

INTERIM REPORT

2016

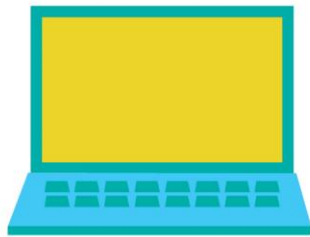


2.3 million letter boxes visited every week

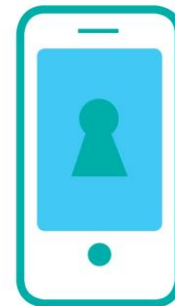
644,000 signed up for NoAds+



20,000 doors open with BEKEY every day



1.2 mio. downloads of minetilbud-app



6.6 mio. visiting websites and apps every month



1.3 million newspapers a week

The Interim report 2016 has been prepared in Danish and English.

The Danish text shall be the governing text for all purposes and in case of any discrepancy the Danish wording shall be applicable.

NORTH MEDIA A/S

CVR-nr. 66 59 01 19

18 august 2016

Company announcement no 09-16

Continued optimisation by acquiring, divesting and restructuring activities. Earnings expectations for 2016 upheld.

"In H1 2016 and particularly in Q2 2016, North Media's focus has been on optimising its business segments. This is seen most clearly at North Media newspapers where we have sold off some of the portfolio and taken major restructuring measures to intensify sales efforts and reduce costs. Also, at North Media Online, we have invested in and acquired 20% of the shares in Lix Technologies ApS, which is to help create the platform of the future for digital learning. And lastly we have continued the progress of NoAds+ and stabilised FK Distribution's revenue. Developments are a mark of the effect of the new governance structure under which each business segment is developed through a direct and targeted strategic effort. This has made us more agile and increased our manoeuvrability that is key to developing the business concepts and actualising the opportunities which are to ensure North Media's growth and earnings capacity in the years ahead," says Kåre Wigh, Group Executive Director & CFO of North Media A/S.

Group financial highlights from H1 2016

- Group revenue reached DKK 430.9 million (2015: DKK 511.6 million), which is 16% down on last year.
- EBITDA was negative by DKK 5.5 million (2015: positive by DKK 20.3 million).
- EBIT before special items was a loss of DKK 25.0 million (2015: a loss of DKK 3.5 million).
- The H1 2016 return on securities was negative by DKK 7.4 million, or 4.5%. The Group's total portfolio of securities amounted to DKK 214.4 million at 30 June 2016.
- The Group's net interest-bearing cash position was DKK 108.7 million at the balance sheet date, and its capital resources amounted to DKK 288.3 million. Consequently, the Group's financial resources remain strong.

Outlook for 2016

The revenue expectations range for the Group has been reduced to now be between DKK 860 million and DKK 895 million. EBIT before special items is expected to remain unchanged between a negative DKK 25 million and a negative DKK 55 million.

Because of the substantial strategic and operational measures taken in H1 2016, the net amount of special items from divested newspapers and restructuring of North Media Aviser A/S is expected to be an income in the order of DKK 7.0 million for the financial year.

The profit earned from divesting the Group's stake in A/S Vestsjællandske Distriktsblade totals DKK 27.2 million and is recognised as a share of profit/loss from associates.

FK Distribution – H1 2016

Revenue was DKK 274.5 million (2015: DKK 340.5 million), down 19%. Besides continued strong price competition, revenue development is affected by the loss of Coop as a customer effective from 1 January 2016.

- EBITDA was DKK 11.9 million (2015: DKK 29.8 million).
- EBIT reached DKK 4.2 million (2015: DKK 18.2 million), thus producing a profit margin of 1.5% (2015: 5.3%).
- At 30 June 2016, 644,000 households had signed up for NoAds+. The number of NoAds+ sign-ups soared during the quarter despite reduced marketing efforts.

North Media newspapers - H1 2016

- Revenue was DKK 97.6 million (2015: DKK 111.7 million), down 13%.
- EBITDA was negative by DKK 12.6 million (2015: a negative DKK 1.3 million).
- EBIT stood at a negative DKK 18.9 million (2015: a negative DKK 8.1 million).
- The print ads market has developed worse than expected. In view of this, revenue and performance development has been weaker than expected.
- The divestment of six local editions of Søndagsavisen and the stake in A/S Vestsjællandske Distriktsblade as well as the restructuring of Søndagsavisen are to help provide a better platform for creating value. Gorm Wesing Flyvholm will take up the position as new CEO of North Media Aviser A/S from 1 September 2016.

North Media Online - H1 2016

- Online's total revenue stood at DKK 48.2 million (2015: DKK 48.7 million).
- EBITDA was negative by DKK 4.3 million (2015: negative by DKK 3.3 million).
- EBIT stood at a negative DKK 5.0 million (2015: a negative DKK 4.1 million).
- DKK 18 million invested in Lix Technologies ApS.
- Overall, revenue development was weaker than expected because of low growth at BoligPortal and more customers opting out of håndværker.dk than anticipated.

BEKEY – H1 2016

- Revenue was DKK 10.6 million (2015: DKK 10.7 million), down 1%.
- EBITDA was negative by DKK 8.6 million (2015: negative by DKK 9.0 million).
- EBIT stood at a negative DKK 8.7 million (2015: a negative DKK 9.1 million).
- The first shipment to the USA was made in July. BEKEY won procurement rounds on electronic lock systems for the municipalities of both Malmö and Jönköping in Sweden, and is in close dialogue with many other foreign local governments.

Group financial highlights and ratios (DKK'm)

Income statement:	H1-16 <i>unaudited</i>	H1-15 <i>unaudited</i>	2015 <i>audited</i>
Revenue	430.9	511.6	1,012.4
Gross profit	203.8	248.6	496.7
EBITDA	-5.5	20.3	55.6
Amortisation and depreciation	19.5	23.8	56.3
EBIT before special items	-25.0	-3.5	-0.7
Special items, net	7.0	0.0	-19.4
EBIT	-18.0	-3.5	-20.1
Share of profit in associates	25.0	0.0	-0.2
Return on securities	-7.4	9.7	12.9
Financials, net	-4.8	-3.4	-7.8
Profit/loss before tax	-5.2	2.8	-15.2
Tax for the period / year	-5.0	0.6	-3.3
Net profit for the period / year	-0.2	2.2	-11.9
Comprehensive income	-1.1	3.7	-9.9
Balance sheet:			
Total assets	857.3	873.7	850.3
Shareholders' equity incl. Minorities	521.5	534.9	522.0
Net interest-bearing cash position	108.7	74.4	113.8
Net working capital (NWC)	-59.7	-33.1	-38.2
Invested capital	412.8	460.5	408.2
Investments in property, plant and equipment	4.6	8.3	10.8
Free cash flow	2.8	-2.1	40.2
Other information:			
Average number of employees	551	630	610
Numbers of shares at year-end, in thousand	20,055	20,055	20,055
Treasury shares, in thousand	1,485	1,485	1,485
Share price at period-end, DKK	13.5	13.7	14.1
Ratios:			
Gross margin (%)	47.3	48.6	49.1
Operating margin (EBIT before special items) (%)	-5.8	-0.7	-0.1
Equity ratio (%)	60.8	61.2	61.4
Return on equity (ROE) (%) (1) *	-0.1	0.8	-2.3
Return on capital employed (ROIC) (%) *	-12.2	-1.5	-0.2
Earnings per share (EPS)	0.0	0.2	-0.5

The financial highlights and financial ratios have been compiled in accordance with "Anbefalinger & Nøgletal 2015" (Recommendations & Financial Ratios 2015) issued by the Danish Society of Financial Analysts.

