

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

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

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

Announcement No 6
page 1 of 19
date 28 May 2015
ref. SRL/IK/ls

Half-year Report as at 31 March 2015

The Supervisory Board of Investeringsselskabet Luxor A/S has today adopted the Half-year Report as at 31 March 2015.

Second quarter of the financial year:

- Basic earnings amount to DKK 6.3 million (DKK 0.6 million), which is higher than expected. The improvement is primarily attributable to an increase of net financial income of DKK 1.5 million and an improvement of net loss/gain on mortgage deeds of DKK 0.3 million. In comparison, basic earnings for the first quarter of the financial year amounted to DKK 4.5 million.
- The Group's results before tax show a profit of DKK 8.6 million (DKK 2.5 million). The results are influenced by positive fair value adjustments on bonds of DKK 46.9 million, realised losses on bonds of DKK 12.4 million and negative fair value adjustments of debt to credit institutions, mortgage credit loans and interest swaps of DKK 30.8 million, primarily as a consequence of hedged USD movements. In comparison, results before tax for the first quarter of the financial year showed a loss of DKK 13.3 million.

Half-year, first - second quarters 2014/15:

- Basic earnings for the half-year increased from DKK 3.3 million to DKK 10.8 million. The increase is primarily attributable to an improvement of losses and fair value adjustment of credit risk on mortgage deeds of DKK 2.5 million and an increase of net financial income of DKK 4.6 million.
- The Group's results before tax for the half-year show a loss of DKK 4.6 million (DKK 7.1 million).
- The net asset value per share in circulation is DKK 359.07 (DKK 406.99) after distribution of DKK 50.00 per share.

Expected profit for the year 2014/15

- The expected profit for the year before tax is adjusted to DKK 5.0 - 9.0 million compared with previously DKK 2.0 - 6.0 million. The expected profit for the year includes basic earnings of an unchanged DKK 17.0 - 21.0 million.

Change in Company Management

The Supervisory Board has decided to appoint Jannik Rolf Larsen, Manager, as a member of the Executive Board as at 1 June 2015. At the same time, Jannik Rolf Larsen resigns from the Supervisory Board, see page 8.

This Half-year Report includes:

- Financial Highlights of the Group
- Half-year Report
- Management's Statement
- Consolidated Statement of Comprehensive Income for the Period 1 October 2014 - 31 March 2015
- Consolidated Balance Sheet at 31 March 2015
- Statement of Changes in Equity
- Cash Flow Statement
- Segment Information
- Significant Notes

For additional information concerning this Half-year Report, please contact the undersigned.

Yours faithfully
Investeringsselskabet Luxor A/S

Svend Rolf Larsen
CEO

FINANCIAL HIGHLIGHTS OF THE GROUP

	<u>OCTOBER - MARCH</u>			
<u>DKK million</u>	<u>2014/15</u> <u>half-year</u>	<u>2013/14</u> <u>half-year</u>	<u>2012/13</u> <u>half-year</u>	<u>2013/14</u> <u>full year</u>
<u>Key figures</u>				
Income.....	17.3	30.7	29.2	59.9
Gross earnings.....	42.9	18.6	16.9	60.4
Profit/loss before tax	-4.6	7.1	5.5	15.0
Net profit/loss for the period	-3.7	5.4	4.1	11.1
Basic earnings	10.8	3.3	0.3	13.8
Assets	913.2	840.4	734.3	888.2
Equity	359.1	407.0	401.4	412.8
Investment in property, plant and equipment.....	0.1	0.0	0.2	0.0
Profit/loss for analytical purposes:				
Net profit/loss for the period (after tax)	<u>-3.7</u>	<u>5.4</u>	<u>4.1</u>	<u>11.1</u>
<u>Ratios</u>				
<u>Values per DKK 100 share</u>				
Earnings per share (EPS) (DKK)	-3.70	5.37	4.10	11.15
Net asset value per share in circulation (DKK)	359.07	406.99	401.39	412.78
Return on equity in percentage p.a.....	-1.92	2.64	2.05	2.72
Equity share in percentage	39.32	48.43	54.67	46.47
<u>Share capital</u>				
Nominal share capital, end of period (DKK million)	100.0	100.0	100.0	100.0
Number of shares in circulation (DKK million).....	100.0	100.0	100.0	100.0
Official price on the Stock Exchange per DKK 100 share:				
Lowest.....	261	216	185	216
Highest	362	240	203	264
End of period.....	310	240	188	264
Volume of trade on the Stock Exchange, number of shares	6,070	10,633	6,177	20,679
Listed on the Stock Exchange, number of shares	825,000	825,000	825,000	825,000

The key figures have been calculated in accordance with "Recommendations and key figures 2015" issued by the Danish Society of Financial Analysts. EPS and diluted EPS are in accordance with IAS 33.

