Denmark with regard to previously jointly taxed subsidiaries. Please refer to note 21 on contingent liabilities for details of this uncertainty.

Notes

Note 3 Discontinued operations and assets held for sale

In December 2013, the Board of Directors and Management concluded that the interests of the shareholders and employees would be best served by a disposal of the Group's companies and operations. The Board of Directors therefore decided that the company should explore the possibility of disposing of individual business areas with the aim of delivering the greatest possible cash proceeds to the company's shareholders. In 2014 the Group's activities in USA, Poland, Slovakia, Asia/Africa and its hardwood activities in Denmark were sold. In 2015, the strategy remains unchanged. Consequently, all companies and operations are classified as discontinued operations in the 2014 Annual Report. Only head office activities remain classified as continuing operations.

		Group		Parent company	
Note	**(DKK million)**	**2014**	**2013**	**2014**	**2013**
Income statement:					
4	Turnover	1,464.8	2,209.3	808.4	1,208.0
	Cost of sales	(1,338.6)	(1,973.3)	(738.4)	(1,103.2)
	Gross profit	126.2	236.0	70.0	104.8
	Other operating items, net	6.7	4.5	(3.8)	-
5	Other external expenses	(123.8)	(128.3)	(81.7)	(67.8)
6	Staff costs	(101.1)	(128.3)	(35.2)	(42.1)
	Operating profit before depreciation and amortisation (EBITDA)	**(92.0)**	**(16.1)**	**(50.7)**	**(5.1)**
11	Depreciation and amortisation	-	(11.3)	-	(3.0)
11,12	Impairment losses	(5.2)	(141.9)	(71.7)	(223.1)
	Operating profit/(loss) (EBIT)	**(97.2)**	**(169.3)**	**(122.4)**	**(231.2)**
	Financial items:				
	Financial income	0.1	1.0	-	-
	Financial expenses	(14.5)	(17.2)	(0.3)	(7.7)
	Profit/(loss) before tax (EBT)	**(111.6)**	**(185.5)**	**(122.7)**	**(238.9)**
9	Tax on profit for the year	0.1	(9.3)	-	-
	Profit for the year	**(111.5)**	**(194.8)**	**(122.7)**	**(238.9)**
	Profit on sale of discontinued operations	5.3	-	41.6	-
	Profit for the year on discontinued operations	**(106.2)**	**(194.8)**	**(81.1)**	**(238.9)**
10	**Earnings per share for discontinued operations:**				
	Earnings per share (EPS)	(1.99)	(3.65)		
	Earnings per share diluted (EPS-D)	(1.99)	(3.65)		
	Cash flow from discontinued operations, net:				
	Cash flow from operating activities	29.4	115.1	(23.8)	4.1
	Cash flow from investment activities	194.9	0.7	115.6	(3.4)
	Cash flow from financing activities	18.3	(55.6)	40.8	(26.5)
	Total	**242.6**	**60.2**	**132.6**	**(25.8)**

Notes

Note 3 Discontinued operations and assets held for sale (continued)

		Group		Parent company	
Note	**(DKK million)**	**2014**	**2013**	**2014**	**2013**
	Balance sheet:				
11	Tangible and intangible assets	28.1	74.4	1.2	2.3
12, 13	Other investments, securities and non-current assets	4.5	9.5	135.9	210.6
	Inventories	153.0	390.4	58.7	124.5
15	Trade receivables	54.0	219.0	13.4	108.2
	Other receivables	21.5	29.6	5.2	9.0
28	Cash	6.5	26.7	0.3	1.9
	Assets held for sale	**267.6**	**749.6**	**214.7**	**456.5**
19	Credit institutions	8.2	49.3	5.7	-
18	Provisions	30.6	29.4	26.6	21.2
	Trade and other payables	77.3	154.3	19.5	57.5
	Liabilities relating to assets held for sale	**116.1**	**233.0**	**51.8**	**78.7**

Notes

Note 4 Segment information

The DLH segments, for which financial reporting is compulsory, comprise four independent business areas: The Nordic Region, Western Europe, Central Europe & Russia and Global Sales. Each business area operates independently of the other business areas.

Sales regions
Within the three independent, geographical sales regions, DLH services its industrial and retail customers from its own warehouses. The majority of the turnover is generated in Europe. In 2014 the sales regions posted a turnover of DKK 912 million (2013: DKK 1,171 million) equating to 68% of the consolidated turnover in the four business areas.

Global Sales
Within the Global Sales business area, the Group employs its expertise within sourcing and logistics to enter into back-to-back contracts with major consignments of hardwood and sheet materials. Global Sales operates internationally. In 2014, Global Sales posted a turnover of DKK 422 million (2013: DKK 617 million) corresponding to 32% of the consolidated turnover in the four business areas.

Management reporting
Management assesses the operating results for the business segments separately in order to decide on the allocation of resources and to measure results. The segments' results are evaluated on the basis of the operating results which are calculated on the same basis as the consolidated accounts. Group financing (including financial income and expenses) and corporation tax are treated at Group level and not allocated to operational segments.

Cost allocation between the business segments is made on an individual basis with the addition of a few systematically allocated indirect costs. Other operating income is apportioned across the four business segments in accordance with the same principle.

NOA comprises assets directly linked to the segment, including intangible, tangible and financial assets, inventories, trade receivables and other receivables.

No single customer accounts for more than 10% of the turnover.

Geographical information
DLH operates mainly in Denmark, other Nordic countries, Western Europe, Central Europe, Russia and emerging markets (Far East, Middle East, South Africa and Eastern Europe).

With regard to presenting information relating to geographical areas, details on the breakdown of turnover and assets according to geographical segments is based on customers' geographical location.

With the divestments completed in the second half of 2014, the Group will reconsider its segments during 2015.

Notes

Note 4 Segment information (continued)

Activities

2014

(DKK million)	Nordic	Western Europe	Central Europe & Russia	Global Sales	Sum of regions	Other discon-tinued-opera-tions	Not allocated/ elimina-tions	Group elimina-tions	Discon-tinued opera-tions
Turnover	492.1	159.5	262.5	421.8	1,335.9	136.7	-	(7.8)	1,464.8
Intra-group turnover	(0.1)	(2.2)	(0.3)	-	(2.6)	(5.2)	-	7.8	-
Turnover to external customers	492.0	157.3	262.2	421.8	1,333.3	131.5	-	-	1,464.8
Operating profit (EBIT ex. impairm.)	(13.8)	(8.9)	3.6	(10.7)	(29.8)	(61.6)	(0.6)	-	(92.0)
NWC	117.0	51.9	15.0	11.7	195.6	3.0	(2.9)		195.7

2013

(DKK million)	Nordic	Western Europe	Central Europe & Russia	Global Sales	Sum of regions	Other discon-tinued-opera-tions	Not allocated/ elimina-tions	Group elimina-tions	Discon-tinued opera-tions
Turnover	606.7	236.3	332.0	617.4	1,792.4	427.6	-	(10.7)	2,209.3
Intra-group turnover	(0.4)	(2.4)	(0.8)	-	(3.6)	(7.1)	-	10.7	-
Turnover to external customers	606.3	233.9	331.2	617.4	1,788.8	420.5	-	-	2,209.3
Operating profit (EBIT ex. impairm.)	(6.1)	(2.9)	3.0	5.4	(0.6)	(29.0)	2.2	-	(27.4)
NWC	127.6	86.3	101.4	132.9	448.2	64.7	-	7.1	520.0