Ratios marked by *) are stated on an annual basis.

Management commentary

Underlying market conditions for FK Distribution being stabilised. Restructuring of North Media newspapers. North Media Online investing in Lix Technologies ApS. BEKEY delivering the first products to customers in the USA.

By being in contact every day with most Danes, North Media is to tap into its unique competencies that will create contact between and enable sharing of information with consumers and citizens on one side and retailers, e-traders and corporate sector on the other. North Media is investing massively to develop the individual business segments in order to adapt the platforms to future demand and to develop and acquire new digital products and services that are to help optimise the long-term earnings potential.

This focus will characterise all of 2016 and has been a top priority on Management's agenda in H1 2016.

Underlying market conditions being stabilised and consumer sign-ups for NoAds+ still on the rise, but revenue development affected by the loss of Coop.

FK Distribution – financial highlights

DKK'm	H1 16	H1 15	Development
Omsætning	274.5	340.5	-66.0/-19 %
EBIT	4.2	18.2	-14.0

In the first half of 2016, the market for distribution of un-addressed printed matter remained affected by price competition and declines in volume. However, Q2 2016 saw a trend towards stabilisation of the price level, and this, together with the positive development of NoAds+, leads to the expectation of gradually improving long-term commercial conditions.

FK Distribution's H1 2016 revenue was affected by the loss of Coop as a customer from 1 January 2016, which – as expected – has contributed to reducing FK Distribution's market share and revenue by DKK 66.0 million to DKK 274.5 million in H1 2016 compared to H1 2015.

The success of NoAds+ goes on, with 644,000 households having signed up at the end of June 2016. This represents an increase of 61,000 in signed-up households in Q2 2016, which is considered satisfactory.

Efficiency improvements and savings combined with a reduction in the promotion of NoAds+ help reduce the earnings effect of the decline in revenue. So, EBIT for the

period stands at DKK 4.2 million (2015: DKK 18.2 million), equivalent to a reduction of DKK 14.0 million.

For the rest of 2016, the spotlight will be on developing and introducing new products and services for both Print and Online. Above all, activities will be targeted at NoAds+ and minetilbud.dk which provide advertisers with a unique access to high-spending consumers and which are therefore among the most effective advertising platforms for retailers.

For the financial year 2016, revenue is expected to range between DKK 560 million and DKK 575 million, which is a minor reduction in the range compared to previous announcements. Previous announcements expected revenue to range between DKK 550 million and DKK 575 million for all of 2016.

Earnings expectations for the financial year 2016 remain unchanged with EBIT ranging between DKK 0 and DKK 15 million.

In 2015, EBIT of FK Distribution stood at DKK 56.3 million.

Massive adjustment of North Media newspapers to restore profitability

North Media Newspapers - financial highlights

DKK'm	H1 16	H1 15	Development
Omsætning	97.6	111.7	-14.1/-13 %
EBIT	-18.9	-8.1	-10.8

In Q2 2016, the Group carried through a massive adjustment and consolidation of North Media newspapers' activities. As stated in Company announcement no 04-16 of 2 May 2016, North Media Aviser A/S signed an agreement to sell six of its 29 regional editions of Søndagsavisen (Næstved, Vordingborg, Falster, Ringsted, Holbæk as well as in Taastrup, Køge Bugt and Vestegnen) and its stake in A/S Vestsjællandske Distriktsblade to Sjællandske Medier A/S for DKK 41.8 million. In June 2016 followed Company announcement no 07-16 of 28 June 2016 outlining a restructuring process that will intensify focus on sales activities and lead to 25 to 30 jobs being cut, which will reduce costs by DKK 20 million from 2017.

These measures are key steps in making Søndagsavisen more commercially orientated and in restoring advertisement sales growth in a market that is affected by heavily tightened terms for free newspapers.

As part of the restructuring process, Arne Ullum has stepped down as Chief Executive Officer of North Media Aviser A/S and member of the Executive Board of North Media A/S. Effective from 1 September 2016, his seat will be taken over by Gorm Wesing Flyvholm.

The remaining newspaper activities, including the Copenhagen local newspapers, Lokalavisen Nordsjælland and Helsingør Dagblad, which are all well under way, will not be affected very much by the changes at Søndagsavisen.

In the last part of H1 2016, North Media newspapers' revenue was affected by the divestment of newspaper activities, accounting for total revenue of DKK 27.9 million in 2015. Excluding this, revenue for H1 2016 went down by 12% compared to last year.

EBIT before special items is affected by this lower revenue, and H1 2016 realised a loss of DKK 18.9 million. Special items for the period total a net income of DKK 7.0 million, composed of sales proceeds of DKK 14.6 million and restructuring costs of DKK 7.6 million.

Overall, North Media newspapers expect to realise revenue between DKK 175 million and DKK 185 million for the financial year 2016. EBIT before special items is still expected to be a loss ranging between DKK 30 million and DKK 35 million (2015: a loss of DKK 23.9 million).

As a result of the restructuring measures taken, revenue and earnings expectations for H2 2016 are subject to uncertainty. Previously, revenue for the financial year 2016 was expected to range from DKK 185 million to DKK 195 million.

North Media Online to expand its business by new investment

North Media Online – financial highlights			
DKK'm	H1 16	H1 15	Development
Omsætning	48.2	48.7	-0.5/-1 %
EBIT	-5.0	-4.1	-0.9

Under the management of Chief Executive Officer Henrik Løvig, North Media Online launched the roll-out of a new cooperation structure in H1 2016 that will improve competency sharing across the online activities. Also, the strategic focus of all companies has been intensified based on three thematic axes: Development of scalable business models,

complete digitalisation and assessment of international perspectives.

One of the results of this revised approach has been – as stated in Company announcement no 08-16 of 30 June 2016 – that North Media Online invested DKK 18 million in Lix Technologies ApS and, in doing so, obtained a 20% stake in the company that will create the platform of the future for digital learning and give students access to more than 100,000 textbooks at prices which are lower than those offered by traditional channels.

The capital invested by North Media Online is to lift Lix to a position of being a strong, global player in the rapidly growing digital textbook market and being tomorrow's learning platform for students. The share of profit will be recognised in profit/loss from associates and so does not form part of EBIT from the Online segment.

In H1 2016, activities of North Media Online generated revenue below expectations.

At BoligPortal.dk, growth was lower than anticipated, although traffic on the site is developing nicely. However, the new pricing and product strategy adopted for rentals is beginning to show effect by reflecting increased activity in June and July where the high momentum of the development of new products, especially aimed at landlords and mobile platforms, was maintained.

Following a marked decline in Q1 2016, activities at håndværker.dk were stable in Q2 2016. The number of customers lost is still too high, which is why the sales organisation was strengthened in Q2 2016, especially in terms of account management and key account sales. The aim of this is to improve retention of existing customers and onboarding of new customers in order to reduce churn.