HALF-YEAR REPORT

The Group's results before tax show a loss of DKK 4.6 million against a profit of DKK 7.1 million in the previous year. After recognition of tax for the period of DKK -0.9 million (DKK 1.7 million), the results for the period after tax show a loss of DKK 3.7 million (DKK 5.4 million).

Exclusive of fair value adjustments of securities, foreign exchange movements, realised gains on securities and gain on the sale of properties held for resale, basic earnings before tax for the half-year amount to DKK 10.8 million (DKK 3.3 million), which is higher than assumed in the stock exchange announcement of 24 February 2015.

Compared with the same period last year, basic earnings have improved by DKK 7.5 million, which is primarily attributable to an increase of net financial income of DKK 4.6 million and an improvement in losses and fair value adjustment of credit risk on mortgage deeds of DKK 2.5 million. Compared with the first quarter of the financial year, basic earnings have increased by DKK 1.8 million, primarily as a result of an increase of net financial income of DKK 1.5 million and an improvement of net loss/gain on mortgage deeds of DKK 0.3 million.

Expected basic earnings for the full financial year are maintained in the range of DKK 17.0 - 21.0 million.

The Group's profit for the half-year is in line with the expectations in the stock exchange announcement of 24 February 2015. The expected profit for the year before tax is adjusted to DKK 5.0 - 9.0 million against previously DKK 2.0 - 6.0 million.

The Group's balance sheet, which compared with the same time last year has increased from DKK 840.4 million to DKK 913.2 million, includes the following business areas:

	<u>2014/15</u> <u>DKK million</u>	<u>2013/14</u> <u>DKK million</u>
Mortgage deeds.....	431.9	329.1
Bonds	234.4	251.3
Shares.....	<u>1.7</u>	<u>0.0</u>
Total securities.....	668.0	580.4
Investment properties.....	<u>180.1</u>	<u>179.7</u>
 Total.....	 <u>848.1</u>	 <u>760.1</u>

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

Mortgage deeds

The fair value of the Group's portfolio of mortgage deeds amounts to DKK 431.9 million (DKK 329.1 million).

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

	<u>2014/15</u> DKK million	<u>2013/14</u> DKK million
Interest income	14.5	11.2
Capital gains, mortgage deeds	1.0	0.3
Fair value adjustment	<u>1.4</u>	<u>1.2</u>
Gross return.....	16.9	12.7
Realised and unrealised losses on mortgage deeds, bad debts recovered and gain on sale of properties acquired for the purpose of resale.....	 <u>-4.5</u>	 <u>-7.1</u>
	<u>12.4</u>	<u>5.6</u>

The Group's portfolio of mortgage deeds is distributed with DKK 287.8 million (DKK 207.4 million) fixed-interest mortgage deeds and DKK 144.1 million (DKK 121.7 million) floating-rate cibor mortgage deeds.

A significant part of the Group's portfolio of mortgage deeds is still placed in detached houses, freehold flats and summer houses with an average market value per mortgage deed of kDKK 304.2 (kDKK 311.3).

Fixed-interest mortgage deeds and cibor mortgage deeds are measured at fair value. Irrespective of the term to maturity and the present market rate for new mortgage deeds of approx. 7.5% - 9.0% p.a. (7.5% - 9.5% p.a.), the Group's portfolio of fixed-interest mortgage deeds is measured at fair value on the basis of an average effective interest rate of 8.5% p.a. (8.5% p.a.). Fair value adjustment of mortgage deeds is a positive DKK 1.4 million (DKK 1.2 million).

