

# INTERIM REPORT



Q1/2016

Company Announcement No. 6/19 May 2016



# PERFORMANCE IMPROVEMENTS COUNTERED BY WEAK CONDITIONS IN A FEW KEY MARKETS

## Consolidated highlights from Q1 2016:

- Revenue in the seasonally small first quarter decreased by 2.1% in local currencies to EUR 79.8m (EUR 83.2m).
- Relocation Services grew by 8.5% in local currencies, constituting 15% (13%) of Group revenue.
- EBITDA before special items was EUR -1.2m (EUR -1.1m).
- Continued improvement in working capital employed, operating cash flow and net interest bearing debt.
- Continuing operations generated a net loss of EUR -4.3m (EUR -3.6m).
- Restructuring initiatives are being executed and embedded according to plan.

## Full-year outlook maintained:

Revenue is expected to be at the same level as in 2015 (2015: EUR 373.6m). EBITDA before special items is expected to be in the range of EUR 13m-15m.

## Commenting on the results, Group CEO Martin Thaysen says:

"Activity levels were soft in Q1, driven by a few large markets, primarily in Europe and Australia, leaving overall revenue and results behind the same period last year. The majority of our markets performed well, and our drive to reduce overdue receivables and improve working capital continued successfully, leading to a further reduction in our net debt during the quarter. As per our 2020 Strategy, 2016 is focused on Fixing the Core, building technology and skills as a way of strengthening the foundation for future growth. We remain on track with the strategic initiatives, but we now need to double down on fix the core initiatives, in order to counter the weak markets - and to achieve the required improvements in our profitability."

*Comparative figures for Q1 2015 are stated in brackets. All currency effects refer to translation effects from reporting currencies unless otherwise stated.*

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**Disclaimer** The 2016 outlook reflects management's expectations of future events and must be viewed in the context of the business environments and currency markets, which may cause actual results to deviate materially from those projected by Santa Fe Group. The outlook is stated at current exchange rates and based on estimated consensus growth rates in key economies as well as present expectations from key corporate customers. Santa Fe's business is seasonal and dependent on the third quarter peak season at the Northern Hemisphere as well as the local fourth quarter peak season in Australia. Hence, the majority of revenue and earnings may be recognized in these periods.

# FINANCIAL HIGHLIGHTS AND KEY RATIOS – CONSOLIDATED

EURm	Q1 2016	Q1 2015	FY 2015
<b>INCOME STATEMENT</b>			
Revenue	79.8	83.2	373.6
Operating profit before depreciation, amortisation and special items (EBITDA before special items)	-1.2	-1.1	12.2
Special items, net	-0.3	-0.4	-2.7
Operating profit before depreciation and amortisation (EBITDA)	-1.5	-1.5	9.5
Operating profit (EBIT)	-3.4	-3.4	1.8
Financials, net	-0.4	-1.4	-3.4
Share of profit in associates	0.0	0.0	0.6
Income tax	0.5	-1.2	2.3
Profit from continuing operations	-4.3	-3.6	-3.3
Profit from discontinued operations	-	-	-0.1
Profit/loss for the period	-4.3	-3.6	-3.4
Earnings per share (diluted), continuing operations	-0.3	-0.3	-0.3

EURm	31.03.2016	31.03.2015	31.12.2015
<b>BALANCE SHEET</b>			
Total assets	234.4	242.9	241.3
Working capital employed	5.0	17.1	12.2
Net interest bearing debt, end of period	7.6	19.8	9.6
Net interest bearing debt, average	8.6	20.0	14.9
Invested capital	93.4	113.5	101.0
SFG's share of equity	91.6	99.4	96.8
Non-controlling interests	1.1	1.2	1.7
Cash and cash equivalents	32.4	19.8	30.5
Investments in intangible assets and property, plant and equipment	0.2	0.5	3.8
<b>CASH FLOW</b>			
Operating activities	2.8	0.2	12.5
Investing activities	-0.2	-0.4	-0.4
Financing activities	-0.3	-0.4	-1.0
<b>RATIOS</b>			
EBITDA margin (%), before special items	-1.5	-1.3	3.3
Operating margin (%)	-4.3	-4.1	0.5
Solvency ratio (%)	39.1	40.9	40.1
Return on average invested capital (%), annualised	-14.0	-11.9	1.6
Return on parent equity (%)	-18.5	-14.8	-4.1
Equity per share (diluted)	7.7	8.3	8.1
Market price per share, DKK	62.5	72.5	65.5
Number of treasury shares	338,494	338,494	338,494
Number of employees end of period	2,861	2,969	2,908

The ratios have been calculated in accordance with definitions on page 81 in the Annual Report 2015. For the detailed income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement, refer to pages 7-11.