Geographical

(DKK million)	Turnover 2014	2013
Denmark	296.3	326.3
Sweden	166.9	251.8
Norway	28.8	28.2
France	157.3	233.9
Poland	154.6	174.1
Russia	80.4	118.8
Other Central/Eastern Europe	27.2	38.3
China	96.4	269.2
Vietnam	185.0	217.2
Other Global Sales markets	140.4	390.3
Other discontinued operations	131.5	161.2
Group Total	1,464.8	2,209.3

(DKK million)	Non-current assets 2014	2013
Denmark	2.3	6.0
Sweden	24.3	28.8
Poland	-	28.9
Other discontinued operations	7.6	22.3
Group Total	34.2	86.0

Notes

	Group		Parent company	
(DKK million)	**2014**	**2013**	**2014**	**2013**

Note 5 Other external expenses

Fees to auditors appointed at the annual general meeting:				
E&Y (2013: KPMG)				
Statutory audit	1.0	2.3	1.0	1.1
Audit-related services	0.2	0.2	0.2	0.2
Tax advisory services	0.2	0.6	0.2	0.3
Other services	0.3	0.5	0.3	0.4
	1.7	3.6	1.7	2.0
Other audit companies in subsidiaries				
Statutory audit	1.3			
Audit-related services	0.1			
Tax advisory services	0.3			
Other services	-			
	1.7			

Note 6 Staff costs

Salaries and wages	130.5	143.1	77.0	64.0
Defined contribution plans, cf. note 17	6.6	7.5	2.6	3.8
Defined benefit plans, cf. note 17	0.5	0.3	-	-
Other social security costs, net of refunds	13.6	17.2	0.3	0.4
	151.2	168.1	79.9	68.2
Total staff costs have been recognised under:				
Staff costs reg. purchase of supplies, Cost of sales, disctnd. operations	12.2	18.9	6.8	5.2
Staff costs, continuing operations	37.9	20.9	37.9	20.9
Staff costs, discontinued operations	101.1	128.3	35.2	42.1
	151.2	168.1	79.9	68.2
Number of emplyees on average for the year	335	473	98	144
Number of these employed in discontinued operations	324	456	87	127
Number of these employed in continuing operations	11	17	11	17

Remuneration to the Board of Directors, Executive Board and other executives:

	Group					
	2014			2013		
(DKK million)	**Board of Directors parent company**	**Executive Board of parent company**	**Other executives**	**Board of Directors parent company**	**Executive Board of parent company**	**Other executives**
Salaries	1.4	7.6	13.5	1.7	4.8	10.6
Bonus schemes	-	2.6	7.5	-	0.9	2.8
Pensions	-	-	0.4	-	-	0.4
	1.4	10.2	21.4	1.7	5.7	13.8

Notes

Note 6 Staff costs (continued)

Other executives comprise the Group Management excluding the Executive Board. These include 5 Executive Vice Presidents employed by the Parent Company or by their respective regions. A fee of DKK 0.2 million (2013: DKK 0.2 million) to the Audit Committee is included in the salaries to the Board of Directors of the parent company.

Salaries encompass fixed salary, car and other benefits. The salary for the Executive Board and one other executive include compensation for retention and non-resignation clauses during the divestment process as per announcement number 16/2013 dated 11 December 2013.

Individual members of Group Management may achieve an annual cash bonus of up to 30 % of the fixed based salary based on the most recently approved fixed salary. In certain situations considered appropriate by the Board of Directors to perform special tasks or where, in the opinion of the Board of Directors, a special effort is required, the Board of Directors has entered into other agreements with Group Management members that may result in payment of an additional bonus of up to one year's salary. These bonuses have particularly been used to secure Group Management's focus and commitment during the various divestment processes.

The Board of Directors has entered into agreements with selected members of Group Management that may result in a maximum of one year's salary based on the development in the company's share price as per announcement of 14 February, 2014.

Remuneration to the Board of Directors, Executive Board and other executives:

	Group					
	2014			2013		
(DKK million)	**Board of Directors parent company**	**Executive Board of parent company**	**Other executives**	**Board of Directors parent company**	**Executive Board of parent company**	**Other executives**
Provision for severance pay	-	7.6	3.6	-	-	-

With reference to announcement number 17/2014 dated 10 October 2014 in which it was announced that the Executive Board as well as some other Executives would leave the company on 30 April 2015 provisions were made for their dismissal in accordance with their contractual notice periods ranging from 12 to 18 months' salary. In summary total expense for the Executive Board was DKK 17.8 million (DKK 5.7 million in 2013) and for Other Executives DKK 25.0 million (DKK 13.8 million in 2013).

	Parent company					
	2014			2013		
(DKK million)	**Board of Directors parent company**	**Executive Board of parent company**	**Other executives**	**Board of Directors parent company**	**Executive Board of parent company**	**Other executives**
Salaries	1.4	7.6	9.7	1.7	4.8	8.8
Bonus schemes	-	2.6	4.5	-	0.9	1.9
Pensions	-	-	0.4	-	-	0.4
	1.4	10.2	14.6	1.7	5.7	11.1

	Parent company					
	2014			2013		
(DKK million)	**Board of Directors parent company**	**Executive Board of parent company**	**Other executives**	**Board of Directors parent company**	**Executive Board of parent company**	**Other executives**
Provision for severance pay	-	7.6	3.6	-	-	-

Notes

	Group		Parent company	
(DKK million)	**2014**	**2013**	**2014**	**2013**

Note 7 Financial income

Interest income, group enterprises	-	-	9.3	11.5
Interest income, cash etc.	0.8	0.1	0.8	0.1
Dividend from subsidiaries	-	-	64.5	11.5
	0.8	0.1	74.6	23.1
Interest from financial assets measured at amortised cost amounts to	1.0	0.1	10.3	11.6

Note 8 Financial expenses

Impairment losses on group enterprises			(4.2)	(10.6)
Interest expenses, group enterprises	-	-	(6.9)	(2.8)
Foreign currency losses	(4.5)	(0.8)	(4.5)	(4.1)
Interest expenses, credit institutions etc.	(16.7)	(19.7)	(16.2)	(19.7)
	(21.2)	(20.5)	(31.8)	(37.2)
Interest on financial liabilities measured at amortised cost amounts to	(16.7)	(18.3)	(23.1)	(21.1)

Note 9 Tax on profit for the year

Tax on profit for the year for total operations may be broken down as follows:				
Current tax	(1.0)	0.3	-	-
Deferred tax	1.1	(34.0)	-	(25.2)
Adjustment of tax for previous years	-	(0.8)	-	-
	0.1	(34.5)	-	(25.2)
Tax for the year may be broken down as follows:				
Continuing operations	-	(25.2)	-	(25.2)
Discontinued operations	0.1	(9.3)	-	-
	0.1	(34.5)	-	(25.2)
Computation of effective tax rate for total operations:				
Calculated 24.5% / 25% tax on pre-tax profit/(loss)	42.0	60.5	20.3	74.9
Deviation in foreign subsidiaries' tax rates compared to the Danish tax rate	1.5	0.8	-	-
Adjustment of non-capitalized tax losses	(44.2)	(94.6)	(19.9)	(100.1)
Tax effect of:				
Non-taxable income	(2.4)	(1.1)	(0.4)	-
Other non-tax deductible expenses	3.2	0.2	-	-
Tax adjustment relating to previous years	-	(0.3)	-	-
	0.1	(34.5)	0.0	(25.2)
Effective tax rate	0.1%	(14.3)%	0.0%	(8.4)%

Notes

Note 9 Tax on profit for the year (continued)

Tax of other comprehensive income:

	2014			2013		
(DKK million)	**Before tax**	**Tax income/ expense**	**After tax**	**Before tax**	**Tax income/ expense**	**After tax**
Group						
Foreign currency translation adjustments on conversion of foreign operations	1.1	-	1.1	(0.9)	-	(0.9)
Value adjustment on hedging instruments	(1.1)	-	(1.1)	1.7	-	1.7
Actuarial gains/(losses) on defined benefit plans	0.5	-	0.5	(1.0)	-	(1.0)
	0.5	-	0.5	(0.2)	-	(0.2)
Parent company						
Value adjustment on hedging instruments	(1.1)	-	(1.1)	1.7	-	1.7
	(1.1)	-	(1.1)	1.7	-	1.7

Since 2011 no tax on other comprehensive income was recognised in the parent company as it would presumably not be utilised within the foreseeable future.