Net loss/gain and direct expenses amount to DKK -4.7 million (DKK -7.2 million). The item includes an improvement of adjustment to meet the credit risk on mortgage deeds by DKK 0.8 million (DKK 3.1 million), after which the total fair value adjustment of the credit risk on mortgage deeds amounts to DKK 16.8 million (DKK 21.7 million) corresponding to 3.8% (6.2%) of the portfolio. Bad debts recovered amount to DKK 1.1 million (DKK 0.6 million). Gain on sale of properties acquired for the purpose of resale amounts to DKK 0.6 million (DKK 2.1 million), and provisions for losses on properties acquired for the purpose of resale of DKK 2.2 million (DKK 1.7 million) have been reversed. Properties acquired for the purpose of resale have been purchased to secure loans granted by the Group.

Net loss on mortgage deeds for the quarter is lower than expected, and net loss/gain on mortgage deeds for the half-year is in line with expectations.

After the end of the quarter, the Group has entered into an agreement concerning the purchase of a mortgage deed portfolio managed for a third party; consequently, income from the management is no longer included in the item other income.

The purchase supports the Company's strategy of a continued increase of the mortgage deed portfolio.

Bonds

The fair value of the Group's portfolio of bonds amounts to DKK 234.4 million (DKK 251.3 million).

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

	<u>2014/15</u> <u>DKK million</u>	<u>2013/14</u> <u>DKK million</u>
Interest income	9.3	7.7
Realised capital gains on bonds (including foreign exchange)	-10.1	2.9
Fair value adjustment	<u>32.0</u>	<u>-2.0</u>
	<u>31.2</u>	<u>8.6</u>

Realised losses on bonds include a realised exchange gain of DKK 6.6 million (DKK -1.6 million).

Fair value adjustments include an unrealised exchange gain of DKK 26.1 million (DKK -2.4 million) as well as reversed fair value adjustment of bonds sold in the financial period of DKK 13.0 million (DKK -2.7 million).

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

The financial period saw an increase in the yield spread to government bonds, which resulted in a negative fair value adjustment excluding foreign exchange and reversed write-downs on the sale of bonds.

At 31 March 2015, the portfolio of bonds comprises a total negative fair value adjustment and expected gains on redemptions of up to approx. DKK 7.9 million excluding foreign exchange (approx. DKK 16.6 million excluding foreign exchange), which is expected counterbalanced over the period to maturity of the bonds until 2022/23. The portfolio of bonds is characterised by an over-weight of bonds with a relatively short to medium term to maturity and an average Macaulay duration of approx. 4.2 years (approx. 4.1 years).

Since the closing of the financial period and until 20 May 2015, the Group has seen negative fair value adjustments of bonds of DKK 6.8 million and a realised gain of DKK 3.7 million. The fair value adjustments and realised gain include an exchange loss of DKK 5.8 million. The portfolio of bonds has been hedged with regard to currency fluctuations.

Shares

The fair value of the Group's portfolio of shares amounts to DKK 1.7 million (DKK 0.0 million). The shares were received in connection with a reconstruction of a bond issuer where the Group's portfolio of bonds was converted into shares.

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

Thus, the authority is not an authority to buy shares and build up a share portfolio.

Pursuant to the Danish Act on Alternative Investment Fund Managers, the Parent Company is permitted to invest in mortgage deeds, bonds and properties. According to section 15 of the Act, the Parent Company has requested the Danish Financial Supervisory Authority to grant an exemption in respect of the management of shares received in connection with a corporate bond in the portfolio being wholly or partly converted into shares.

The Danish Financial Supervisory Authority has granted the Parent Company such an exemption.

Investment properties

The Group's balance sheet includes 5 (5) investment properties with a fair value of DKK 180.1 million (DKK 179.7 million).

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

	<u>2014/15</u> <u>DKK million</u>	<u>2013/14</u> <u>DKK million</u>
Rental income.....	7.2	7.6
Direct expenses, investment properties.....	<u>2.8</u>	<u>4.0</u>
	<u>4.4</u>	<u>3.6</u>

Properties acquired for the purpose of resale

Properties acquired for the purpose of resale, DKK 14.4 million (DKK 21.3 million), comprise 4 (7) properties taken over to secure loans granted by the Group. The properties are distributed with DKK 13.4 million on business-related properties and DKK 1.0 million on residential properties.