Ofir's online job advertisement sales went up by 16% whereas sales of the Emly Hire system showed lower growth. However, revenue development remains below expectations.

Overall, North Media Online realised negative EBIT before special items of DKK 5.0 million for H1 2016 (2015: a negative DKK 4.1 million).

BoligPortal.dk will keep on working on rolling out new products in 2016 to landlords, housing sellers and housing seekers.

At Ofir, Emly Hire's market share is to be increased and advertisement sales to be improved considerably, partly by way of more sales promotion, partly by way of synergies with the recruitment system.

Increased volume is a focal point with håndværker.dk and is to be driven by keeping the level of marketing activities high and by increasing awareness. The operating loss will be reduced continually during the year, but uncertainty

remains as to whether it will be possible to reach break-even by the end of 2016.

Based on developments at North Media Online in H1 2016, revenue for the financial year 2016 is now expected to be between DKK 100 million and DKK 105 million as opposed to previously between DKK 105 million and DKK 115 million. EBIT before special items is expected to remain unchanged between a negative DKK 5 million and DKK 0. Due to the year-to-date development, the revenue and performance realised are expected to be at the low end of the range.

In 2015, EBIT of North Media Online was negative by DKK 12.6 million.

BEKEY continues expanding internationally

BEKEY – financial highlights

DKK'm	H1 16	H1 15	Development
Omsætning	10.6	10.7	-0.1/ -1 %
EBIT	-8.7	-9.1	+0.4

In H1 2016, BEKEY maintained focus on forming partnerships in the Netherlands, Norway, Finland and the USA, among others, and particularly in Sweden the market position has been strengthened after BEKEY has won several procurement rounds in the municipalities of Malmö and Jönköping, among others, where BEKEY's lock systems are expected to be installed in H2 2016 and H1 2017.

Revenue for H1 2016 was DKK 10.6 million (2015: DKK 10.7 million, down 1%. H1 2016 revenue was lower than anticipated, and the reason is that a number of procurement rounds have either been postponed or called off, and installations have been postponed to H2 2016. Expectations are still that BEKEY will have a growth rate for the year of 40-70%, resulting in part from the above procurement rounds in Malmö.

EBIT realised by BEKEY for H1 2016 was negative by DKK 8.7 million (2015: a negative DKK 9.1 million), which is in line with expectations when taking into consideration the period deferment of revenue. However, the costs of developing fittings and Thumb Turn 2.0 have also been higher than expected.

The second half of 2016 will be marked by continued focus on product launches, fortification of business internationally and substantial development activities.

BEKEY still expects revenue for 2016 to range between DKK 25 million and DKK 30 million (2015: DKK 18.2 million) and negative EBIT before special items between DKK 15 million and DKK 10 million (2015: a negative DKK 19.4 million).

Revenue expectations range for 2016 reduced. EBIT expectations remain unchanged.

Outlook for 2016

DKK'm	Revenue	EBIT before special items
FK Distribution	560-575	0 to +15
North Media newspapers	175-185	-35 to -30
North Media Online	100-105	-5 to 0
BEKEY	25-30	-15 to -10
Group	860-895	-55 to -25

Expectations for annual revenue have been made more specific and been reduced. Group revenue is now expected to range between DKK 860 million and DKK 895 million as opposed to before between DKK 865 million and DKK 915 million. Group EBIT before special items is expected to remain unchanged between a negative DKK 55 million and a negative DKK 25 million.

Because of the restructuring measures implemented at the end of June, expectations for revenue and performance of North Media newspapers are subject to increased uncertainty. Also, North Media Online is to be expected to realise revenue and results at the low end of the range.

A total net profit of approx DKK 40 million was realised from the divestment of activities and equity interests in North Media Aviser A/S, which amount has been included in the financial statements partly as profit/loss from associates, partly as a special item.

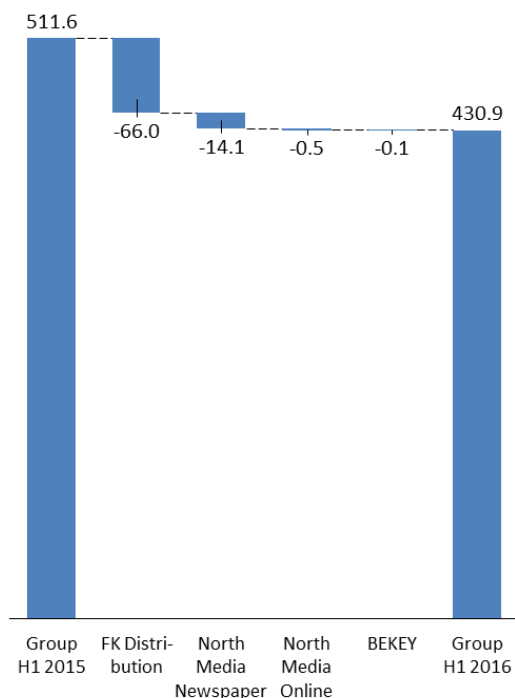
The Group's investments for 2016 are estimated to remain unchanged at approx DKK 10 million whereas ordinary amortisation and depreciation are estimated to remain unchanged at approx DKK 37 million.

Financial review

Loss of Coop and adverse development for newspapers affect revenue and performance

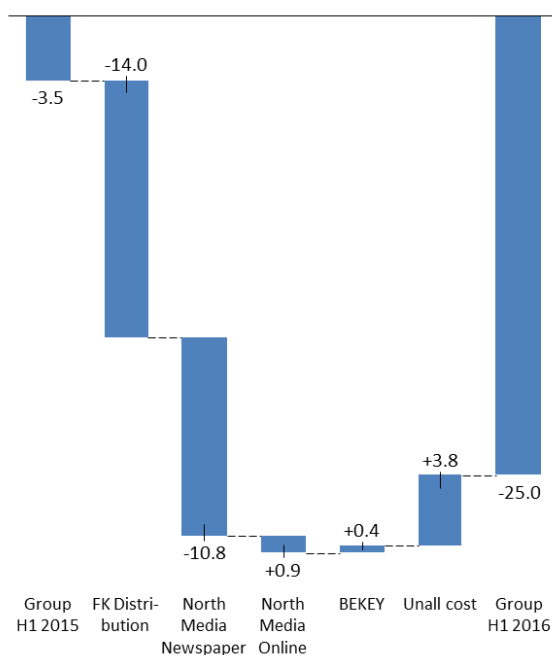
Group revenue went down from DKK 511.6 million in H1 2015 to DKK 430.9 million in H1 2016. This is a drop by DKK 80.7 million, or 16%, that has primarily been caused by FK Distribution's loss of Coop as a customer and the continued decline in prices in the market for distribution of un-addressed printed matter.

Group revenue development (DKK'm)



Group EBIT went down from a negative DKK 3.5 million in H1 2015 to a negative DKK 25.0 million in H1 2016. The heavy reduction in FK Distribution's revenue is partially offset by efficiency gains and savings. Overall, this leads to a DKK 14 million reduction in FK Distribution's earnings. The development in North Media newspapers' results is not satisfactory and poorer than anticipated because of very weak markets. Also, results of the newspapers were adversely affected by six editions of Søndagsavisen having been divested to Sjællandske Medier.