	Group	
(DKK million)	**2014**	**2013**

Note 10 Earnings per share

Profit for the year	(171.3)	(276.5)
Profit for the year, discontinued operations	106.2	194.8
Profit for the year, continuing operations	(65.1)	(81.7)
(Number 1,000)		
Average number of shares issued	53,566	53,566
Average number of treasury shares	(182)	(182)
Average number of shares in issue	53,384	53,384
Average dilution effect on outstanding options	-	-
Average number of shares in issue after dilution	53,384	53,384
(DKK)		
Earnings per share (EPS) of DKK 5	(3.21)	(5.18)
Earnings per share diluted (EPS-D) of DKK 5	(3.21)	(5.18)
Earnings per share (EPS) of DKK 5 for continuing operations	(1.22)	(1.53)
Earnings per share diluted (EPS-D) of DKK 5 for continuing operations	(1.22)	(1.53)

Notes

Note 11 Intangible assets and property, plant and equipment

(DKK million)	Goodwill	Customer relations, trademarks and IT systems	Total intangible assets
Group			
Cost at 1 January 2013, continuing operations	172.4	40.8	213.2
Cost at 1 January 2013, discontinued operations	-	98.0	98.0
Foreign currency translation adjustment	(9.6)	(8.6)	(18.2)
Additions during the year	-	0.5	0.5
Disposals during the year	-	(11.9)	(11.9)
Cost at 31 December 2013	162.8	118.8	281.6
Depreciation, amortisation and impairment losses at 1 January 2013, continuing operations	23.6	34.8	58.4
Depreciation, amortisation and impairment losses at 1 January 2013, discontinued operations	-	98.0	98.0
Foreign currency translation adjustment	(2.5)	(8.3)	(10.8)
Depreciation and amortisation for the year	141.7	6.2	147.9
Reversal of depreciation and amortisation on assets sold	-	(11.9)	(11.9)
Depreciation, amortisation and impairment losses at 31 December 2013	162.8	118.8	281.6
Carrying amount at 31 December 2013	-	-	-
Carrying amount at 31 December 2014	-	-	-
Parent company			
Cost at 1 January 2013, continuing operations	5.9	39.1	45.0
Cost at 1 January 2013, discontinued operations	-	-	-
Additions during the year	-	0.3	0.3
Disposals during the year	-	(11.9)	(11.9)
Cost at 31 December 2013	5.9	27.5	33.4
Depreciation, amortisation and impairment losses at 1 January 2013, continuing operations	-	34.3	34.3
Depreciation and amortisation for the year	5.9	5.1	11.0
Depreciation, amortisation and impairment losses at 31 December 2013	5.9	27.5	33.4
Carrying amount at 31 December 2013	-	-	-
Carrying amount at 31 December 2014	-	-	-

Notes

Note 11 Intangible assets and property, plant and equipment (continued)

(DKK million)	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Total property, plant and equipment
Group				
Cost at 1 January 2013, continuing operations	96.3	3.6	37.7	137.6
Cost at 1 January 2013, discontinued operations	12.9	-	2.1	15.0
Foreign currency translation adjustment	(2.7)	(0.1)	(2.8)	(5.6)
Additions during the year	0.1	-	3.5	3.6
Disposals during the year	-	-	(2.7)	(2.7)
Cost at 31 December 2013	106.6	3.5	37.8	147.9
Depreciation, amortisation and impairment losses at 1 January 2013, continuing operations	33.9	3.3	29.3	66.5
Depreciation, amortisation and impairment losses at 1 January 2013, discontinued operations	0.2	-	1.9	2.1
Foreign currency translation adjustment	(0.4)	(0.2)	(2.3)	(2.9)
Depreciation and amortisation for the year	3.5	0.2	3.9	7.6
Reversal of depreciation and amortisation on assets sold	-	-	(1.9)	(1.9)
Depreciation, amortisation and impairment losses at 31 December 2013	37.2	3.3	30.9	71.4
Carrying amount at 31 December 2013	69.4	0.2	6.9	76.5
Carrying amount at 31 December 2013, continuing operations	0.1	-	2.0	2.1
Carrying amount at 31 December 2013, discontinued operations	69.3	0.2	4.9	74.4
Carrying amount at 31 December 2013, Total	69.4	0.2	6.9	76.5
Parent company				
Cost at 1 January 2013, continuing operations	5.4	0.0	8.8	14.2
Cost at 1 January 2013, discontinued operations	0.9	-	-	0.9
Additions during the year	0.1	-	1.9	2.0
Disposals during the year	-	-	-	-
Cost at 31 December 2013	6.4	0.0	10.7	17.1
Depreciation, amortisation and impairment losses at 1 January 2013, continuing operations	4.5	(0.0)	5.9	10.4
Depreciation, amortisation and impairment losses at 1 January 2013, discontinued operations	-	-	-	
Depreciation and amortisation for the year	0.5	-	1.8	2.3
Reversal of depreciation and amortisation on assets sold	-	-	-	-
Depreciation, amortisation and impairment losses at 31 December 2013	5.0	(0.0)	7.7	12.7
Carrying amount at 31 December 2013	1.4	0.0	3.0	4.4
Carrying amount at 31 December 2013, continuing operations	0.1	-	2.0	2.1
Carrying amount at 31 December 2013, discontinued operations	1.3	-	1.0	2.3
Carrying amount at 31 December 2013, Total	1.4	-	3.0	4.4

Decision to divest existing operational units was taken in December 2013. Depreciation on fixed assets for 2013 include 12 month.

Notes

Note 11 Intangible assets and property, plant and equipment (continued)

(DKK million)	Land and buildings	Plant and machinery	Fixtures and fittings, other plant and equipment	Total property, plant and equipment
Group				
Cost at 1 January 2014	106.6	3.5	37.8	147.9
Foreign currency translation adjustment	(3.3)	(0.3)	(1.9)	(5.5)
Additions during the year	0.3	0.1	0.3	0.7
Disposals during the year	(43.6)	(0.8)	(10.4)	(54.8)
Cost at 31 December 2014	60.0	2.5	25.8	88.3
Depreciation, amortisation and impairment losses at 1 January 2014	37.2	3.3	30.9	71.4
Foreign currency translation adjustment	(1.0)	(0.3)	(1.8)	(3.1)
Depreciation and amortisation for the year	-	-	0.7	0.7
Reversal of depreciation and amortisation on assets sold	(6.4)	(0.7)	(8.5)	(15.6)
Impairment	3.2	0.1	1.9	5.2
Depreciation, amortisation and impairment losses at 31 December 2014	33.0	2.4	23.2	58.6
Carrying amount at 31 December 2014	27.0	0.1	2.6	29.7
Carrying amount at 31 December 2014, continuing operations	0.1	-	1.5	1.6
Carrying amount at 31 December 2014, discontinued operations	26.9	0.1	1.1	28.1
Carrying amount at 31 December 2014, Total	27.0	0.1	2.6	29.7
Parent company				
Cost at 1 January 2014	6.4	0.0	10.7	17.1
Disposals during the year	-	-	(1.5)	(1.5)
Cost at 31 December 2014	6.4	0.0	9.2	15.6
Depreciation, amortisation and impairment losses at 1 January 2014,	5.0	(0.0)	7.7	12.7
Depreciation and amortisation for the year	-	-	0.7	0.7
Reversal of depreciation and amortisation on assets sold	-	-	(1.3)	(1.3)
Impairment	0.4	-	0.3	0.7
Depreciation, amortisation and impairment losses at 31 December 2014	5.4	(0.0)	7.4	12.8
Carrying amount at 31 December 2014	1.0	0.0	1.8	2.8
Carrying amount at 31 December 2014, continuing operations	0.1	-	1.5	1.6
Carrying amount at 31 December 2014, discontinued operations	0.9	0.0	0.3	1.2
Carrying amount at 31 December 2014, Total	1.0	0.0	1.8	2.8