In the second quarter of the financial year, the Group sold a minor residential property. In the period after 31 March 2015, the Group has sold a minor business property.

Financing and debt

The fair value of the Group's short-term debt to credit institutions amounts to DKK 439.1 million (DKK 334.1 million). After conversion by means of matching forward contracts, the debt is distributed as follows:

<u>Currency</u>	<u>2014/15</u>	<u>2013/14</u>
EUR.....	8.81%	9.37%
DKK	38.06%	22.56%
USD.....	50.48%	62.60%
NOK	<u>2.65%</u>	<u>5.47%</u>
	<u>100.00%</u>	<u>100.00%</u>

As at 31 March 2015, the Group has pegged the interest rate on a total of DKK 25 million (DKK 25.0 million) with a remaining term of 4.0 years through an interest swap. Fair value adjustment for the period is a negative DKK 0.1 million (DKK -0.1 million).

After 31 March 2015, the Group has pegged the interest rate on a further DKK 25 million for 5 years through an interest swap.

The net movement for the period from exchange adjustments of loans in foreign currencies, forward contracts, securities, etc is a negative DKK 2.5 million (DKK -0.1 million).

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

<u>Currency</u>	31 March 2015		31 March 2014	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
DKK	73.67%	70.20%	70.78%	69.17%
EUR	0.60%	4.28%	0.35%	3.73%
NOK	1.73%	1.27%	2.69%	2.18%
USD	<u>24.00%</u>	<u>24.25%</u>	<u>26.18%</u>	<u>24.92%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Fair value adjustments of mortgage credit institutes for the period, including interest swaps, are a negative DKK 1.8 million (DKK -1.4 million) as a consequence of changes in interest rates. The amount is counterbalanced through current fair value adjustments over the remaining term of the loans/contracts.

Redemption and raising of mortgage credit loans

Investment properties:

At the beginning of the second quarter of the financial year, the Parent Company has:

- raised new mortgage credit loans for DKK 25.3 million. The loans were raised as cibor loans with expiry in 2025. The interest rate was pegged at the conclusion of the interest swap agreements for the loan principals for the remaining term;
- raised new mortgage credit loans for DKK 21.6 million. The loans were raised as cash loans issued on the basis of 2% bonds with expiry in 2037;
- redeemed DKK 24.4 million cash loans issued on the basis of 1.5% bond loans with expiry in 2024.

Risk relating to equity and market values upon change of parameter

The below table shows the sensitivity of a number of significant balance sheet items at 31 March 2015 and 31 March 2014.

<u>DKK million</u>	<u>Increase in parameter</u>	<u>2014/15 Fair value</u>	<u>2014/15 Change of value</u>	<u>2013/14 Fair value</u>	<u>2013/14 Change of value</u>
Mortgage deeds	1% effective rate of interest	431.9	14.8	329.1	10.7
Bonds	1% effective rate of interest	234.4	9.4	251.3	10.9
Shares	10% change in value	1.7	0.2	0.0	0.0
Investment properties	0.5% yield requirement	180.1	10.8	179.7	11.0
Foreign currency loans	10% change in exchange rate	406.1	40.6	229.2	22.9
Securities in foreign currencies	10% change in value	234.4	23.4	240.8	24.1

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

The Group's financial risks and financial instruments are described in note 37 to the Annual Report; see the Company's website www.luxor.dk.

Future prospects and post balance sheet events

Considering the results announced and the progress until 20 May 2015 of the third quarter of the financial year, the expected profit for the year before tax is adjusted to DKK 5.0 - 9.0 million against previously DKK 2.0 - 6.0 million as a result of negative fair value adjustments and realised gains on bonds in the third quarter of the financial year. The expectation presupposes stable conditions as regards interest, securities and foreign exchange. Basic earnings are included in the above-mentioned expectations with an unchanged DKK 17.0 - 21.0 million.

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

Change in Company Management

Due to the health situation of Svend Rolf Larsen, CEO, the Supervisory Board has decided to appoint Jannik Rolf Larsen, Manager, as a member of the Executive Board of Investeringsselskabet Luxor A/S as at 1 June 2015. Jannik Rolf Larsen has been employed by the Company since 1997 and will still have day-to-day responsibility for the Group's mortgage deeds and properties.