Group EBIT development (DKK'm)



Contribution margin

For H1 2016, the total contribution margin for the Group was DKK 203.8 million, which is DKK 44.8 million down on the same period in 2015, equalling a contribution ratio of 47.3%. For H1 2015, the contribution margin was DKK 248.6 million and the contribution ratio was 48.6%.

Staff costs

Staff costs for H1 2016 came to DKK 141.3 million, a decrease of DKK 8.9 million compared to H1 2015. This decrease was caused by a reduction in the number of employees, and, in 2015, costs for the Group's 50th anniversary were incurred.

In H1 2016, an average of 551 people was employed with North Media, which is 59 employees less than at year-end 2014, but 79 less than compared to H1 2015. Most of this reduction is attributable to a cut in the number of employees at the terminals whose wages are included in directly staff costs.

Other expenses

Other expenses primarily include marketing costs, costs of premises, IT costs, fees and administrative expenses. Other expenses for H1 2016 total DKK 70.3 million against DKK 83.0 million for H1 2015. Most of the decline is attributable to development, implementation and marketing costs related to NoAds+ and minetilbud.dk having been reduced compared to the very high level of activity in H1 2015.

Special items

In H1 2016, special items constitute an income of DKK 7.0 million compared to DKK 0 for the same period in 2015.

H1 2016 includes a profit of DKK 14.6 million from the divestment of six local editions of Søndagsavisen to Sjællandske Medier; conversely, total costs of DKK 7.6 million were recognised from the restructuring of Søndagsavisen outlined in Company announcement no 07-16 of 28 June 2016.

Please also refer to Note 3 to the financial statements.

Share of profit/loss from associates

The Group's share of net profit/loss from associates for H1 2016 was DKK 25.0 million compared to DKK 0 for H1 2015.

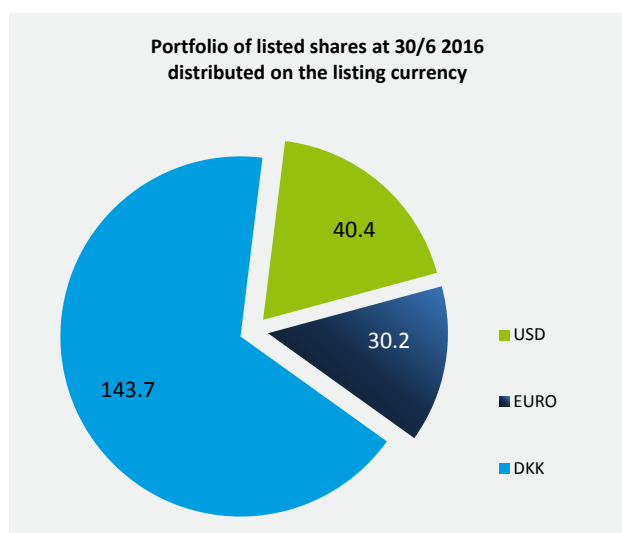
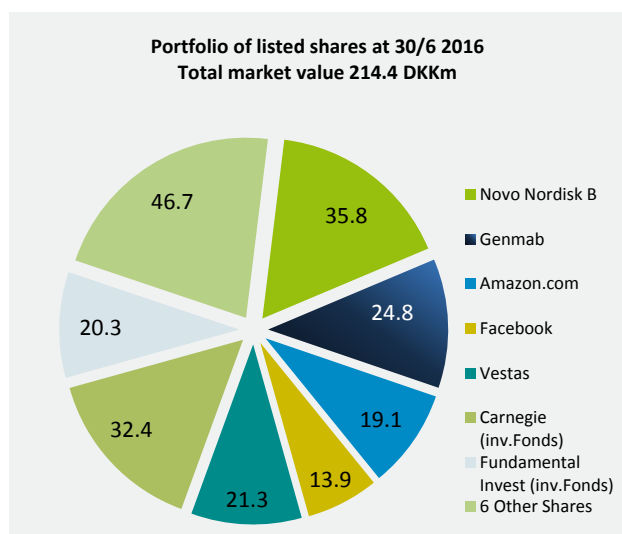
This figure is heavily affected by the profit earned from the divestment of the Group's ownership interest in A/S Vestsjællandske Distriktsblade.

In 2016, the net share was DKK 0. The operating profit from the Group's equity interest in A/S Vestsjællandske Distriktsblade was offset by the operating loss realised by Mes-to.ua.

Please also refer to Note 1 to the financial statements.

Level of portfolio of securities a little higher

At the end of June 2016, the Group had invested in 13 different shares and share-based investment funds. The portfolio consists of listed shares and investment funds with high transferability such as OMXC20 shares or shares in similar international indexes.

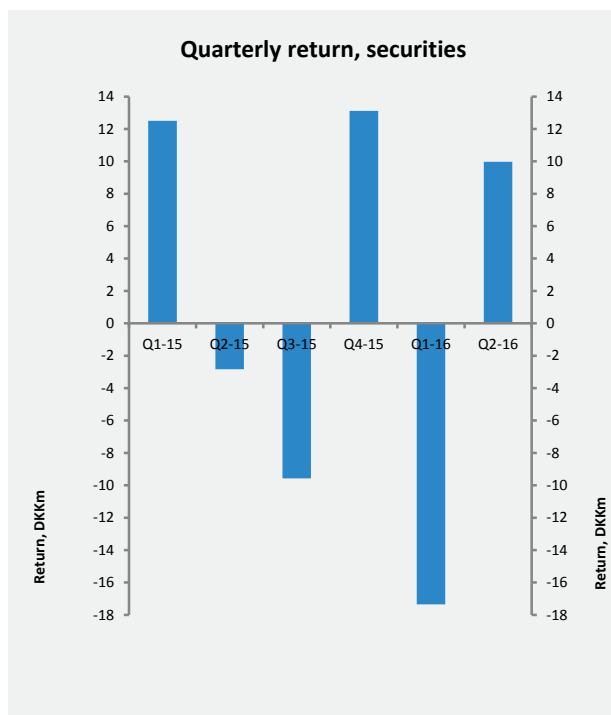


Negative return on securities in H1 2016

H1 2016 yielded a negative net return on securities of DKK 7.4 million for the Group, or a negative 4.5%.

For 2015, the Group had realised a positive net return of DKK 12.9 million, or 6.3%. The quarterly returns in 2015 and Q1 and Q2 2016 returns are shown in the graph below.

At 30 June 2016, the share portfolio risk has been calculated at 15.6%. Risk has been calculated as the annualised standard deviation measured over the past 90 days of trading. "Value at risk", which reflects the maximum loss over a three-month period with a probability of 95%, was DKK 27.9 million.



Financial income

In H1 2016, the Group had financial income of DKK 0.1 million, whereas it was DKK 0.8 million in H1 2015. The income arises from interest income and small foreign exchange gains.

Please also refer to Note 2 to the financial statements.

Financial expenses

Financial expenses for H1 2016 totalled DKK 4.9 million against DKK 4.2 million for H1 2015. The interest expenses are attributable to interest on mortgage loans and the discount effect of the purchase price payable. The increase compared to last year primarily results from foreign exchange losses and higher interest expenses on the Group's bank balances.