Notes

Note 12 Investment in Group enterprises

(DKK million)	2014	2013
Parent company		
Cost at 1 January	771.8	783.0
Additions	1.1	1.7
Disposals	(28.4)	(12.9)
Cost at 31 December	744.5	771.8
Impairment losses at 1 January	564.9	352.2
Reversed	(23.6)	(12.8)
Additions	71.0	225.5
Impairment losses at 31 December	612.3	564.9
Carrying amount at 31 December	**132.2**	**206.9**

Investments in subsidiaries at 31 December 2014 and related impairment losses DKK 71.0 million (2013: DKK 225.5 million) are classified as discontinued operations.

Investments in subsidiaries at 31 December 2014 include the companies listed on page 67 under "Legal Structure".

These are valued at the lower of costs and fair value less costs to sell.

	Non-current		Current	
(DKK million)	2014	2013	2014	2013
Receivables from Group enterprises:				
Cost at 1 January	3.3	104.8	226.6	228.0
Foreign currency translation adjustment	-	(1.6)	0.9	(5.3)
Additions	-	-	0.6	12.0
Disposals	(3.3)	(1.3)	(76.3)	(106.7)
Reclassification	-	(98.6)	-	98.6
Cost at 31 December	-	3.3	151.8	226.6
Impairment losses at 1 January	-	-	136.2	125.9
Foreign currency translation adjustment			0.7	(2.0)
Reversed	-	-	(8.9)	(5.7)
Additions	-	-	13.0	18.0
Impairment losses at 31 December	-	-	141.0	136.2
Carrying amount at 31 December	**-**	**3.3**	**10.8**	**90.4**

Receivables from Group enterprises at 31 December 2014 and related impairment losses DKK 4.2 million (2013: DKK 10.3 million) are classified as continuing operations.

Notes

	Group		Parent company	
(DKK million)	**2014**	**2013**	**2014**	**2013**

Note 13 Other investments and securities

Carrying amount at 1 January and 31 December	**3.7**	**3.7**	**3.7**	**3.7**

Investments include a 5.6% ownership share in a Brazilian company that runs a teak forest. Investments have been measured at cost as there is no well-functioning market place for the shares. The carrying amount is classified as discontinued operations.

Carrying value of the group's forest project in Pataua, Brazil is DKK 0 million (2013: DKK 0 million).

	Group		Parent company	
(DKK million)	**2014**	**2013**	**2014**	**2013**

Note 14 Tax in the balance sheet

Income tax receivable / (income taxes due) :				
Tax receivable (income taxes due) at 1 January	-	6.3	-	-
Foreign currency translation adjustment	(0.2)	(0.2)	-	-
Current tax for the year	(1.0)	0.3	-	-
Adjustment of tax for previous years	-	(0.8)	-	-
Paid (refund of) income taxes for the year	1.2	(5.6)	-	-
Income tax receivable (income taxes due) at 31 December	-	-	-	-
Deferred tax, net asset/(net liability):				
Deferred tax 1 January	(2.3)	31.2	-	25.2
Foreign currency translation adjustment	(1.0)	0.5	-	-
Deferred tax for the year recognised in the profit for the year	1.1	(34.0)	-	(25.2)
Transferred to liabilities relating to assets held for sale	(0.9)	-	-	-
Deferred tax 31 December	(3.1)	(2.3)	-	-
Consists of:				
Deferred tax asset discontinued operations	0.7	5.8	-	-
Deferred tax (liability) discontinued operations	(3.8)	(8.1)	-	-
	(3.1)	(2.3)	-	-

Notes

	Group		Parent company	
(DKK million)	**2014**	**2013**	**2014**	**2013**
Note 14 Tax in the balance sheet (continued)				
Deferred tax relates to:				
Property, plant and equipment	(1.1)	(1.3)	-	-
Current assets	(2.7)	(3.9)	-	-
Provisions	-	0.3	-	-
Other liabilities	0.1	0.4	-	-
Tax losses carried forward (capitalised)	0.6	2.2	-	-
	(3.1)	(2.3)	-	-
Deferred tax assets not recognised in the balance sheet relate to:				
Temporary differences	16.1	19.2	16.1	24.8
Tax losses	193.4	169.0	132.2	128.8
	209.5	188.2	148.3	153.6

No provision is made for contingent tax relating to the retaxation liability in respect of the Brazilian subsidiary, please refer to note 21 on Contingent liabilities.

Deferred tax has been calculated at the rates applicable in the countries to which the tax relates.

Tax losses eligible to be carried forward have been recognised to the extent that they are expected to be capable of being off-set against future earnings.

	Group		Parent company	
(DKK million)	**2014**	**2013**	**2014**	**2013**
Note 15 Trade receivables				
Trade receivables				
Continuing operations	12.1	-	12.1	-
Discontinued operations	54.0	219.0	13.4	108.2
	66.1	219.0	25.5	108.2
Write-down included in the above receivables has developed as follows:				
Write-down at 1 January	11.2	12.0	7.2	7.3
Write-down for the year	13.9	3.5	10.3	1.8
Realised during the year	(2.5)	(0.8)	-	-
Reversed	(3.2)	(3.4)	(2.8)	(1.9)
Foreign currency translation adjustment	(0.2)	(0.1)	-	-
Write-down at 31 December	19.2	11.2	14.7	7.2

All write downs are recognised in profit and loss for discontinued operations.

Notes

Note 16 Equity

	Number of shares	Nominal value (DKK)	Nominal value per share
Share capital in the Group and in the parent company:			
DLH shares at 1 January and 31 December 2013 and 2014	53,566,497	267,832,485	5

	Number of shares		Nominal value (tDKK)		Percentage of share capital	
	2014	2013	2014	2013	2014	2013
Treasury shares:						
Treasury shares at 31 December	182,188	182,188	911	911	0.3%	0.3%

By authority granted by the General Meeting, a maximum of 10% of the share capital may be acquired. The authority was not exercised in 2014.

The implications of IFRS 5 as described on page 3 in this report have the technical impact that the parent company share capital has partly been lost. By end of 2014, the loss represents 69% of the share capital. It is expected that at the Annual General Meeting in April 2015, a reduction of the share capital will be suggested in order to cover the negative retained earnings.

Note 17 Pensions and similar liabilities

In respect of defined contribution plans DLH as the employer is obliged to make a certain contribution (i.e. a fixed amount or a fixed percentage of the salary). In respect of a defined contribution plan, the Group does not carry the risk of future developments in interest rates, inflation, mortality and disability.

In respect of defined benefit plans DLH as the employer is obliged to pay for a certain benefit (i.e. a retirement pension as a fixed amount or a fixed percentage of the final salary). In respect of a defined benefit plan the Group carries the risk of future developments in interest rates, inflation, mortality and disability.