Following this, the Executive Board of Investeringsselskabet Luxor A/S consists of Svend Rolf Larsen, CEO, and Jannik Rolf Larsen, Manager. The day-to-day management also includes Ibbi Kaas, CFO.

As a consequence of the Company's corporate governance rules, Jannik Rolf Larsen resigns from the Supervisory Board. Following this, the Supervisory Board consists of the following three members elected by the General Meeting:

- Casper Moltke (Chairman)
- Steffen Heegaard
- Michael Hedegaard Lyng

The Supervisory Board has decided that Jannik Rolf Larsen's seat on the Supervisory Board is not going to be refilled until the next General Meeting.

Basis of preparation

The Half-year Report has been prepared in accordance with the same accounting policies as the Annual Report 2013/2014, to which we refer.

The Half-year Report comprises summarised consolidated financial statements of Investeringsselskabet Luxor A/S.

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

MANAGEMENT'S STATEMENT

The Supervisory and Executive Boards have today considered and adopted the Half-year Report of Investeringselskabet Luxor A/S for the period 1 October 2014 - 31 March 2015.

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

We consider the accounting policies applied appropriate, so that the Half-year Report gives a true and fair view of the assets, liabilities and financial position as at 31 March 2015 of the Group and of the results of the Group's operations and cash flows for the period 1 October 2014 - 31 March 2015.

The Half-year Report has not been audited by the Company's auditor.

Copenhagen, 28 May 2015

Executive Board:

Svend Rolf Larsen

Supervisory Board:

Casper Moltke
Chairman

Steffen Heegaard

Michael Hedegaard Lyng

Jannik Rolf Larsen

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD
1 OCTOBER 2014 - 31 MARCH 2015

		<u>GROUP</u>		<u>GROUP</u>	
		1/1 - 31/3 2015	1/1 - 31/3 2014	1/10 2014- 31/3 2015	1/10 2013- 31/3 2014
	Note	<u>DKK '000</u>	<u>DKK '000</u>	<u>DKK '000</u>	<u>DKK '000</u>
Income					
Financial income	1	-3,605	12,448	9,489	22,484
Rental income		3,534	3,824	7,193	7,565
Other income		<u>317</u>	<u>324</u>	<u>642</u>	<u>650</u>
Total income		246	16,596	17,324	30,699
Net loss/gain and direct expenses	2	-2,198	-5,068	-4,727	-7,239
Direct expenses, properties		<u>1,189</u>	<u>1,811</u>	<u>2,825</u>	<u>3,986</u>
		-3,141	9,717	9,772	19,474
Fair value adjustment of financial assets	3	<u>46,788</u>	<u>1,205</u>	<u>33,114</u>	<u>-851</u>
Total gross earnings		43,647	10,922	42,886	18,623
Financial expenses	5	<u>31,325</u>	<u>4,937</u>	<u>40,512</u>	<u>4,813</u>
		<u>12,322</u>	<u>5,985</u>	<u>2,374</u>	<u>13,810</u>
Other external expenses		952	1,048	1,757	1,731
Staff expenses	4	2,660	2,420	5,136	4,819
Depreciation and amortisation		<u>63</u>	<u>58</u>	<u>122</u>	<u>117</u>
		<u>3,675</u>	<u>3,526</u>	<u>7,015</u>	<u>6,667</u>
Profit/loss before tax		8,647	2,459	-4,641	7,143
Tax on profit/loss for the period	6	<u>1,952</u>	<u>614</u>	<u>-939</u>	<u>1,776</u>
NET PROFIT/LOSS FOR THE PERIOD		<u>6,695</u>	<u>1,845</u>	<u>-3,702</u>	<u>5,367</u>
Earnings per A & B share (EPS) in DKK		6.7	1.8	-3.7	5.4
Earnings per A & B share (EPS) in DKK (diluted value)		6.7	1.8	-3.7	5.4