# FINANCIAL REVIEW – CONSOLIDATED

## INCOME STATEMENT

**Revenue** of the Santa Fe Group was EUR 79.8m in Q1 2016 (EUR 83.2m) equivalent to a revenue decline of 4.1% in EUR and 2.1% in local currencies. The decline was seen in Australia and Europe.

Developments in exchange rates between the reporting currency EUR and the functional currencies of subsidiaries affected the Group revenue for Q1 2016 negatively by EUR 1.7m. This was mainly due to the depreciation of the AUD and secondarily the GBP versus the EUR.

### Currency impact

EURm	Growth	Q1
Revenue 2015		83.2
Currency translation adjustment	-2.1%	-1.7
Organic growth in local currencies	-2.1%	-1.7
<b>Revenue 2016</b>	<b>-4.1%</b>	<b>79.8</b>

**EBITDA before special items** of EUR -1.2m (EUR -1.1m) was slightly below Q1 2015. The reduced revenue had a negative impact on earnings, which to a large degree was offset by fixed costs savings, primarily within staff costs.

Developments in exchange rates between the reporting currency EUR and the functional currencies of subsidiaries did not affect EBITDA before special items materially.

**Special items** was an expense of EUR 0.4m in Q1 2016 on par with the same period last year covering costs related to the restructuring of the countries in Benelux into one cluster and with continued restructuring initiatives in Australia.

**Amortisation and depreciation of intangibles, property, plant and equipment** in Q1 2016 of EUR 1.9m (EUR 1.9m) included amortisation of the WridgWays trademark amounting to EUR 0.4m for the quarter.

**Financial expenses and income, net** was an expense of EUR 0.4m during Q1 2016 (EUR 1.4m). Financial expenses of EUR 0.5m (EUR 1.5m) was primarily related to interest expenses of EUR 0.4m (EUR 0.3m) which increased compared to Q1 2015 following the new bank facility entered into in Q2 2015. Exchange losses were EUR 0.0m (EUR 1.2m). In Q1 2015 foreign exchange losses were affected by realised exchange losses on receivables and payables.

The **effective tax rate** for Q1 2016 was impacted negatively by non-deductible amortisation of trademarks and certain entities not recognising deferred tax assets in respect of losses for the period due to uncertainty with respect of utilisation.

**Net profit from continuing operations** in Q1 2016 was a net loss of EUR 4.3m (EUR -3.6m).

**Non-controlling interests' share of net profit** attributable to the minority shareholder in Santa Fe China amounted to EUR 0.0m for Q1 2016 (EUR 0.0m).

**Santa Fe Group A/S' share of the net loss** for Q1 2016 was a loss of EUR 4.3m versus a loss of EUR 3.6m in Q1 2015.

## BALANCE SHEET

**Total equity** by the end of Q1 2016 was EUR 92.7m (EUR 100.6m) corresponding to a solvency ratio of 39.1% (40.9%). The equity was negatively impacted by loss for the year combined with foreign currency translation adjustments.

**Working capital employed** amounted to EUR 5.0m (EUR 17.1m) equivalent to a decrease of 70% in local currencies. The improvement was to a large extent a result of successful efforts to reduce overdue receivables.

**Invested capital** decreased by 14% in local currencies to EUR 93.4m (EUR 113.5m). The reduction was primarily driven by the decrease in working capital employed combined with reduced property, plant and equipment as well as intangible assets.

**Return on average invested capital (ROIC)** in Q1 2016 was -14.0% (-11.9%).

**Net interest bearing debt** amounted to EUR 7.6m (EUR 19.8m) equivalent to a decrease of 62% in local currencies versus Q1 2015. Improvements in working capital employed contributed to the decrease. The two year term loan and revolving credit facility entered into in Q1 2015 matures in March 2017 and has consequently been presented as current. The loan agreement has certain extension options but other options are also under consideration.

### Net interest bearing debt

EURm	Q1 2016	Q1 2015
Loans and credit facilities	31.0	29.8
Mortgage	4.1	4.5
Finance lease	4.9	5.3
<b>Total borrowings</b>	<b>40.0</b>	<b>39.6</b>
Cash and cash equivalents	-32.4	-19.8
<b>Net interest bearing debt</b>	<b>7.6</b>	<b>19.8</b>

## CASH FLOW

**Cash inflow from operating activities** of EUR 2.8m was predominantly affected by the working capital improvements of EUR 5.1m

**Cash outflow from investing activities** of EUR 0.3m was related to investments in property, plant and equipment.

**Cash outflow from financing activities** was EUR 0.3m.

### Condensed cash flow statement

EURm	Q1 2016	Q1 2015
Cash flow from operating activities	2.8	0.2
Cash flow from investing activities	-0.2	-0.4
<b>Free cash flow</b>	<b>2.6</b>	<b>-0.2</b>
Cash flow from financing activities	-0.3	-0.4
<b>Cash flow for the period</b>	<b>2.3</b>	<b>-0.6</b>

## OTHER EVENTS

As announced on 19 January 2016 (announcement no. 2/2016) the Santa Fe Group has signed the first contracts for the development, licensing and implementation of a new technology platform for the Santa Fe Group. The new technology platform is a cornerstone in the 2020 Strategy for which further reference is made to page 8-9 in the SFG Annual Report 2015.