The pension liability of the parent company and the other Danish entities is insured. The majority of the foreign entities' pension liabilities are also insured. In a few foreign entities in which the liabilities are not insured or only insured in part, the liability is recognised at the present value at the balance sheet date, based on an actuarial calculation. In the consolidated financial statements, DKK 1.4 million (2013: DKK 5.7 million) has been recognised under liabilities relating to the Group's commitments to existing and former employees after making a deduction for the corresponding pension plan assets.

(DKK million)	**2014**	**2013**
Defined contribution plans	6.6	7.5
Defined benefit plans	0.5	0.3
Total pension costs	**7.1**	**7.8**
Present value of defined benefit plans	8.8	13.3
Fair value of pension assets	(7.4)	(7.6)
Net liability recognised in the balance sheet	**1.4**	**5.7**

Defined benefit plans and similar liabilities relate to discontinuing operations on arrangements in Belgium only after repayment of the Swedish arrangement and no persons any longer covered by the Norwegian arrangement.

Notes

Note 18 Provisions

In 2012, the Group decided that it would vacate its head office during 2013 and may exercise an option to repurchase the property in September 2014 and thereafter sell off the property. Provision was made to cover the expected loss on this transaction. In 2014, an agreement was made with the counterparty to defer the repurchase decision until early 2015. In 2014, the provision on the expected transaction loss was reconsidered. Further provision was made to cover the costs for the sales period. Total provisions regarding the Group's previous head office amount to DKK 26.0 million. (2013: DKK 20.2 million).

In 2010, the Group made provisions totalling DKK 21.7 million to cover the costs of the restructuring measures implemented by the Group at that time. The remaining provisions and costs in 2014 related to this mainly concern liabilities regarding partly non-utilised leases in Denmark of DKK 5.3 million (2013: DKK 12.9 million).

The Group's Russian subsidiary might be subject to a tax audit in respect of the years 2012-2014. Due to uncertainties surrounding previous tax payments in Russia, the Group has decided to make provisions of DKK 1.1 million (2013: DKK 1.4 million) for potential additional tax payments.

	Group		Parent company	
(DKK million)	**2014**	**2013**	**2014**	**2013**
Provisions:				
Provisions at 1 January, continuing operations	8.6	22.3	8.6	14.9
Provisions at 1 January, discontinued operations	29.4	31.3	21.2	18.1
Provisions at 1 January, total	38.0	53.6	29.8	33.0
Foreign currency translations adjustments	(0.9)	(2.2)	-	-
Provisions made for the year	12.1	15.8	11.2	9.2
Paid costs	(12.3)	(22.6)	(8.1)	(12.4)
Reversed	-	(6.6)	-	-
Provisions at 31 December Total	**36.9**	**38.0**	**32.9**	**29.8**
Provision split at 31 December				
Continuing operations	6.3	8.6	6.3	8.6
Discontinued operations	30.6	29.4	26.6	21.2
Provisions at 31 December	**36.9**	**38.0**	**32.9**	**29.8**
The provisions are expected to fall due as:				
Current liabilities	33.9	32.1	29.9	23.9
Non-current liabilities	3.0	5.9	3.0	5.9
Provisions at 31 December	**36.9**	**38.0**	**32.9**	**29.8**

Notes

Note 19 Financial risk and financial instruments

The Group's risk management policy
DLH has identified all significant commercial risks that may affect turnover, earnings and the company's financial position. The Group's risk hedging has been determined accordingly. In 2014, there were no significant changes to the Group's risk exposure or management compared to last year until the divestments in October and November 2014. The divestments have reduced the Group's risk exposure.

Financial risks
Owing to the nature of its operations, investments and financing, the DLH Group is exposed to a number of financial risks, especially foreign exchange rates, interest rates and liquidity risks as well as the risk involved in granting credit to customers.

The DLH Group's financial risk management is partly decentralised. The general framework for the Group's financial risk management is laid down in the Group's foreign exchange, investment, financing and credit policies and comprises a description of approved financial instruments and risk framework.

It is the DLH Group's policy not to actively speculate in financial risks. Financial management is thus only concerned with the management and reduction of the financial risks that are a direct consequence of the DLH's Group's operations, investments and financing.

For a description of the accounting policies and methods applied, including recognition criteria and basis of measurement, please refer to the section on accounting policies in note 1.

Foreign currency risk
The DLH Group is exposed to foreign exchange fluctuations because the individual Group entities undertake purchasing and sales transactions and receivables and debt denominated in other currencies other than their own functional currency. The Group's most important currency exposure relates to USD. Owing to the pegging of the DKK to the EUR, there is no hedging of EUR against DKK.

The Group's foreign currency risk is hedged by matching income and expenses, receivables and commitments denominated in foreign currencies and by using derivative financial instruments. Future cash flows are only hedged when binding purchase or sales contracts have been concluded.

Goods purchased to keep in stock are for the most part hedged/translated into the functional currency on receipt of goods. With respect to goods sold, these are hedged once the customer has accepted the sales contract. Direct supplies are hedged when the purchasing and selling price has been fixed and the orders are confirmed.

DLH's net investments in foreign subsidiaries are not hedged.

Liquidity risks
The liquidity risk reflects the risk that DLH is not in a position to meet its commitments as a result of an inability to generate sufficient earnings, realise its assets or obtain the necessary financing. There is also a risk that financing may be raised on less favourable terms and/or at higher costs.

The Group's liquidity reserve consists of unused credit facilities with the Group's bankers and cash funds. The Group aims to have sufficient liquidity reserve to continue to operate appropriately in the event of unforeseen liquidity fluctuations.

Fair value
The carrying amount of financial assets and liabilities as at the end of 2014 corresponds in all material respect to the fair value at the balance sheet date.

Forward exchange contracts and interest rate swaps are valued in line with generally accepted valuation techniques based on relevant observable swap curves and exchange rates. All derivative financial instruments are covered by level two in the fair value hierarchy.

Interest rate risks
Due to its financing activities, the DLH Group is exposed to risk arising from fluctuations in the interest rate level in Denmark and abroad. The primary interest rate exposure is related to fluctuations in the short-term money market rates in the Group's functional currencies. The DLH Group's policy is to hedge the interest rate risk on loans when it deems that interest payments can be hedged at a satisfactory level. Hedging normally takes the form of concluding interest rate swaps where the loans carrying variable rates are converted to a fixed interest rate.

At year end 2014, DLH's net interest bearing debt amounted to DKK 12.5 million (2013: DKK 204.1 million). The debt is primarily denominated in EUR, DKK and USD. Loans denominated in foreign currencies are included in the Group's overall foreign exchange balancing and are therefore not an expression of the Group's foreign currency exposure. The gross interest bearing debt of DKK 19.0 million is variable interest rate debt (2013: DKK 210.8 million).

Notes

Note 19 Financial risk and financial instruments (continued)

To reduce the interest rate risk, the Group has outstanding interest rate swaps for an equivalent value of DKK 110.1 million at the balance sheet date (2013: DKK 147.4 million) with a weighted time to maturity of two months (2013: 11 months). DLH pays a fixed average interest rate of 0.7% (2013: 0.7%) and receives variable interest.

On an annual basis, a simultaneous interest rate rise of 1 percentage point on all loans in foreign currencies would reduce the Group's pre-tax profit/loss by approx. DKK 0.1 million (2013: DKK 0.6 million) and pre-tax equity would be reduced equally at the current level of activity and with the existing capital structure.

Capital management

At the end of 2014, DLH's equity ratio totalled 50.0% against 42.8% (45.3 % including the subordinated loan) in 2013. No target has been set for the Group's equity ratio, but the company deems the current capital structure appropriate in relation to DLH's risk profile and the changed strategy.