Please also refer to Note 2 to the financial statements.

Loss before tax

The Group's pre-tax loss was DKK 5.2 million for H1 2016 compared to a profit of DKK 2.8 million for H1 2015. The primary reasons for the reduction are a lower operating profit and lower returns on the securities portfolio, whereas profit from the divestment of six editions of Søndagsavisen and the equity interest in A/S Vestsjællandske Distriktsblade had a positive effect.

Taxation

Tax on loss for the period constitutes an income of DKK 5.0 million. The tax relates to a reduction in deferred tax due to the operating loss as the profit earned from the divested shares in A/S Vestsjællandske Distriktsblade is free of tax. For H1 2015, income tax totalled DKK 0.6 million based on a profit of DKK 2.8 million.

Loss for the period

For H1 2016, the Group realised a loss of DKK 0.2 million. This is DKK 2.4 million down on 2015, and has been caused by the circumstances referred to above.

Intangible assets

In the Group's balance sheet for H1 2016, intangible assets are written down by DKK 7.5 million by way of amortisation. DKK 6.1 million has been written off for North Media newspapers' intangible assets related to the purchase at year-end 2013 of eight local newspapers, DKK 1.0 million for software related to FK Distribution and DKK 0.4 million for the results from the Online segment related to BoligPortal.

At the end of June 2016, goodwill relating to the acquisition of the eight local papers comes to DKK 22.9 million, whereas other intangible assets in the form of publishing and brand rights for those eight local newspapers have been calculated at DKK 29.1 million.

The rest of the goodwill relates to FK Distribution and BoligPortal, and the other intangible assets also to BoligPortal.

It has been concluded that no indication of impairment exists at 30 June 2016.

Investments in associates

In H1 2016, investments in associates are the investments in Lix Technologies ApS, Lead Supply ApS and the Ukrainian housing website Mesto.ua. Their value is mainly made up of the companies' intangible assets.

The Group has increased its equity interest in Mesto.ua in June 2016 from 20% to approx 35%, based on an overall valuation of Mesto of EUR 2 million. In that connection the value of the original equity interest was written down by DKK 2.2 million.

The investment in Lead Supply ApS was made on 1 June 2016, and, in Lix Technologies ApS, it was made on 30 June 2016.

Investments

For H1 2016, the Group's investments in intangible assets and property, plant and equipment totalled DKK 4.6 million against DKK 8.4 million for H1 2015. The reduction is due to reduced investments in FK Distribution's packing terminals. Amortisation and depreciation for H1 2016 came to DKK 19.5 million, which is DKK 4.3 million down on the same period last year. The decline is mainly due to reduced depreciation of plant and machinery at FK Distribution's packing terminals.

Working capital

At 30 June 2016, the Group's trade receivables amounted to DKK 77.2 million. This is equivalent to a debtor day ratio of 26.7 days. Compared to the same period in 2015, the

Group's receivables have decreased by DKK 9.5 million, and the debtor day ratio has increased by 1.5 days from 25.2 days. This increase arises across most of the activities.

At the end of June 2016, short-term trade payables stood at DKK 33.8 million compared to DKK 40.4 million at the end of June 2015. In days' payable outstanding, this equals 24.3 days in H1 2016 compared to 24.4 days in H1 2015.

At 30 June 2016, other payables amount to DKK 99.7 million, which is DKK 14.9 million up on the same date in 2015. Other payables primarily relate to holiday pay payable, VAT payable and costs payable. DKK 7.6 million of this increase is attributable to provisions for the restructuring measures implemented.

The Group's net working capital (NWC) amounted to a negative DKK 59.7 million at the end of June 2016, which is DKK 26.6 million better than at the same time last year, when the Group's net working capital was a negative DKK 33.1 million. At year-end 2015, the negative net working capital stood at DKK 38.2 million.

Cash flows from operating activities a plus of DKK 7.7 million in 2016

Cash flows from operating activities for H1 2016 are DKK 9.7 million lower than those for H1 2015. This decline is mainly attributable to the decline in financial results but outweighed in part by improved working capital.

Cash flows from investing activities for H1 2016 came to DKK 7.6 million against DKK 11.2 million for H1 2015. Cash flows from investing activities were also significantly affected by the purchase and sale of securities, and in 2016 also by the divestment of the equity interest in A/S Vestsjællandske Distriktsblade and some editions of Søndagsavisen.

In H1 2016, cash flows from financing activities were negative by DKK 3.2 million, attributable to repayments on mortgage loans. For H1 2015, cash flows from financing activities came to a negative DKK 4.9 million, which is also attributable to repayments on mortgage loans and dividend distributed to minority shareholders. Cash flows for H1 2016 totalled a negative DKK 18.5 million.

Net interest-bearing cash position ensuring financial latitude

The Group's capital resources remain strong. At 30 June 2016, the Group's net interest-bearing cash position came to DKK 108.7 million. This is DKK 5.1 million down on the amount at 31 December 2015 when it was DKK 113.8 million.

The net interest-bearing cash position consists of cash of DKK 73.9 million, ultra-liquid shares and investment funds in the amount of DKK 214.4 million, mortgage debt and interest rate swaps totalling DKK 160.5 million and acquisi-

tion price payable of DKK 19.1 million in total, primarily to the acquisition of Lix Technologies ApS.

So at 30 June 2016, the Group's cash resources (exclusive of overdraft facility) stood at DKK 288.3 million while at 30 June 2015 they were DKK 288.5 million.

Equity and holding of treasury shares

At 30 June 2016, the Group's equity stood at DKK 521.5 million, which is on a par with the amount at year-end 2015.

No treasury shares were purchased or sold during the period.

At 30 June 2016, the Group's portfolio of treasury shares was still 1,485,000, corresponding to 7.4% of the share capital and the votes in North Media A/S. The average buying price was DKK 27.7 per share.

Special risks and elements of uncertainty in H2 2016

Most of the Group's activities are distinct high-volume enterprises subject to high start-up costs and subsequent low unit costs, for which reason revenue growth would support a profit margin increase. Conversely, a decline in revenue would have a negative effect on the profit margin as it is only possible to slightly reduce costs in the short run. Also, operations are conducted in markets characterised by massive structural changes which contributes to increasing the uncertainty.

Related parties

Besides ordinary remuneration of Management, no transactions were carried out with members of the Executive Board or the Board of Directors.

By virtue of his holding company, Baunegård ApS, Richard Bunck is the Company's principal shareholder and is thus subject to the disclosure requirement applicable to related parties. No transactions were carried out with Richard Bunck in the period under review except for the directors' remuneration.

Transactions with associates consisted of ordinary sales and purchase transactions only.

Contingent liabilities and assets

No considerable changes occurred in H1 2016 concerning the Group's contingent liabilities and assets.

Events after the balance sheet date

The Board of Directors and the Executive Board are not aware of any significant events having occurred since 30 June 2016, which would have a material impact on the financial position of the Group.

Accounting policies

The Interim Report includes a summary of the consolidated financial statements of North Media A/S for the period 1 January to 30 June 2016. The Interim Report is presented in accordance with IAS 34, Presentation of Interim Reports, as adopted by the EU and additional Danish disclosure requirements governing interim reports of listed companies.