The licensing agreement is valid for 6 years, and the combined value of the contracts is EUR 11.5m. The annual license cost will affect operating profit (EBITDA) from the time the system is taken into operation, which is expected towards the end of 2016. The total investment associated with the project is estimated to be around EUR 3.0m in 2016, amortisation of which will commence once the system is taken into operation.

## SUBSEQUENT EVENTS

No material events have taken place after 31 March 2016.

## 2016 Outlook maintained

The Santa Fe Group's consolidated revenue is expected to be at the same level as in 2015 (EUR 373.6m), as revenue growth from Relocation Services will compensate from an anticipated reduction in activity level within Moving Services.

Consolidated **EBITDA before special items** is expected to be in the range of EUR 13.0m – 15.0m.

Special items are expected to be below the cost in 2015 (EUR 2.7m).

The full-year outlook is sensitive to movements in exchange rates amongst others and highly dependent on the high season for relocations, which falls in Q3 in the Northern Hemisphere and in January and December in Australia.

# BUSINESS LINE PERFORMANCE

## Q1 Update

### New contract wins

During the quarter, SFG secured 3 large customer contracts with a leading international bank, a global engineering company and a large automotive manufacturing company. All three contracts are now in the implementation phase, with expected ramp up during the coming 3-6 months. At the same time, SFG lost a large retail customer due to pricing. The lost customer will cease operation with SFG during Q2 2016.

### Operating Segments

In order to align the financial reporting with the management structure and internal management reporting, Santa Fe Group has effective 1 January 2016 changed the operating segments and added Americas as a separate operating segment. Furthermore, Middle East and Africa are now included in the Asia region and excluded from Europe. Comparatives have been restated accordingly.

The Santa Fe Group continues the strategic focus on expanding from the core Moving Services into other Relocation Services, which typically generates higher margins. Revenue from Relocation Services reached 15% of total revenue in Q1 2016 versus 13% Q1 2015.

### Moving Services

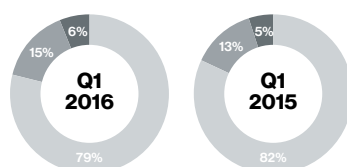
Overall revenue in Q1 2016 from Moving Services decreased by 5.0% in local currencies and by 7.1% in EUR to a total of EUR 63.2m (EUR 68.0m).

### Relocation Services

Revenue in Q1 2016 increased by 8.5% in local currencies and 6.2% in EUR to EUR 12.0m (EUR 11.3m).

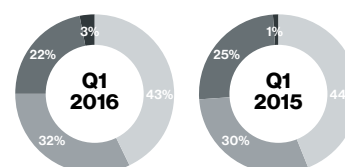
## FINANCIAL PERFORMANCE BY BUSINESS LINES AND REGION

### Revenue by business line



■ Moving Services  
■ Relocation Services  
■ Records Management

### Revenue by region



■ Europe  
■ Asia  
■ Australia  
■ Americas

### Records Management

Revenue in Q1 2016 increased by 16.3% in local currencies to EUR 4.6m (EUR 3.9m) and 17.9% in EUR. Measured in volume the business grew by 9.6% in Q1 2016. Total number of cartons on storage reached 3.0m versus 2.7m in Q1 2015.

### EUROPE

Overall Q1 2016 revenue in Europe of EUR 34.7m (EUR 36.6m) was 4.4% below Q1 2015 in local currencies.

Revenue from **Moving Services** in Europe decreased 5.3% in local currencies during Q1 2016 to EUR 28.0m (EUR 30.0m). France, Benelux and Switzerland all had a good quarter. However this was more than offset by a challenging quarter in the UK with agents and direct consumers in particular adopting a wait-and-see approach, awaiting the outcome of June referendum date and a possible 'Brexit'. In Q1, it was discovered that two managers from the German subsidiary had been involved in business practices incompatible with Santa Fe's Code of Conduct. The managers' employment was terminated and a new management installed. The events are still under investigation and Santa Fe is evaluating potential

options with respect to the former managers. The business in Germany has lost some momentum and support from a few customers due to these events.

**Relocation Services** within Europe continued to grow during Q1 2016 although at a slower pace, increasing by 1.5% in local currencies to EUR 6.5m (EUR 6.4m).