The technical impact of IFRS 5, as described on page 5 in this report, is that the parent company's share capital has partly been lost. By the end of 2014, the loss represents 69% of the share capital. At the Annual General Meeting in April 2015, a share capital reduction will be suggested in order to cover the negative retained earnings.

Capital base

In line with the previous year, a targeted reduction in the Group's net interest-bearing debt continued, which at the end of 2014 totals DKK 12.5 million (2013: DKK 204.1 million). The debt reduction is primarily driven by the disposal of non-strategic assets and by the reduction in working capital.

Financing package

In March 2014, the Group entered an agreement with a bank consortium consisting of the principal bankers Nordea Bank Danmark A/S, Danske Bank A/S and FIH Kapitalbank A/S. As at the end of 2014 this agreement incurs credit facilities of DKK 50 million.

The Groups existing financing package expires on 31 March 2015. DLH has received financing commitments from its main bankers, Nordea Bank Danmark A/S and Danske Bank A/S amounting to DKK 50 million to replace the existing facility. The new facility is an overdraft facility that will be gradually reduced and is set to be fully repaid by the end of 2015 with proceeds from divestments or reduction in net working capital. The financing package is backed by a collateral package with registered security in inventories and debtors.

The Group has also obtained a credit commitment from FIH Kapitalbank A/S to purchase its former head office building in Taastrup with a charge on the property and registered security in inventories and debtors.

General information about the financing package

The loans provided under the financing package described above are supported by a collateral package under which the Group has pledged shares in one of its major subsidiaries and registered security in inventories and debtors etc. in a number of companies. For the parent company, security has also been provided in intra-group balances of Group enterprises. The interest margin in the financing package is fixed.

In the light of the agreed credit limits, conditions, budgets and plans, it is the opinion of the Board of Directors and Executive Board that the company's liquidity resources are sufficient for the company's operations the financing package expires.

The Board of Directors and the Executive Board assess that the Group's capital structure is adequate.

Notes

Note 19 Financial risk and financial instruments (continued)

Financial instruments - carrying amount and contractual cash flow:

Group			**2014**			
(DKK million)	**Carrying amount**	**Contractual cash flows**	**Within one year**	**1-3 years**	**3-5 years**	**After 5 years**
Non-derivative financial instruments:						
Credit institutions	19.0	19.3	19.3	-	-	-
Trade payables	45.2	45.2	45.2	-	-	-
Derivative financial instruments:						
Forward exchange contracts used as hedges (net settlement)	5.3	5.3	5.3	-	-	-
Interest rate swaps	0.2	0.2	0.2		-	-
Total	**69.7**	**69.9**	**69.9**		**-**	**-**

Group			**2013**			
(DKK million)	**Carrying amount**	**Contractual cash flows**	**Within one year**	**1-3 years**	**3-5 years**	**After 5 years**
Non-derivative financial instruments:						
Credit institutions and subordinated loan capital	229.5	232.6	232.6	-	-	-
Trade payables	95.0	95.0	95.0	-	-	-
Derivative financial instruments:						
Forward exchange contracts used as hedges (net settlement)	(0.4)	(0.4)	(0.4)	-	-	-
Interest rate swaps	0.9	0.9	0.7	0.2	-	-
Total	**325.0**	**328.1**	**327.9**	**0.2**	**-**	**-**

Notes

Note 19 Financial risk and financial instruments (continued)

Parent company			**2014**			
(DKK million)	**Carrying amount**	**Contractual cash flows**	**Within one year**	**1-3 years**	**3-5 years**	**After 5 years**
Non-derivative financial instruments:						
Credit institutions	16.6	17.2	17.2	-	-	-
Trade payables	15.1	15.1	15.1	-	-	-
Payables to group enterprises	89.7	55.1	55.1	-	-	-
Derivative financial instruments:						
Forward exchange contracts used as hedges (net settlement)	5.3	5.3	5.3	-	-	-
Interest rate swaps	0.2	0.2	0.2	-	-	-
Total	**126.8**	**92.9**	**92.9**	**-**	**-**	**-**

Parent company			**2013**			
(DKK million)	**Carrying amount**	**Contractual cash flows**	**Within one year**	**1-3 years**	**3-5 years**	**After 5 years**
Non-derivative financial instruments:						
Credit institutions and subordinated loan capital	180.2	183.1	183.1	-	-	-
Trade payables	43.0	43.0	43.0	-	-	-
Payables to Group enterprises	125.2	133.2	129.5	3.7	-	-
Derivative financial instruments:						
Forward exchange contracts used as hedges (net settlement)	(0.4)	(0.4)	(0.4)	-	-	-
Interest rate swaps	0.9	0.9	0.7	0.2	-	-
Total	**348.9**	**359.8**	**355.9**	**3.9**	**-**	**-**

Financial guarantees in favour of the affiliated companies on top of the bank debt reflected in the balance sheet amount to DKK 41,7 million (2013: DKK 188,1 million) ref. Note 21.

Credit risk

Due to the nature of its operations and certain financing activities, the Group is exposed to credit risk. The Group's credit risk is primarily related to trade receivables and prepayments for goods.

Trade receivables

Trade receivables represent the second largest asset item on the balance sheet, amounting to DKK 66.1 million (2013: DKK 219.0 million). Credit is granted on the basis of a policy where, to a large extent, credit insurance is requested. Sales involving credit granted to customers, who cannot be insured, or where other security cannot be obtained, only take place after individual assessment.

The economic situation in a number of countries continues to keep the Group's credit risks at a relatively high level. The risk is partly reflected by the fact that credit insurers will reduce – and in the worst case scenario – terminate their insurance limits for insured customers and partly by the fact that the Group's own risk in relation to uninsured customers has increased.

Realised losses on debtors, including costs of credit insurance amount to DKK 17.6 million (2013: DKK 7.3 million) equating to 1.2% of turnover (2013: 0.3%). In 2014, net write-downs of DKK 10.7 million were reversed (2013: DKK 1.1 million).

At the balance sheet date, approximately 22% (2013: 56%) of the Group's trade receivables were covered by credit insurance or secured in other ways, i.e. by letters of credit or payment against documents. The Group's maximum risk on trade receivables was DKK 51.4 million excluding VAT at year end 2014 (2013: DKK 97 million). The maximum risk before security arrangements is DKK 85.3 million. (2013: DKK 230.3 million).

Notes

Note 19 Financial risk and financial instruments (continued)

Prepayments to suppliers

To secure supplies from Africa, South America and Eastern Europe, an important parameter is prepayments to suppliers. This carries an inherent risk of losses and requires tight control. Some of the prepayments, however, represent financing of already existing inventories with suppliers. At year end 2014, prepayments to suppliers totalled DKK 3.7 million (2013: DKK 28.9 million), which are only partly secured by pledges or in other ways. At the balance sheet date the risk profile was as shown below:

Group

	Trade receivables		Prepayments	
(DKK million)	**2014**	**2013**	**2014**	**2013**
Credit risk:				
Nominal value	85.3	230.3	12.8	38.3
Write-down	(19.2)	(11.2)	(9.1)	(9.4)
Carrying amount	66.1	219.0	3.7	28.9
Less credit insurance, net	(4.2)	(53.0)	-	-
Less other security	(10.5)	(69.0)	-	-
Maximum credit risk	51.4	97.0	3.7	28.9

Prepayments are to some extent secured by collateral in the production plant and moveable property.

Breakdown of trade receivables in terms of creditworthiness (DKK million):	**2014**	**2013**
Denmark	10.1	19.0
Remainder of Scandinavia	22.3	32.8
Western Europe	12.9	53.4
Eastern Europa	7.6	30.9
North America	0.1	7.9
Africa	0.5	9.9
Asia	1.2	62.8
Other regions	11.6	2.4
Total	66.1	219.0

As at 31 December 2014 and 2013, overdue not impaired receivables were insignificant.