The accounting policies applied to this Interim Report are consistent with those applied to the Annual Report for 2015.

In the Interim Report, income tax is charged summarily at a rate of 22% of the pre-tax profit/loss, however, adjusted for the profit from the sale of A/S Vestsjællandske Distriktsblade. DKK 5.0 million in deferred tax has been taken to income based on an estimated computation of taxable loss for the period.

Changes in Management

As stated in Company announcement no 07-16 of 28 June 2016, Arne Ullum has stepped down as Chief Executive Officer of North Media Aviser A/S and as member of the Executive Board of North Media A/S. Arne Ullum is succeeded by Gorm Wesing Flyvholm, who will take up the position as Chief Executive Officer of North Media Aviser A/S and become a member of the Executive Board of North Media A/S as per 1 September 2016.

Contact

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- Mads Dahl Andersen, CEO of FK Distribution, mobile +45 20 42 09 85
- Henrik Løvig, CEO of North Media Online, mobile +45 61 79 94 31
- Søren Holmblad, CEO of BEKEY, mobile +45 25 65 21 30

QUARTERLY SCHEDULE

DKKm	Revenue								
	Year		Q2	Q1	Q4	Q3	Q2	Q1	Year
	2016	2015	2016	2016	2015	2015	2015	2015	2015
FK Distribution	274.5	340.5	137.2	137.3	194.5	156.4	175.6	164.9	691.4
<i>Index cp. same period last year</i>	80.6	93.3	78.1	83.3	93.0	89.9	91.9	94.8	92.4
North Media newspapers	97.6	111.7	48.1	49.5	52.7	43.7	55.3	56.4	208.1
<i>Index cp. same period last year</i>	87.4	95.2	87.0	87.8	94.3	94.2	92.9	97.6	94.8
North Media Online	48.2	48.7	24.0	24.2	22.0	24.0	24.1	24.6	94.7
<i>Index cp. same period last year</i>	99.0	97.6	99.6	98.4	98.7	95.2	96.0	99.2	97.2
BEKEY	10.6	10.7	5.3	5.3	3.6	3.9	6.1	4.6	18.2
<i>Index cp. same period last year</i>	99.1	356.7	86.9	115.2	138.5	144.4	469.2	270.6	219.3
Group revenue	430.9	511.6	214.6	216.3	272.8	228.0	261.1	250.5	1.012.4
<i>Index cp. same period last year</i>	84.2	95.6	82.2	86.3	94.0	91.8	94.3	97.0	94.3

DKKm	EBIT before special items								
	Year		Q2	Q1	Q4	Q3	Q2	Q1	Year
	2016	2015	2016	2016	2015	2015	2015	2015	2015
FK Distribution	4.2	18.2	0.6	3.6	31.3	6.8	18.4	-0.2	56.3
<i>Profit margin</i>	1.5%	5.3%	0.4%	2.6%	16.1%	4.3%	10.5%	-0.1%	8.1%
North Media newspapers	-18.9	-8.1	-10.1	-8.8	-4.2	-11.6	-4.4	-3.7	-23.9
<i>Profit margin</i>	-19.4%	-7.3%	-21.0%	-17.8%	-8.0%	-26.5%	-8.0%	-6.6%	-11.5%
North Media Online	-5.0	-4.1	-2.7	-2.3	-4.6	-3.9	-0.7	-3.4	-12.6
<i>Profit margin</i>	-10.4%	-8.4%	-11.3%	-9.5%	-20.9%	-16.3%	-2.9%	-13.8%	-13.3%
BEKEY	-8.7	-9.1	-4.9	-3.8	-5.1	-5.2	-4.8	-4.3	-19.4
<i>Profit margin</i>	-82.1%	-85.0%	-92.5%	-71.7%	-141.7%	-133.3%	-78.7%	-93.5%	-106.6%
Unallocated income/costs	3.4	-0.4	2.0	1.4	-1.6	0.9	-0.4	0.0	-1.1
Group EBIT before special items	-25.0	-3.5	-15.1	-9.9	15.8	-13.0	8.1	-11.6	-0.7
<i>Profit margin</i>	-5.8%	-0.7%	-7.0%	-4.6%	5.8%	-5.7%	3.1%	-4.6%	-0.1%

Statement by Management on the Interim Report

The Board of Directors and the Executive Board have today considered and approved the unaudited Interim Report of the North Media A/S Group for the period 1 January to 30 June 2016.

The Interim Report has been prepared in accordance with IAS 34 as adopted by the EU and additional Danish disclosure requirements governing interim reports of listed companies.

We consider the accounting policies applied appropriate and the accounting estimates reasonable. In our opinion,

the Interim Report gives a true and fair view of the Group's financial position at 30 June 2016 and of its financial performance and its cash flows for the period 1 January to 30 June 2016.

We also believe that the management commentary contains a fair review of the developments in the Group's business and of its financial position as a whole together with a description of the principal risks and uncertainties that it faces.

Søborg, 18 August 2016

Executive Board

Kåre Stausø Wigh
Group Executive Director & CFO

Mads Dahl Møberg Andersen
Chief Executive Officer
Forbruger-Kontakt A/S

Henrik Løvig Jensen
Chief Executive Officer
North Media Online A/S

Søren Jacob Frederik Holmblad
Chief Executive Officer
BEKEY A/S

Board of Directors

Richard Bunck
Chairman

Peter Raszta
Vice-Chairman

Steen Gede

Ulrik Holsted-Sandgreen

Consolidated statement of comprehensive income

Note		H1-16 DKKm <i>unaudited</i>	H1-15 DKKm <i>unaudited</i>	2015 DKKm <i>audited</i>
	Revenue	430.9	511.6	1.012.4
	Direct expenses	136.9	163.3	317.2
	Direct staff costs	90.2	99.7	198.5
	Gross margin	203.8	248.6	496.7
	Staff costs	141.3	150.2	291.6
	Other costs	70.3	83.0	157.4
	Amortisation and depreciation	19.5	23.8	56.3
	Other operating income	2.3	4.9	7.9
	EBIT before special items	-25.0	-3.5	-0.7
3	Special items, net	7.0	0.0	-19.4
	EBIT	-18.0	-3.5	-20.1
1	Share of profit/loss in associates	25.0	0.0	-0.2
	Return on securities	-7.4	9.7	12.9
2	Financial income	0.1	0.8	0.5
2	Financial expenses	-4.9	-4.2	-8.3
	Profit/loss before tax	-5.2	2.8	-15.2
	Tax for the period / year	-5.0	0.6	-3.3
	Net profit/loss for the period / year	-0.2	2.2	-11.9
	<i>Financial statement items that may later be reclassified for the income statement</i>			
	Translation adjustments, foreign companies	0.4	-0.3	-0.1
	Fair value adjustment of hedging instruments	-1.7	2.5	2.7
	Tax, other comprehensive income	0.4	-0.7	-0.6
	Other comprehensive income	-0.9	1.5	2.0
	Comprehensive income	-1.1	3.7	-9.9
	Attributable, net profit			
	Shareholders in North Media A/S	0.4	2.8	-10.1
	Minority interests	-0.6	-0.6	-1.8
		-0.2	2.2	-11.9
	Attributable, comprehensive income			
	Shareholders in North Media A/S	-0.5	4.3	-8.1
	Minority interests	-0.6	-0.6	-1.8
		-1.1	3.7	-9.9
	Earnings per share, in DKK			
	Earnings per share (EPS) - total	0.0	0.2	-0.5
	Diluted earnings per share (EPS-D) - total	0.0	0.2	-0.5