**EBITDA** in Europe was slightly better than Q1 2015 despite the revenue decline. This was mainly a result of lower fixed costs resulting from restructuring executed during H2 2015. Further restructuring will take effect during the remainder of 2016.

### ASIA

Revenue in Asia in Q1 2016 reached EUR 25.3m (EUR 24.7m). In local currencies the growth in revenue was 3.8%.

Revenue from **Moving Services** in Asia decreased 0.6% in local currencies to EUR 16.8m (EUR 17.1m). Most markets in Asia demonstrated growth, which was more than offset by a revenue decline in China. The Chinese market for international relocations is still down combined with reduced support from US agents.

## REVENUE BY BUSINESS LINES AND SEGMENTS

	Q1 2016					Q1 2015					Change in %, EUR	Change in %, LC
	Europe	Asia	Australia	Americas	Santa Fe Group	Europe	Asia	Australia	Americas	Santa Fe Group		
EURm												
Moving Services	28.0	16.8	16.7	1.7	63.2	30.0	17.1	20.5	0.4	68.0	-7.1	-5.0
Relocation Services	6.5	4.1	0.6	0.8	12.0	6.4	3.9	0.8	0.2	11.3	6.2	8.5
Records Management	0.2	4.4	-	-	4.6	0.2	3.7	-	-	3.9	17.9	16.3
<b>Total revenue</b>	<b>34.7</b>	<b>25.3</b>	<b>17.3</b>	<b>2.5</b>	<b>79.8</b>	<b>36.6</b>	<b>24.7</b>	<b>21.3</b>	<b>0.6</b>	<b>83.2</b>	<b>-4.1%</b>	<b>-2.1%</b>
Change in %, EUR	-5.2%	2.4%	-18.8%	316.7%	-4.1%							
Change in %, LC	-4.4%	3.8%	-15.1%	379.4%	-2.1%							

Revenue from **Relocation Services** in Asia was EUR 4.1m (EUR 3.9m) or an increase of 10.8% in local currencies driven by growth in most markets in the region fronted by Hong Kong. China experienced a decline due to the slower moving activity adversely impacting relocation services.

Revenue from the **Records Management** business in Asia had a strong quarter and increased by 16.2% in local currencies to EUR 4.4m (EUR 3.7m) mainly driven by successful price increases in Hong Kong and volume growth, partly offset by warehouse rent increase in Hong Kong.

**EBITDA** in Asia was on par with Q1 2015, positively impacted by a good growth in the Records Management and Relocation business as well as tight cost control. However increased rental fees in the Records Management business reduced earnings.

## AUSTRALIA

In Australia, the Q1 2016 revenue was EUR 17.3m (EUR 21.3m) equivalent to a decrease of 15.1% in local currency.

The Australian **Moving Services** revenue decreased by 14.8% in Q1 2016 in local currency to EUR 16.7m (EUR 20.5m). The main reasons were continued market decline and less volume from consumers and existing corporate clients.

Revenue from **Relocation Services** from the emerging business in Australia decreased by 14.3% in local currency to EUR 0.6m (EUR 0.8m). The Visa and Immigration business developed positively.

**EBITDA** in Australia was disappointing and below Q1 2015. The restructuring initiatives executed during 2015 resulted in reduced fixed costs in Q1 2016, which however could not offset the impact from the revenue shortfall.

The restructuring programme with the purpose of trimming the Australian organisation and reduce fixed cost is still ongoing and 4 smaller non-profitable branch offices were closed during Q1 2016.

The rationalisation of the Australian network is expected to be completed in Q2 2016.

## AMERICAS

Revenue in Americas in Q1 2016 reached EUR 2.5m (EUR 0.6m). Revenue quadrupled in local currencies however from a very low base. Securing growth in the US is a focus area for Santa Fe Group, as many multinational companies have their headquarters in the US.

Revenue from **Moving Services** in Americas was EUR 1.7m (EUR 0.4m).

Revenue from **Relocation Services** in Americas was EUR 0.8m (EUR 0.2m).