Out of the trade receivables that were overdue at the balance sheet date DKK 41.7 million (2013: DKK 79.6), DKK 11.7 million (2013: DKK 39.9 million) was covered by credit insurance or hedged in other ways, for instance by letters of credit or similar trade financing.

Notes

Note 19 Financial risk and financial instruments (continued)

At the balance sheet date the risk profile was as shown below:

Parent company

	Trade receivables		Prepayments	
(DKK million)	**2014**	**2013**	**2014**	**2013**
Credit risk:				
Nominal value	40.2	115.4	7.2	23.0
Write-down	(14.7)	(7.2)	(5.2)	(2.4)
Carrying amount	25.5	108.2	2.0	20.6
Less credit insurance, net	(4.1)	(15.2)	-	-
Less other security	(10.5)	(58.8)	-	-
Maximum credit risk	10.9	34.2	2.0	20.6

Prepayments are to some extent secured by collateral in the production plant and moveable property.

Breakdown of trade receivables in terms of creditworthiness (DKK million):	**2014**	**2013**
Denmark	10.1	19.0
Remainder of Scandinavia	0.1	0.1
Western Europe	0.1	3.8
Eastern Europa	2.4	4.2
North America	0.1	7.9
Africa	0.1	9.4
Asia	1.2	61.4
Other regions	11.6	2.4
Total	25.5	108.2

As at 31 December 2014 and 2013, overdue not impaired receivables were insignificant.

Out of the trade receivables that were overdue at the balance sheet date DKK 29.0 million (2013: 43.8 million), DKK 11.6 million (2013: DKK 22.3 million) was covered by credit insurance or hedged in other ways, i.e. by letters of credit or similar trade financing.

Hedge accounting

The Group uses interest rate swaps and forward contracts to hedge the financial risks relating to both financial instruments and the Group's operations. It is the Group's policy not to actively speculate in financial risk. The Group's financial management is thus only concerned with managing and reducing the financial risks, which are a direct consequence of the Group's operations, investments and financing. For further information about the Group's risk management, please see above.

As mentioned in the section on Accounting Policies (note 1) hedging of foreign exchange rate fluctuations related to financial instruments and non-financial assets are undertaken as cash flow hedges.

Cash flow hedge

The Group applies interest rate and foreign exchange rate swaps as well as forward exchange rate contracts to hedge the Group's risks related to fluctuations in cash flow as a result of fluctuating interest rates and foreign exchange rates. As in 2013, the Group only used derivatives to hedge foreign exchange risks and interest rate risks.

The effective part of the fair values of outstanding forward exchange contracts and interest rate swaps at 31 December, which qualify and are used as hedging instruments for future transactions, are recognised directly in equity until the hedged transactions are recognised in the income statement. Notional principal amounts for foreign currency risks (USD), which are recognised in the equity are DKK 0.0 million (2013: DKK 54.5 million) and for interest rate risks the notional principal amount amounts to DKK 110.1 million (2013: DKK 147.4 million). As at 31 December, DKK 0.0 million was recognised in the equity (2013: DKK 1.8 million) in respect of foreign currency hedging and negative DKK 0.2 million (2013: DKK negative 0.9 million) in respect of interest rate hedging.

The income statement for 2014 was affected by inefficiencies relating to foreign currency hedging in respect of sales and purchases in the amount of DKK negative 4.3 million (2013: DKK 0.8 million).

The above financial data are shown as a total of continuing and discontinued operations.

Notes

Note 20 Assets charged and collateral

Collateral

The following assets are collateral for the Group's debt to credit institutions:

Legal entity	**Collateral**	**Registered amount (DKK million)**
Dalhoff Larsen & Horneman A/S, Taastrup, Denmark	Company charge	315
DLH France S.A.S., Nantes, France	Shares charged	-
DLH Sverige AB, Hässleholm, Sweden	Company charge	174

The assets have been charged as collateral for debt to the bank consortium. Debt to the bank consortium as at 31 December 2014 amounted to DKK 19.0 million (2013: DKK 211 million). Collateral for debt to credit institutions was registered in an amount totalling DKK 489 million (2013: DKK 575 million).

Note 21 Contingent liabilities and leasing commitments

	Group		**Parent company**	
(DKK million)	**2014**	**2013**	**2014**	**2013**
Deferred tax provision is not made in the balance sheet in respect of contingent tax relating to the re-taxation liability arising in respect of the "shadow-taxed" Brazilian subsidiary as the Group has taken precautions that prevent the deferred tax from crystallising.	80.5	80.5	-	80.5
Guarantee commitments in favour of Group enterprises in addition to the bank loans stated in the balance sheet, maximum	-	-	41.7	188.1
Guarantee commitments in favour of others, maximum	14.4	26.9	14.4	26.9
Guarantee commitments in favour of others are split as follows				
Discontinued operations	14.4	26.9	14.4	26.9
Continuing operations	-	-	-	-

According to Russian legislation and practice DLH is obliged to conduct and document certain background checks before trading with suppliers. Due to existing practice of the Russian tax authorities, if these suppliers' tax compliance is challenged and the supplier is categorised as a "bad faith supplier", this may result in tax risks for DLH. Management believes that it is not practicable to estimate the financial effect of potential tax liabilities, which ultimately could be imposed on DLH due to transactions with "bad faith suppliers", if any. However, if such liabilities were imposed the amount involved, including penalties and interest, could be material. In March 2015, the disposal of the Group's subsidiary in Russia was announced. Subject to final closing of this transaction, the above risk is permanently eliminated.

Notes

Note 21 Contingent liabilities and leasing commitments (continued)

Contractual obligations:

2014	**Time to maturity (years)**	**Nominal value of leasing commitments (DKK million)**
The parent company and the Group enterprises have concluded operating leases of real estate:		
Warehousing facilities and administration, Kolding, Denmark	1	6.9
Administration, Denmark	5	3.8
Warehousing facilities and administration, Nantes, France	1	0.4
Warehousing facilities and administration, various locations in Russia	1	0.9
Warehousing facilities and administration, Prague, Czech Republic	0	0.3
The operating leases of real estate are split as follows		
Discontinued operations	1	8.5
Continuing operations	5	3.8

In 2007 DLH entered an operational lease agreement concerning its head quarter in Taastrup. The agreement expires in 2027. DLH has left the buildings in autumn 2013. As annonuced in March 2015, the Group has decided after the balance sheet date, to exercise an option to repurchase the property at DKK 54 mio. as per the initial agreement and thereafter sell off the property. The expected loss on this transaction was expensed in the 2014 financial statements. If the lease agreement had continued unchanged until maturity in 2027, the nominal leasing commitment would have amounted to DKK 57.7 million.

In addition, frame agreements have been concluded for operating leases in respect of passenger cars in the parent company. The agreements were concluded on ordinary market terms.

The present value of all leasing commitments amounts to DKK 13.7 million (2013: DKK 43.2 million).