BALANCE SHEET AT 31 MARCH 2015

ASSETS

	G R O U P		
	31/3 2015 DKK '000	31/3 2014 DKK '000	30/9 2014 DKK '000
Fixed assets			
Domicile properties.....	11,457	11,645	11,551
Fixtures, fittings and equipment.....	352	318	294
Property, plant and equipment.....	11,809	11,963	11,845
 Investment properties	 180,100	 179,700	 180,100
Securities.....	668,048	580,400	637,009
Fixed asset investments.....	668,048	580,400	637,009
 Deferred tax.....	 11,538	 12,547	 10,599
Non-current assets.....	871,495	784,610	839,553
 Properties acquired for the purpose of resale	 14,357	 21,319	 20,647
Other properties held for sale.....	0	1,813	0
Properties held for sale	14,357	23,132	20,647
 Other receivables.....	 24,491	 27,705	 25,869
Corporation tax receivable	266	400	213
Forward contracts, currency swaps	245	0	0
Prepayments	527	571	526
Receivables.....	25,529	28,676	26,608
 Cash at bank and in hand.....	 1,857	 4,028	 1,394
Current assets	41,743	55,836	48,649
ASSETS.....	913,238	840,446	888,202

BALANCE SHEET AT 31 MARCH 2015

LIABILITIES AND EQUITY

	GROUP		
	31/3 2015 DKK '000	31/3 2014 DKK '000	30/9 2014 DKK '000
Share capital.....	100,000	100,000	100,000
Proposed dividend.....	0	0	50,000
Retained earnings.....	259,075	306,995	262,777
Equity	359,075	406,995	412,777
Mortgage credit institutes.....	81,449	61,140	59,257
Forward contracts, interest swaps	8,471	4,658	6,486
Non-current liabilities	89,920	65,798	65,743
Mortgage credit institutes, properties acquired for the purpose of resale	0	1,549	1,362
Mortgage credit institutes, other properties held for sale.....	0	941	0
Mortgage credit institutes, properties held for sale	0	2,490	1,362
Mortgage credit institutes.....	4,471	3,825	3,871
Credit institutions.....	439,112	334,055	382,897
Deposits.....	2,996	3,034	3,010
Other payables.....	17,010	23,699	17,910
Forward contracts and currency swaps	287	143	337
Deferred income.....	367	407	295
Current liabilities	464,243	367,653	409,682
Liabilities	554,163	433,451	475,425
LIABILITIES AND EQUITY	913,238	840,446	888,202

STATEMENT OF CHANGES IN EQUITY
Group

	Share capital A shares <u>DKK '000</u>	Share capital B shares <u>DKK '000</u>	Retained earnings <u>DKK '000</u>	Proposed dividend <u>DKK '000</u>	Total <u>DKK '000</u>
Equity A & B shares at 1 October 2013.....	17,500	82,500	301,628	6,000	407,628
Dividend paid	0	0	0	-6,000	-6,000
Net profit/loss for the half-year (comprehensive income).....	<u>0</u>	<u>0</u>	<u>5,367</u>	<u>0</u>	<u>5,367</u>
Equity A & B shares at 31 March 2014	<u>17,500</u>	<u>82,500</u>	<u>306,995</u>	<u>0</u>	<u>406,995</u>
 Equity A & B shares at 1 October 2014.....	 17,500	 82,500	 262,777	 50,000	 412,777
Dividend paid	0	0	0	-50,000	-50,000
Net profit/loss for the half-year (comprehensive income).....	<u>0</u>	<u>0</u>	<u>-3,702</u>	<u>0</u>	<u>-3,702</u>
Equity A & B shares at 31 March 2015	<u>17,500</u>	<u>82,500</u>	<u>259,075</u>	<u>0</u>	<u>359,075</u>