**EBITDA** in Americas was slightly below Q1 2015.

## CONSOLIDATED QUARTERLY SUMMARY

EURm	2016			2015		
	Q1	Q1	Q2	Q3	Q4	FY
<b>EUROPE</b>						
<b>Revenue</b>	<b>34.7</b>	<b>36.6</b>	<b>39.6</b>	<b>60.1</b>	<b>39.8</b>	<b>176.1</b>
- Growth vs. same qtr. prev. year (%)	-5.2	20.4	20.4	9.1	-5.9	9.6
<b>EBITDA before special items</b>	<b>-1.4</b>	<b>-1.6</b>	<b>-1.2</b>	<b>5.5</b>	<b>-0.6</b>	<b>2.1</b>
- EBITDA margin (%)	-4.0	-4.4	-3.0	9.2	-1.5	1.2
<b>ASIA</b>						
<b>Revenue</b>	<b>25.3</b>	<b>24.7</b>	<b>28.6</b>	<b>36.3</b>	<b>30.4</b>	<b>120.0</b>
- Growth vs. same qtr. prev. year (%)	2.4	27.3	30.6	21.4	19.2	24.1
<b>EBITDA before special items</b>	<b>1.3</b>	<b>1.3</b>	<b>3.8</b>	<b>8.7</b>	<b>3.3</b>	<b>17.1</b>
- EBITDA margin (%)	5.1	5.3	13.3	24.0	10.9	14.3
<b>AUSTRALIA</b>						
<b>Revenue</b>	<b>17.3</b>	<b>21.3</b>	<b>15.7</b>	<b>15.1</b>	<b>17.3</b>	<b>69.4</b>
- Growth vs. same qtr. prev. year (%)	-18.8	1.9	-6.5	-20.5	-16.4	-10.3
<b>EBITDA before special items</b>	<b>-0.5</b>	<b>0.3</b>	<b>-1.7</b>	<b>-1.6</b>	<b>-0.1</b>	<b>-3.1</b>
- EBITDA margin (%)	-2.9	1.4	-10.8	-10.6	-0.6	-4.5
<b>AMERICAS</b>						
<b>Revenue</b>	<b>2.5</b>	<b>0.6</b>	<b>1.9</b>	<b>2.9</b>	<b>2.7</b>	<b>8.1</b>
- Growth vs. same qtr. prev. year (%)	316.7	100.0	375.0	222.2	50.0	138.2
<b>EBITDA before special items</b>	<b>-0.2</b>	<b>-0.1</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>0.1</b>
- EBITDA margin (%)	-8.0	-16.7	0.0	6.9	0.0	1.2
<b>UNALLOCATED AND OTHER</b>						
EBITDA before special items	-0.4	-1.0	-0.9	-0.9	-1.2	-4.0
<b>SANTA FE GROUP</b>						
<b>Revenue</b>	<b>79.8</b>	<b>83.2</b>	<b>85.8</b>	<b>114.4</b>	<b>90.2</b>	<b>373.6</b>
- Growth vs. same qtr. prev. year (%)	-4.1	17.3	19.2	9.1	-0.1	10.5
<b>EBITDA before special items</b>	<b>-1.2</b>	<b>-1.1</b>	<b>0.0</b>	<b>11.9</b>	<b>1.4</b>	<b>12.2</b>
- EBITDA margin (%)	-1.5	-1.3	0.0	10.4	1.6	3.3

## CONSOLIDATED INCOME STATEMENT

EURm	Q1 2016	Q1 2015	FY 2015
<b>Revenue</b>	<b>79.8</b>	<b>83.2</b>	<b>373.6</b>
Direct costs	45.5	46.9	210.3
Other external expenses	7.5	7.5	31.5
Staff costs	28.0	29.9	122.6
Other operating income	0.0	0.0	3.0
<b>Operating profit before amortisation, depreciation, impairment and special items</b>	<b>-1.2</b>	<b>-1.1</b>	<b>12.2</b>
Special items, net	-0.3	-0.4	-2.7
<b>Operating profit before amortisation, depreciation and impairment</b>	<b>-1.5</b>	<b>-1.5</b>	<b>9.5</b>
Amortisation and depreciation of intangibles, property, plant and equipment	1.9	1.9	7.7
<b>Operating profit/loss</b>	<b>-3.4</b>	<b>-3.4</b>	<b>1.8</b>
Financial income	0.0	0.1	0.4
Financial expenses	0.4	1.5	3.8
Share of profit in associates	0.0	0.0	0.6
<b>Profit/loss before income tax expense</b>	<b>-3.8</b>	<b>-4.8</b>	<b>-1.0</b>
Income tax expense	0.5	-1.2	2.3
<b>Profit/loss from continuing operations</b>	<b>-4.3</b>	<b>-3.6</b>	<b>-3.3</b>
<b>Profit/loss from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-0.1</b>
<b>Net profit/loss for the period</b>	<b>-4.3</b>	<b>-3.6</b>	<b>-3.4</b>
Equity holders of the Parent SFG	-4.3	-3.6	-4.0
Non-controlling interests	0.0	0.0	0.6
<b>Earnings per share (EUR)</b>	<b>-0.3</b>	<b>-0.3</b>	<b>-0.3</b>
From continuing operations	-0.3	-0.3	-0.3
From discontinued operations	0.0	0.0	0.0
<b>Earnings per share diluted (EUR)</b>	<b>-0.3</b>	<b>-0.3</b>	<b>-0.3</b>
From continuing operations	-0.3	-0.3	-0.3
From discontinued operations	0.0	0.0	0.0