Notes

Note 21 Contingent liabilities and leasing commitments (continued)

2014	Group				Parent company			
(DKK million)	**0-1 year**	**1-5 years**	**>5 years**	**Total**	**0-1 year**	**1-5 years**	**>5 years**	**Total**
Commitment under operating lease, nominal value falling due:								
Properties	7.6	4.7	-	12.3	6.0	4.7	-	10.7
Passenger cars and vans	1.8	0.4	-	2.3	0.5	-	-	0.5
Other commitments	0.0	-	-	-	-	-	-	-
Total	9.5	5.1	-	14.6	6.5	4.7	-	11.2
The total commitments are split as follows								
Discontinued business	8.7	2.1	-	10.8	5.7	1.7	-	7.4
Continued business	0.8	3.0	-	3.8	0.8	3.0	-	3.8

2013	Group				Parent company			
(DKK million)	**0-1 year**	**1-5 years**	**>5 years**	**Total**	**0-1 year**	**1-5 years**	**>5 years**	**Total**
Commitment under operating lease, nominal value falling due:								
Properties	20.5	21.2	0.2	41.9	7.4	5.7	0.3	13.4
Passenger cars and vans	1.9	0.7	-	2.6	0.6	-	-	0.6
Other commitments	-	-	-	-	-	-	-	-
Total	22.4	21.9	0.2	44.5	8.0	5.7	0.3	14.0
The total commitments are split as follows								
Discontinued business	21.7	18.9	-	40.6	7.3	2.8	-	10.1
Continued business	0.7	3.0	0.2	3.9	0.7	3.0	0.2	3.9

Notes

Note 22 Related parties

Related parties with controlling influence
DLH has no related parties with controlling influence.

Related parties with significant influence
Related parties with significant influence comprise the company's Board of Directors, Executive Board and Group enterprises as outlined in the Group legal structure on page 67.

Related parties with significant influence also comprise DLH-Fonden, Amerika Plads 37, 2100 Copenhagen O, which owns 19.1% of the DLH shares and has the right to appoint one member of the Board of Directors.

Please also refer to the section of Shareholder Information on pages 8-9.

Transactions with related parties

The Group:
With the exception of intra-group transactions, which are eliminated in the Consolidated Accounts, and the customary management remuneration, no transactions were carried out during the year with members of the Board of Directors, the Executive Board, major shareholders or group enterprises.

Please refer to pages 10-11, where the positions of trust held by members of the Board of Directors and Executive Board are detailed.

Parent company:
The parent company has made long-term loans to, has receivables from and payables to, Group enterprises.

(DKK million)	2014	2013
Long-term loans	0.0	3.3
Receivables	10.8	90.4
Liabilities	89.7	109.1

As at the balance sheet date, interest-bearing receivables carry interest at rates between 6.7% and 14.7%, and interest-bearing liabilities carry interest between 4.0% and 5.7% per annum depending on the currency. Interest rates are fixed on the basis of the company's own interest rate arrangements with the bank.

Interest relating to Group enterprises are stated in Notes 7 and 8.

The parent company received DKK 64.5 million in dividend from the subsidiaries in 2014 (2013: DKK 11.5 million).

The parent company has provided guarantees for Group enterprises' bank loans, cf. Note 21.

Apart from this, no transactions were carried out during the year with members of the Board of Directors, the Executive Board, Senior Executives, major shareholders or other related parties.

Notes

Note 23 Events occurring after the end of the financial year

On 30 December 2014, the Group announced the disposal of its land in Gadstrup near Roskilde with proceeds of approximately DKK 7 million. Registration of the deed and payment from the buyer took place in 2015, when also the transaction is therefore recognised.

In March 2015, the Group announced the disposal of its Russian and Brazilian companies at DKK 4 million and DKK 2 million respectively.

In March 2015, the Group announced its decision to utilise its option in the operational lease agreement entered into in 2007 to repurchase its former head office in Taastrup, Denmark at DKK 54 million. At the time of purchase, the property will be recognised in the balance sheet at fair value less costs to sell. Management assesses a value of DKK 33 million after taking into account provisions made as detailed in note 18 of this report.

The Group entered into an amended bank agreement early in 2015. Reference is made to note 19.

Apart from that, no significant events influencing the financial statements have occurred since 31 December 2014.

Note 24 New accounting standards

IASB has issued a number of new standards and contributions to interpretations which are not mandatory for Dalhoff Larsen & Horneman A/S.

The adopted standards not yet entered into force will be implemented as they become mandatory for Dalhoff Larsen & Horneman A/S.
None of them is expected to impact significantly on the presentation of accounts for Dalhoff Larsen & Horneman A/S.

Note 25 Non-cash operating items etc.

		Group		Parent company	
Note	**(DKK million)**	**2014**	**2013**	**2014**	**2013**
11	Depreciation, amortisation and impairment losses	0.7	2.5	0.7	12.8
	Other non-cash operating items, net	0.0	0.3	(0.4)	0.2
	Provisions/(reversals)	(2.3)	(5.3)	(2.3)	(5.4)
7	Financial income	(0.8)	(0.1)	(74.6)	(23.1)
8	Financial expenses	21.2	20.5	31.8	37.2
	Non-cash operating items etc. total	**18.8**	**17.9**	**(44.8)**	**21.7**

Note 26 Change in working capital

		Group		Parent company	
Note	**(DKK million)**	**2014**	**2013**	**2014**	**2013**
	Trade receivables	(12.1)	0.0	(12.1)	0.0
	Trade and other payables	14.4	(2.1)	14.4	(2.1)
	Other operating debt, net	(20.4)	2.2	(20.4)	2.2
	Change in working capital total	**(18.1)**	**0.1**	**(18.1)**	**0.1**

Note 27 Cash

		Group		Parent company	
Note	**(DKK million)**	**2014**	**2013**	**2014**	**2013**
3	Cash classified as assets held for sale	6.5	26.7	0.3	1.9
	Cash total	**6.5**	**26.7**	**0.3**	**1.9**

CASH GENERATION OF CLOSE TO mDKK 200 FROM DIVESTMENTS / FINANCIAL HIGHLIGHTS / FINANCIAL REVIEW / THE BUSINESS AREAS / SHAREHOLDER INFORMATION

Legal structure at 31 December 2014

DLH GROUP

	Country	Currency	Share capital	Share of ownership
Company name				
Dalhoff Larsen & Horneman A/S, Copenhagen	**Denmark**	**DKK**	**267.8 million**	
Nordic Region				
DLH Sverige AB, Hässleholm	Sweden	SEK	5.0 million	100%
DLH Norge AS, Frogner	Norway	NOK	0.56 million	100%
DLH Lietuva, UAB, Vilnius	Lithuania	LTL	0.2 million	100%
Central & Eastern Europe				
DLH Nordisk Sp. Z o.o., Karlino	Poland	PLN	16 million	100%
DLH Czech, s.r.o., Prague	Czech Republic	CZK	50.2 million	100%
DP II Bohmans-KU, Kiev	Ukraine	USD	0.206 million	100%
OOO Bohmans, Khimki	Russia	RUB	80.05 million	100%
Western Europe				
DLH France SAS, Frontignan	France	EUR	0.75 million	100%
Indufor N.V. Antwerp	Belgium	EUR	2.5 million	100%
DLH Nederland B.V., Baarn	Netherlands	EUR	2.0 million	100%
USA				
DLH Nordisk, Inc., Greensboro	USA	USD	0.05 million	100%
Global Sales and Global Sourcing				
Indochina Wood Limited, Tortola	Virgin Islands	USD	0.05 million	100%
DLH (Vietnam) Co., Ltd., Ho Chi Minh City*	Vietnam	USD	0.5 million	100%
DLH Côte d'Ivoire S.A., Abidjan	Ivory Coast	XOF	150 million	100%
DLH-Kinshasa sprl, Congo-Kinshasa	Congo-Kinshasa (DRC)	CDF	60 million	100%
Nordisk Timber Ltda., Belém	Brazil	BRL	33.1 million	100%
DLH Guyana, Inc., Georgetown - E.C.D.	Guyana	GYD	0.5 million	100%

* Shares transacted in connection with the sales of Global Sales Asia to JAF Group GmbH and are waiting the approval of the Vietnamese authorities to be transferred to the acquirer.