CASH FLOW STATEMENT FOR THE PERIOD 1 OCTOBER 2014 - 31 MARCH 2015

	G R O U P	
	2014/15 DKK '000	2013/14 DKK '000
Cash flows from operating activities		
Interest received on mortgage deeds and bonds	23,754	18,656
Other financial income	-5,312	381
Other income	642	650
Rental income.....	7,364	7,849
Interest payments.....	-7,750	-6,092
Operating expenses and other payments	-10,940	-11,527
Properties acquired for the purpose of resale	9,156	4,034
Tax payments.....	-53	-1,016
Cash flows from operating activities.....	16,861	12,935
 Cash flows from investing activities		
Additions of mortgage deeds and bonds.....	-134,828	-126,140
Disposals of mortgage deeds and bonds.....	120,278	79,343
Deposits received.....	17	116
Other capital investments	-85	0
Cash flows from investing activities.....	-14,618	-46,681
 Cash flows from financing activities		
Raising of loans, credit institutions.	95,470	95,918
Repayment, credit institutions	-68,867	-53,794
Repayment, mortgage credit institutes, properties acquired for the purpose of resale	-2,658	-183
Raising of loans, mortgage credit institutes.....	53,712	39,857
Repayment, mortgage credit institutes	-29,406	-41,372
Dividend	-50,000	-6,000
Deposits paid	-31	-108
Cash flows from financing activities.....	-1,780	34,318
Net change in cash and cash equivalents.....	463	572
Cash and cash equivalents, beginning of period.....	1,394	3,456
Cash and cash equivalents, end of period.....	1,857	4,028

SEGMENT REPORTING

Group

	Mortgage deeds DKK '000	Bonds DKK '000	Shares DKK '000	Investment properties DKK '000	Other DKK '000	Total DKK '000
--	-------------------------------	-------------------	--------------------	--------------------------------------	-------------------	-------------------

Group 2014/15

Income (realised)	15,859	-6,431	61	7,193	642	17,324
Fair value adjustment....	1,362	31,999	-247	0	0	33,114
Gross earnings	12,494	25,568	-186	4,368	642	42,886
Assets.....	465,906	239,031	1,704	157,107	49,490	913,238
Capital investments.....	90,049	42,828	1,951	0	85	134,913
Liabilities (segments)....	284,950	154,077	1,120	88,165	5,191	533,503

Group 2013/14

Income (realised)	11,478	11,004	2	7,565	650	30,699
Fair value adjustment....	1,154	-2,005	0	0	0	-851
Gross earnings	5,393	8,999	2	3,579	650	18,623
Assets.....	372,223	256,019	0	157,524	54,680	840,446
Capital investments.....	40,580	85,560	0	0	0	126,140
Liabilities (segments)....	199,656	135,948	0	66,489	4,075	406,168

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

The segment mortgage deeds include fair value adjustments relating to credit risks of kDKK 16,839 (kDKK 21,749). The financial period saw a positive fair value adjustment relating to credit risks of kDKK 838 (kDKK 3,091). Fair value adjustments relating to credit risks are based on an individual assessment of each claim.

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

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

	Group	
	2014/15 DKK '000	2013/14 DKK '000
Liabilities, segments	533,503	406,168
Deposits	2,996	3,034
Other payables	17,010	23,699
Forward contracts and currency swaps	287	143
Deferred income	367	407
Segment liabilities	554,163	433,451

GROUP

	<u>2014/15</u>	<u>2013/14</u>
	<u>DKK '000</u>	<u>DKK '000</u>

1. Financial income

Mortgage deeds, interest.....	14,511	11,161
Bonds, interest	<u>9,252</u>	<u>7,720</u>
	23,763	18,881
Capital gains, mortgage deeds	1,033	346
Capital gains, bonds.....	-16,714	4,443
Capital gains, shares	102	2
Forward contracts	-5,627	411
Exchange adjustments, securities	6,617	-1,570
Other financial income	<u>315</u>	<u>-29</u>
	<u>9,489</u>	<u>22,484</u>

2. Net loss/gain and direct expenses

Realised net losses on mortgage deeds and mortgage deed receivables.....	9,270	10,554
Change of fair value adjustment of credit risk, mortgage deeds	-838	-3,091
Gain/loss on sale of properties acquired for the purpose of resale	-636	2,056
Provision for losses on properties acquired for the purpose of resale	-2,230	-1,730
Bad debts recovered	<u>-1,054</u>	<u>-645</u>
	-4,512	-7,144
Fees.....	101	38
Collection charges	<u>114</u>	<u>57</u>
	<u>-4,727</u>	<u>-7,239</u>

3. Fair value adjustment of financial assets

Fair value adjustment, mortgage deeds	1,362	1,154
Fair value adjustment, bonds	31,999	-2,005
Fair value adjustment, shares.....	<u>-247</u>	<u>0</u>
	<u>33,114</u>	<u>-851</u>