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EURm	Q1 2016	Q1 2015	FY 2015
<b>Net profit/loss for the period</b>	<b>-4.3</b>	<b>-3.6</b>	<b>-3.4</b>
<b>Other comprehensive income for the period</b>			
<b>Items not reclassifiable to the income statement</b>			
Actuarial gain/(losses), defined benefit obligations	0.0	0.0	0.1
Tax	0.0	0.0	0.0
<b>Total items not reclassifiable to the income statement, net of tax</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>
<b>Items reclassifiable to the income statement</b>			
Foreign currency translation adjustments, foreign entities	-0.9	6.4	3.9
<b>Total items reclassifiable to the income statement, net of tax</b>	<b>-0.9</b>	<b>6.4</b>	<b>3.9</b>
<b>Total comprehensive income, net of tax</b>	<b>-0.9</b>	<b>6.4</b>	<b>4.0</b>
<b>Total comprehensive income for the period</b>	<b>-5.2</b>	<b>2.8</b>	<b>0.6</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Parent SFG	-5.2	2.4	-0.2
Non-controlling interests	0.0	0.4	0.8



## CONSOLIDATED BALANCE SHEET – ASSETS

EURm	31.03.16	31.03.15	31.12.15
<b>Non-current assets</b>			
Intangible assets	70.5	74.9	71.4
Property, plant and equipment	30.5	33.7	31.7
Investment in associates	3.2	3.2	3.3
Other investments	1.7	2.1	1.8
Deferred tax	3.6	4.4	2.4
Other receivables	1.9	2.0	1.8
<b>Total non-current assets</b>	<b>111.4</b>	<b>120.3</b>	<b>112.4</b>
<b>Current assets</b>			
Inventories	2.0	2.2	2.1
Trade receivables	54.9	68.1	64.2
Other receivables	33.1	31.6	31.6
Current tax receivable	0.6	0.9	0.5
Cash and cash equivalents	32.4	19.8	30.5
<b>Total current assets</b>	<b>123.0</b>	<b>122.6</b>	<b>128.9</b>
<b>Total assets</b>	<b>234.4</b>	<b>242.9</b>	<b>241.3</b>

## CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES

EURm	31.03.16	31.03.15	31.12.15
<b>EQUITY</b>			
Share capital	115.9	115.9	115.9
Translation reserve	-4.5	-1.3	-3.6
Treasury shares	-3.2	-3.2	-3.2
Retained earnings	-16.6	-12.0	-12.3
<b>SFG's share of equity</b>	<b>91.6</b>	<b>99.4</b>	<b>96.8</b>
Non-controlling interests	1.1	1.2	1.7
<b>Total equity</b>	<b>92.7</b>	<b>100.6</b>	<b>98.5</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	8.4	9.4	38.4
Deferred tax	3.2	4.4	2.0
Provisions for other liabilities and charges	2.2	1.5	1.7
Other liabilities	0.3	0.3	0.2
Defined benefit obligations	2.3	2.3	2.3
<b>Total non-current liabilities</b>	<b>16.4</b>	<b>17.9</b>	<b>44.6</b>
<b>Current liabilities</b>			
Borrowings	31.6	30.2	1.7
Trade payables	50.0	51.6	52.6
Other liabilities	42.1	40.9	41.4
Current tax payable	1.6	1.7	2.0
Provisions for other liabilities and charges	0.0	0.0	0.5
<b>Total current liabilities</b>	<b>125.3</b>	<b>124.4</b>	<b>98.2</b>
<b>Total liabilities</b>	<b>141.7</b>	<b>142.3</b>	<b>142.8</b>
<b>Total equity and liabilities</b>	<b>234.4</b>	<b>242.9</b>	<b>241.3</b>