Consolidated balance sheet

Assets

Note	H1-16 DKKkm <i>unaudited</i>	H1-15 DKKkm <i>unaudited</i>	2015 DKKkm <i>audited</i>
Goodwill	62.1	72.0	62.1
Other intangible assets	44.3	57.4	50.8
Completed development projects, software	1.5	2.8	2.5
Development projects in progress	0.0	0.7	0.0
Intangible assets	107.9	132.9	115.4
Land and buildings	270.7	287.7	275.0
Plant and machinery	37.6	59.9	42.1
Operating equipment, fixtures and fittings	10.3	11.2	9.6
Property, plant and equipment	318.6	358.8	326.7
4 Investments in associates	31.8	7.5	8.5
Other securities and investments	4.6	4.7	4.7
Other receivables	2.5	2.3	2.4
Other non-current assets	38.9	14.5	15.6
Total non-current assets	465.4	506.2	457.7
Inventory	9.1	4.5	10.7
Trade receivables	77.2	86.7	78.1
Receivables from associates	0.1	0.6	0.6
Tilgodehavende selskabsskat	0.3	0.0	0.0
Other receivables	1.2	4.7	1.5
Prepayments	15.7	18.8	13.2
Securities	214.4	195.4	196.1
Cash	73.9	56.8	92.4
Total current assets	391.9	367.5	392.6
Total assets	857.3	873.7	850.3

Consolidated balance sheet

Equity and liabilities

Note	H1-16 DKKm <i>unaudited</i>	H1-15 DKKm <i>unaudited</i>	2015 DKKm <i>audited</i>
Share capital	100.3	100.3	100.3
Treasury shares	-41.2	-41.2	-41.2
Hedging reserves	-14.0	-12.5	-12.7
Reserve, translation adjustments	-3.1	-3.7	-3.5
Retained earnings	479.5	489.4	477.7
Parent Company's share of shareholders' equity	521.5	532.3	520.6
Minority interests	0.0	2.6	1.4
Total equity	521.5	534.9	522.0
Deferred tax	2.3	16.8	7.7
Financial institutions	136.1	129.0	139.2
Fair value, interest-rate swap	15.0	13.4	13.3
6 Purchase price payable	6.1	8.8	6.1
Total non-current liabilities	159.5	168.0	166.3
Financial institutions	6.4	10.9	6.5
Trade payables	33.8	40.4	43.1
6 Purchase price payable	13.0	12.6	6.6
Income tax payable	0.0	0.3	3.6
Fair value, interest-rate swap	3.0	3.1	3.0
Deferred income	20.4	18.7	15.0
Other payables	99.7	84.8	84.2
Total current liabilities	176.3	170.8	162.0
Total liabilities	335.8	338.8	328.3
Total equity and liabilities	857.3	873.7	850.3

Consolidated statement of changes in equity

Half year - unaudited

H1-16 DKKm	Share capital	Trea- sury shares	Hedging reserves	Reserve, trans- lation adjust- ment	Retai- ned earn- ings	Parent Com- pany's total share	Minori- ty inte- rests	Total equity
Equity 1 January 2016	100.3	-41.2	-12.7	-3.5	477.7	520.6	1.4	522.0
Changes in equity in H1-16								
Net profit for the period	0.0	0.0	0.0	0.0	0.4	0.4	-0.6	-0.2
Translation adjustment, foreign companies	0.0	0.0	0.0	0.4	0.0	0.4	0.0	0.4
Fair value adjustment of hedging instruments	0.0	0.0	-1.7	0.0	0.0	-1.7	0.0	-1.7
Tax, other comprehensive income	0.0	0.0	0.4	0.0	0.0	0.4	0.0	0.4
Other comprehensive income after tax	0.0	0.0	-1.3	0.4	0.0	-0.9	0.0	-0.9
Total comprehensive income	0.0	0.0	-1.3	0.4	0.4	-0.5	-0.6	-1.1
Changed recognition of minority	0.0	0.0	0.0	0.0	0.8	0.8	-0.8	0.0
Share-based payment	0.0	0.0	0.0	0.0	0.6	0.6	0.0	0.6
Total changes in equity in H1-16	0.0	0.0	-1.3	0.4	1.8	0.9	-1.4	-0.5
Equity at 31 June 2016	100.3	-41.2	-14.0	-3.1	479.5	521.5	0.0	521.5

H1-15 DKKm	Share capital	Trea- sury shares	Hedging reserves	Reserve, trans- lation adjust- ment	Retai- ned earn- ings	Parent Com- pany's total share	Minori- ty inte- rests	Total equity
Equity 1 January 2015	100.3	-41.2	-14.3	-3.4	485.8	527.2	5.2	532.4
Changes in equity in H1-15								
Net profit for the period	0.0	0.0	0.0	0.0	2.8	2.8	-0.6	2.2
Translation adjustment, foreign companies	0.0	0.0	0.0	-0.3	0.0	-0.3	0.0	-0.3
Fair value adjustment of hedging instruments	0.0	0.0	2.5	0.0	0.0	2.5	0.0	2.5
Tax, other comprehensive income	0.0	0.0	-0.7	0.0	0.0	-0.7	0.0	-0.7
Other comprehensive income after tax	0.0	0.0	1.8	-0.3	0.0	1.5	0.0	1.5
Total comprehensive income	0.0	0.0	1.8	-0.3	2.8	4.3	-0.6	3.7
Dividend distributed	0.0	0.0	0.0	0.0	0.0	0.0	-2.0	-2.0
Share-based payment	0.0	0.0	0.0	0.0	0.8	0.8	0.0	0.8
Total changes in equity in H1-15	0.0	0.0	1.8	-0.3	3.6	5.1	-2.6	2.5
Equity at 30 June 2015	100.3	-41.2	-12.5	-3.7	489.4	532.3	2.6	534.9

Consolidated statement of changes in equity

Full year - audited

2015 DKKm	Share capital	Trea- sury shares	Hedging reserves	Reserve, trans- lation adjust- ment	Retai- ned earn- ings	Parent Com- pany's total share	Mino- rity inte- rests	Total equity
Equity 1 January 2015	100.3	-41.2	-14.3	-3.4	485.8	527.2	5.2	532.4
Changes in equity 2015								
Net profit for the year	0.0	0.0	0.0	0.0	-10.1	-10.1	-1.8	-11.9
Translation adjustment, foreign companies	0.0	0.0	0.0	-0.1	0.0	-0.1	0.0	-0.1
Fair value adjustment of hedging instruments	0.0	0.0	2.7	0.0	0.0	2.7	0.0	2.7
Tax, other comprehensive income	0.0	0.0	-1.1	0.0	0.5	-0.6	0.0	-0.6
Other comprehensive income after tax	0.0	0.0	1.6	-0.1	0.5	2.0	0.0	2.0
Total comprehensive income	0.0	0.0	1.6	-0.1	-9.6	-8.1	-1.8	-9.9
Dividend distributed	0.0	0.0	0.0	0.0	0.0	0.0	-2.0	-2.0
Share-based payment	0.0	0.0	0.0	0.0	1.5	1.5	0.0	1.5
Total changes in equity in 2015	0.0	0.0	1.6	-0.1	-8.1	-6.6	-3.8	-10.4
Equity at 31 December 2015	100.3	-41.2	-12.7	-3.5	477.7	520.6	1.4	522.0