GROUP

2014/15 2013/14
DKK '000 DKK '000

4. Staff expenses

Remuneration of Supervisory Board	<u>363</u>	<u>312</u>
Wages and salaries	4,401	4,257
Defined contribution plan.....	338	215
Other social security expenses.....	<u>34</u>	<u>35</u>
Other staff, total.....	<u>4,773</u>	<u>4,507</u>
Total staff expenses	<u>5,136</u>	<u>4,819</u>
Average number of employees	<u>9</u>	<u>10</u>

Pursuant to the Danish Act on Alternative Investment Fund Managers etc, it can be stated that the remuneration policy and practice are in accordance with the requirements concerning sound and effective risk management. In the Parent Company, remuneration of the Executive Board and employees, a total of three persons, who have a significant influence on the Parent Company's risk profile amounts to DKK 1.8 million.

5. Financial expenses

Credit institutions	6,061	4,810
Interest swaps, credit institutions.....	116	0
Interest swaps, credit institutions, fair value adjustment.....	121	137
Exchange loss/gain on foreign loans etc, net.....	<u>29,612</u>	<u>-3,430</u>
	35,910	1,517
Mortgage credit institutes.....	954	1,013
Interest swaps, mortgage credit institutes.....	489	432
Mortgage credit institutes, fair value adjustment	-114	932
Interest swaps, mortgage credit institutes, fair value adjustment	1,864	496
Expenses and loss on conversion of debt to mortgage credit institutes	<u>1,409</u>	<u>423</u>
	<u>40,512</u>	<u>4,813</u>

6. Corporation tax

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

Calculated tax 23.5% (24.5%) on profit/loss before tax for the period..	-1,091	1,750
Tax effect of:		
Non-taxable income, expenses, value adjustments, etc.....	11	26
Reduction of the tax rate from 24.5% to 22% - 23.5% up until 2016	<u>141</u>	<u>0</u>
	<u>-939</u>	<u>1,776</u>
Effective tax rate.....	<u>20.23%</u>	<u>24.86%</u>

Note 6 continued:

	G R O U P	
	2014/15 DKK '000	2013/14 DKK '000
Tax asset at 1 October 2014	34,521	37,745
Transferred to DI-Ejendoms Invest A/S	-395	-337
Change in deferred tax recognised in the income statement	1,331	-1,442
Tax asset at 31 March 2015	35,457	35,966
Deferred tax at 1 October 2014	23,922	23,422
Change in deferred tax recognised in the income statement	-3	-3
Deferred tax at 31 March 2015	23,919	23,419
Total tax asset at 31 March 2015	11,538	12,547

The deferred tax asset is recognised at the tax rate which is expected to be applicable when the deferred tax is realised. The calculation has been made at 23.5% - 22% (24.5% - 22% up until 2016). The value is distributed on the following items:

Tax asset:		
Property, plant and equipment.....	-23,903	-23,381
Fixed asset investments, mortgage deeds, bonds and fair value adjustments relating to mortgage credit institutes and credit institutions, etc..	1,219	2,212
Tax loss carry-forwards	34,222	33,716
Tax asset	11,538	12,547

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

The tax asset is recognised to the extent that it is expected to be realised in the form of future taxable profits. It is assessed that the tax asset of DKK 11.5 million (DKK 12.5 million) can be realised within a period of up to five years. Utilisation of the tax asset is assessed on the basis of expected basic earnings and profits on the Company's portfolio of bonds.

The loss on the Group's portfolio of shares which is deductible against income from like-kind source is not recognised in the tax loss. At 31 March 2015, the loss amounts to DKK 97.6 million (DKK 97.6 million) measured on the basis of a tax rate of 22%.

GROUP

	<u>2014/15</u> <u>DKK million</u>	<u>2013/14</u> <u>DKK million</u>
7. Statement of basic earnings		
Financial income	25.1	19.2
Rental income	7.2	7.6
Other income	0.6	0.6
Net loss/gain and direct expenses	-4.7	-7.2
Direct expenses, properties.....	2.8	4.0
Financial expenses.....	7.6	6.3
Other external expenses.....	1.8	1.7
Staff expenses.....	5.1	4.8
Depreciation and amortisation.....	<u>0.1</u>	<u>0.1</u>
Basic earnings	<u>10.8</u>	<u>3.3</u>