## CONSOLIDATED CASH FLOW STATEMENT

EURm	31.03.16	31.03.15	31.12.15
<b>Cash flows from operating activities</b>			
Operating profit/loss	-3.4	-3.4	1.8
Adjustment for:			
Depreciation and amortisation and impairment losses	1.9	1.9	7.7
Other non-cash items	0.3	-1.2	-1.8
Change in working capital	5.1	4.0	10.2
Interest paid	-0.4	-0.9	-2.0
Interest received	0.2	0.0	0.3
Corporate tax paid	-0.9	-0.2	-3.7
<b>Net cash flow from operating activities</b>	<b>2.8</b>	<b>0.2</b>	<b>12.5</b>
<b>Cash flows from investing activities</b>			
Dividends received from associates	-	-	0.1
Investments in intangible assets and property, plant and equipment	-0.3	-0.5	-3.5
Proceeds from sale of non-current assets	0.1	0.1	2.5
Change in non-current investments	0.0	0.0	0.5
<b>Net cash flow from investing activities</b>	<b>-0.2</b>	<b>-0.4</b>	<b>-0.4</b>
<b>Net cash flow from operating and investing activities</b>	<b>2.6</b>	<b>-0.2</b>	<b>12.1</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	0.1	0.6	34.5
Repayment of borrowings	-0.4	-1.0	-34.0
Dividend paid out to non-controlling interests in subsidiaries	-	-	-1.5
<b>Net cash flow from financing activities</b>	<b>-0.3</b>	<b>-0.4</b>	<b>-1.0</b>
<b>Changes in cash and cash equivalents</b>	<b>2.3</b>	<b>-0.6</b>	<b>11.1</b>
Cash and cash equivalents at beginning of year	30.5	18.7	18.7
Translation adjustments of cash and cash equivalents	-0.4	1.7	0.7
<b>Cash and cash equivalents end of period</b>	<b>32.4</b>	<b>19.8</b>	<b>30.5</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EURm	Share capital	Trans-lation-reserve	Treasury shares	Retained earnings	Proposed dividend for the year	SFG's share of equity	Non-controlling interests	Total equity
<b>Equity at 1 January 2016</b>	<b>115.9</b>	<b>-3.6</b>	<b>-3.2</b>	<b>-12.3</b>	<b>0.0</b>	<b>96.8</b>	<b>1.7</b>	<b>98.5</b>
<b>Comprehensive income for the period</b>								
Profit for the period				-4.3		-4.3	0.0	-4.3
<b>Other comprehensive income</b>								
Foreign currency translation adjustments, foreign entities		-0.9	0.0			-0.9		-0.9
Actuarial gain/(losses), defined benefit obligations						0.0		0.0
Tax on other comprehensive income						0.0		0.0
Total other comprehensive income	0.0	-0.9	0.0	0.0	0.0	-0.9	0.0	-0.9
<b>Total other comprehensive income for the period</b>	<b>0.0</b>	<b>-0.9</b>	<b>0.0</b>	<b>-4.3</b>	<b>0.0</b>	<b>-5.2</b>	<b>0.0</b>	<b>-5.2</b>
<b>Transactions with the equity holders</b>								
Interim dividends paid to shareholders						0.0	-0.6	-0.6
<b>Total transactions with the equity holders</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.6</b>	<b>-0.6</b>
<b>Equity at 31 March 2016</b>	<b>115.9</b>	<b>-4.5</b>	<b>-3.2</b>	<b>-16.6</b>	<b>0.0</b>	<b>91.6</b>	<b>1.1</b>	<b>92.7</b>
<b>Equity at 1 January 2015</b>	<b>115.9</b>	<b>-7.3</b>	<b>-3.2</b>	<b>-8.4</b>	<b>0.0</b>	<b>97.0</b>	<b>2.4</b>	<b>99.4</b>
<b>Comprehensive income for the period</b>								
Profit for the period				-3.6		-3.6	0.0	-3.6
<b>Other comprehensive income</b>								
Foreign currency translation adjustments, foreign entities		6.0				6.0	0.4	6.4
Actuarial gain/(losses), defined benefit obligations						0.0		0.0
Tax on other comprehensive income						0.0		0.0
Total other comprehensive income	0.0	6.0	0.0	0.0	0.0	6.0	0.4	6.4
<b>Total other comprehensive income for the period</b>	<b>0.0</b>	<b>6.0</b>	<b>0.0</b>	<b>-3.6</b>	<b>0.0</b>	<b>2.4</b>	<b>0.4</b>	<b>2.8</b>
<b>Transactions with the equity holders</b>								
Interim dividends paid to shareholders				0.0		0.0	-1.6	-1.6
Dividends, treasury shares				0.0		0.0		0.0
Divestment of non-controlling interests								0.0
<b>Total transactions with the equity holders</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-1.6</b>	<b>-1.6</b>
<b>Equity at 31 March 2015</b>	<b>115.9</b>	<b>-1.3</b>	<b>-3.2</b>	<b>-12.0</b>	<b>0.0</b>	<b>99.4</b>	<b>1.2</b>	<b>100.6</b>

## NOTE 1 – CORPORATE INFORMATION

Santa Fe Group A/S is a limited liability company incorporated and domiciled in Denmark. The address of its registered office is 20 Indiakaj, DK-2100 Copenhagen Ø, Denmark.

The Santa Fe Group A/S (SFG) and its subsidiaries (together the SFG Group or the Group) provide moving, value-added relocation and records management services to corporate and individual clients.

The Company has its listing on NASDAQ Copenhagen A/S, where its shares are publicly traded.

On 19 May 2016, the Board of Directors approved this interim report for issue.

Figures in the Interim Report for the first three months of 2016 are presented in EUR million with one decimal point unless otherwise stated.