Consolidated cash flow statement

Note	H1-16 DKKm <i>unaudited</i>	H1-15 DKKm <i>unaudited</i>	2015 DKKm <i>audited</i>
Net profit	-0.2	2.2	-11.9
Adjustment for non-cash operating items	-12.8	19.7	62.9
Changes in working capital	13.7	-14.6	-6.5
Cash flow from operating activities before net financials	0.7	7.3	44.5
Interest received	0.1	0.1	0.3
Interest paid	-4.6	-3.6	-7.1
Cash flow from ordinary activities before tax	-3.8	3.8	37.7
Income tax paid	-3.9	-1.8	-3.1
Cash flow from operating activities, total	-7.7	2.0	34.6
Investment in intangible assets and property, plant and equipment	-4.6	-8.4	-11.0
Disposals of intangible assets and property, plant and equipment	0.6	0.6	0.7
5 Dividend from associates	3.9	3.5	3.5
Investment in securities, net	-28.7	16.3	22.6
Dividend from securities	2.7	2.2	2.7
Investment in other non-current assets	0.0	0.0	-0.1
6 Acquisition of companies	-6.2	-3.0	-8.8
Purchase of minority shares	42.2	0.0	0.0
Investment in associates	-17.5	0.0	-1.2
Cash flow from investing activities, total	-7.6	11.2	8.4
Additions of non-current liabilities	0.0	0.0	14.0
Repayment of non-current liabilities	-3.2	-2.9	-6.1
Dividend to minority shareholders	0.0	-2.0	-2.0
Cash flow from financing activities, total	-3.2	-4.9	5.9
Changes in cash and cash equivalents	-18.5	8.3	48.9
Cash and cash equivalents at 1 January	92.4	43.5	43.5
Cash and cash equivalents at 30 June / 31 December	73.9	51.8	92.4

Notes to the Interim Report

1 Share of profit/loss of associates after tax	H1-16 DKKm <i>unaudited</i>	H1-15 DKKm <i>unaudited</i>	2015 DKKm <i>audited</i>
Share of profit/loss before tax	0.0	0.3	0.5
Share of tax	0.0	-0.3	-0.7
Impairment	-2.2	0.0	0.0
Gain on sales of investments	27.2	0.0	0.0
Total share of profit/loss of associates after tax	25.0	0.0	-0.2

2 Return on securities	H1-16 mio. kr. <i>unaudited</i>	H1-15 mio. kr. <i>unaudited</i>	2015 mio. kr. <i>audited</i>
Dividend	2.7	2.2	2.7
Net capital gains on shares	-10.1	6.3	11.2
Interest and gain on bonds, net	0.0	1.2	-1.0
Total return on securities	-7.4	9.7	12.9

3 Net financials	H1-16 DKKm <i>unaudited</i>	H1-15 DKKm <i>unaudited</i>	2015 DKKm <i>audited</i>
Exchange differences	0.0	0.7	0.2
Interest income etc	0.1	0.1	0.3
Total financial income	0.1	0.8	0.5
Interest expenses etc	4.2	3.6	7.1
Exchange differences	0.4	0.0	0.0
Discount effect of the purchase price payable	0.3	0.6	1.2
Total financial expenses	4.9	4.2	8.3

4 Special items

	H1-16 DKKm <i>unaudited</i>	H1-15 DKKm <i>unaudited</i>	2015 DKKm <i>audited</i>
Severance costs on organisational change in Søndagsavisen A/S	7.6	0.0	0.0
Severance costs regarding change in management of North Media A/S	0.0	0.0	3.3
Impairment losses for former printing house	0.0	0.0	9.6
Write-down of goodwill relating to local newspapers	0.0	0.0	10.0
Reversal of purchase price payable related to the acquisition of Lokaltidiserne Østerbro og Amager A/S	0.0	0.0	-3.5
Gain on sale of newspapers to Sjællandske Media	-14.6	0.0	0.0
Total special items	-7.0	0.0	19.4

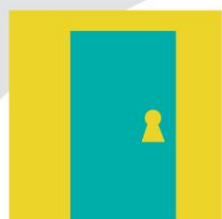
5 Investments in associates

	H1-16 DKKm <i>unaudited</i>	H1-15 DKKm <i>unaudited</i>	2015 DKKm <i>audited</i>
Net asset value at 1 January	8.5	11.0	11.0
Additions for the year	29.7	0.0	1.2
Disposals for the year	-0.3	0.0	0.0
Share of profit/loss before tax	0.0	0.3	0.5
Share of tax	0.0	-0.3	-0.7
Write down	-2.2	0.0	0.0
Dividend received	-3.9	-3.5	-3.5
Net asset value at 30 June / 31 December	31.8	7.5	8.5
Specified as follows:			
Mesto	5.1	4.4	4.8
Vestsjællandske Distriktsblade	0.0	2.8	3.4
DDC	0.0	0.3	0.3
Lead Supply ApS	8.7	0.0	0.0
Lix Technologies ApS	18.0	0.0	0.0
Net asset value at 30 June / 31 December	31.8	7.5	8.5

Their value is mainly made up of the companies' intangible assets.

6 Purchase price payable

	H1-16 DKKm <i>unaudited</i>	H1-15 DKKm <i>unaudited</i>	2015 DKKm <i>audited</i>
Net liability value at 1 January	12.7	23.8	23.8
Additional	12.3	0.0	0.0
Payments	-6.2	-3.0	-8.8
Value adjustments	0.0	0.0	-3.5
Discount effect of the purchase price payable	0.3	0.6	1.2
Total purchase price payable	19.1	21.4	12.7
Non-current part	6.1	8.8	6.1
Current part	13.0	12.6	6.6
Total purchase price payable	19.1	21.4	12.7
Specified as follows			
Purchase price payable, Lokalaviserne LØA	6.8	16.6	12.7
Purchase price payable, Emplay ApS	0.0	4.8	0.0
Purchase price payable, Lead Supply ApS	4.3	0.0	0.0
Purchase price payable, Lix Technologies ApS	8.0	0.0	0.0
Purchase price payable	19.1	21.4	12.7

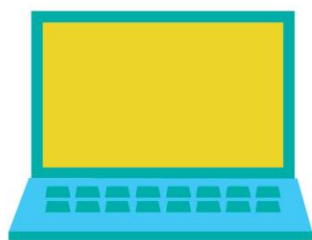


2.3 million letter boxes visited every week

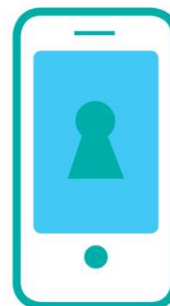
644,000 signed up for NoAds+



20,000 doors open with BEKEY every day



1.2 mio. downloads of minetilbud-app



6.6 mio. visiting websites and apps every month



1.3 million newspapers a week