## NOTE 2 – ACCOUNTING POLICIES

### **Basis of preparation of the Interim Report Q1 2016**

The Interim Report for the first three months of 2016 has been prepared in accordance with IAS 34 Interim Financial Reporting (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

The Interim Report for the first three months of 2016 contains condensed consolidated financial statements of Santa Fe Group A/S and does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's Annual Report 2015.

The Interim Report for the first three months of 2016 has been prepared using the same accounting policies as the Company's Annual Report 2015, except as described below in note 3, which also describes presentational changes in Q1 2016.

A description of the accounting policies is available on pages 41-44 of the Company's Annual Report 2015.

## NOTE 3 – NEW ACCOUNTING STANDARDS, CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND PRESENTATION

As of 1 January 2016, the SFG Group has implemented the standards and interpretations, which are mandatory for the preparation of the Interim report for Q1 2016. None of these standards or interpretations have impacted the recognition and measurement in the financial reporting of the Santa Fe Group for Q1 2016 in any material respect.

Significant accounting estimates and judgements are described in the Company's Annual Report 2015, note 2, page 45.

### **Change in Operating Segments**

In order to align the financial reporting with the management structure and internal management reporting, Santa Fe Group has effective 1 January 2016 changed the operating segments and added Americas as a separate operating segment. Furthermore, Middle East and Africa are now included in the Asia region and excluded from Europe.

Reconciliation items in "Corporate and unallocated items" are primarily related to corporate costs and corporate assets including cash and cash equivalents held by the Parent company and the Group functions in London.

Comparatives have been restated accordingly.

#### 4. OPERATING SEGMENTS

Q1	Europe		Asia		Australia		Americas		Reportable segments		Corporate and unallocated activities		Santa Fe Group	
EURm	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
<b>Income statement</b>														
<b>Revenue</b>	<b>40.1</b>	<b>42.9</b>	<b>31.3</b>	<b>30.9</b>	<b>18.0</b>	<b>22.3</b>	<b>3.1</b>	<b>1.5</b>	<b>92.5</b>	<b>97.6</b>	-	-	<b>92.5</b>	<b>97.6</b>
Intercompany revenue	5.4	6.3	6.0	6.2	0.7	1.0	0.6	0.9	12.7	14.4	-	-	12.7	14.4
External revenue	34.7	36.6	25.3	24.7	17.3	21.3	2.5	0.6	79.8	83.2	-	-	79.8	83.2
EBITDA before special items	-1.4	-1.6	1.3	1.3	-0.5	0.3	-0.2	-0.1	-0.8	-0.1	-0.4	-1.0	-1.2	-1.1
<b>Balance sheet</b>														
Total assets	114.1	122.2	71.4	70.0	37.5	41.5	3.3	1.7	226.3	235.4	8.1	7.5	234.4	242.9

The segment reporting is based on the internal management reporting.

Reconciliation items in "Corporate and unallocated items" are primarily related to corporate costs and corporate assets including cash and cash equivalents held by the Parent company and the Group functions in London.

The reportable segments provide moving, relocation and records management services to corporate and individual clients. Due to the seasonal nature of these services, higher revenues and operating profits are usually expected in the second half of the year (Q3 in particular) rather than in the first 6 months. Higher revenue during Q3 is primarily driven by many relocations during the peak summer holiday season (including school holiday) in Europe and Asia which is the preferred relocation period. However, the peak season in Australia falls within December and January. This information is provided to allow for a better understanding of the results, however, management has concluded that this is not "highly seasonal" in accordance with IAS 34.

# STATEMENT BY THE BOARD OF DIRECTORS AND EXECUTIVE BOARD

The Board of Directors and the Executive Board have today discussed and approved the interim report of Santa Fe Group A/S for the interim period 1 January to 31 March 2016.

The interim report, which has not been audited or reviewed by the Company's auditor, has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and Danish disclosure requirements for listed companies.

In our opinion the interim report gives a true and fair view of the Santa Fe Group's assets, liabilities and financial position as of 31 March 2016 and of the results of the Santa Fe Group's operations and the consolidated cash flow for the interim period 1 January to 31 March 2016.

Further, in our opinion the Management's review includes a financial review of the development in the Santa Fe Group's operations and conditions,

the result for the period, cash flow and the financial position as a whole, and describes the most significant risks and uncertainty factors that the Group faces.

Copenhagen, 19 May 2016

Santa Fe Group A/S

## Executive Board

**Martin Thaysen**  
Group CEO

**Christian Møller Laursen**  
Group CFO

## Board of Directors

**Henning Kruse Petersen**  
Chairman

**Preben Sunke**  
Deputy Chairman

**Michael Hauge Sørensen**

**Jakob Holmen Kraglund**