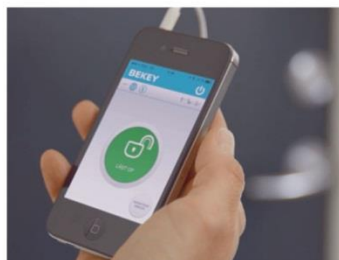


Interim Management Statement for Q3 2015



The Interim Management Statement for Q3 2015 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.

5 November 2015

Company announcement no 09-15

FK Distribution is heavily and adversely affected by unreasonably price competition by Post Danmark:

The total number of letters continues to go down – yet Post Danmark continues to increase the letter rate!

The total volume of unaddressed printed matter continues to decline – yet Post Danmark continues to lower distribution prices!

- Close on 500,000 households have now signed up for NoAds+, which progresses as planned.
- The Group's strategic efforts of strengthening and developing its market positions are generally proceeding as planned.
- Considerable resources are still dedicated to expanding NoAds+, BEKEY and Online activities.
- Group revenue is DKK 228.0 million for Q3 2015. This is within the range of expectations, although at the lower end.
- Group EBITDA for Q3 2015 is negative by DKK 1.3 million and EBIT stands at a negative DKK 13.0 million. This is as anticipated.
- The Group's net interest-bearing cash position is DKK 71.6 million, and capital resources come to DKK 263.2 million at 30 September 2015.

FK Distribution's revenue dropped by approx 10% in Q3 2015 on the same quarter last year. This is the main reason for group revenue for Q3 2015 being 8% lower than for Q3 2014. Revenue from newspaper activities went down by 8% on the same period last year and fell short of expectations. Revenue from the Online segment was 5% lower compared to the same period last year and behind expectations, which is a result of the divestment of Godmail.dk, the change in strategy for håndværker.dk in mid-2014 and the readjustment of the pricing model for BoligPortal.dk.

In Q3 2015, Group EBIT was negative by DKK 13.0 million, which is DKK 20.4 million down on the same quarter last year, when Group EBIT was DKK 7.4 million. This decline came as expected and was caused primarily by FK Distribution but also by the lower revenue generated this year from the newspaper activities. The Q3 2015 EBIT from the Online segment was a negative DKK 3.9 million compared to positive EBIT of DKK 2.4 million for the same period last year. This decrease in performance was a little larger than expected due to the decision to develop and strengthen the market position of BoligPortal.dk and håndværker.dk by way of new products and intensified marketing efforts.

FK Distribution continues to increase the number of households signed up for No Ads+.

During Q3 2015, close on 60,000 new households signed up for NoAds+. The number of NoAds+ households now totals almost 500,000, and the activity is developing very satisfactorily and according to plan.

BEKEY expands its product portfolio and activities outside Denmark.

BEKEY is selling electronic lock systems and increasingly also key cabinets that are also controlled from the internet-based

administration system NETKEY. The sale of emergency call systems is growing rapidly too.

The BEKEY system is now being tested or in operation in 21 municipalities in Denmark, two in Sweden and three in Norway. In addition, arrangements have been made with a Finnish partner, and some other co-operation agreements with other countries are in the process of negotiation.

As anticipated, BEKEY's revenue was substantially higher in Q3 2015 compared to the same quarter last year.

Developments in revenue from newspaper activities were a little behind expectations and revenue is lower than last year

Newspaper sales to regional retail customers were lower than last year and behind expectations. Sales to large customers and chains, however, were up to expectations and higher than last year.

Viewed on a three-month basis, the Søndagsavisen readership has gone up by 3% on the same period in 2014.

Ofir's revenue is weaker than expected

Both advertisement revenue from Ofir Jobunivers and sales of the electronic recruiting system EmPLY-Hire saw weaker development in Q3 2015 than expected.

New media have been added to Ofir Jobunivers, which has prompted a massive increase in the number of applications received by employers when posting their vacancies through Ofir Jobunivers.

håndværker.dk improves its market position.

håndværker.dk continues to develop positively, seeing growth in the number of builders registered and recommendations. To strengthen this position further, more money was invested in marketing initiatives in Q3 2015 than projected, which has an adverse short-term effect on performance. Together with Renault and Danish consumers, håndværker.dk will in Q4 2015 elect Denmark's best builder.

In Q3 2015, BoligPortal.dk readjusted its pricing structure, leading to more users and better conversion.

Primarily due to the decision to readjust prices and thus stagger revenue, BoligPortal.DK's revenue for Q3 2015 came out lower than anticipated. The strategic initiatives are proceeding according to expectations, and a portfolio of new products is in the pipeline.

Expectations for group revenue and performance for FY 2015 are maintained and made more specific.

Group's revenue is expected to range from DKK 1,000 million to DKK 1,020 million for 2015. Group EBIT is expected to range from a negative DKK 15 million to DKK 0 million for 2015.

FINANCIAL PERFORMANCE

As expected, group revenue for Q3 2015 was lower than for Q3 2014, and EBIT was much lower because of lower sales and heavy marketing and product development costs.

Group revenue was DKK 228.0 million for Q3 2015. This is 8% down on the same quarter last year, when revenue stood at DKK 248 million.

The development in group revenue was up to expectations, although at the low end of the range.

FK Distribution's revenue for Q3 2015 fell by approx 10% compared to the same period last year.

FK Distribution is heavily and adversely affected by unchanged unfair – and in North Media's opinion – unlawful price competition by Post Danmark.

Post Danmark has practised this paradox for years, however, North Media assumes that politicians too will soon recognise this and question the continued legitimacy of the universal postal service. Not least because this service serves as Post Danmark's cover for the place to which it transfers most of its general delivery costs. In doing so, the services carried out in competition with private companies are only burdened with a minimum of costs, and so Post Danmark appears to be far more competitive than it really is. And it is the senders of letters who pay for it.

- The total number of letters continues to go down – yet Post Danmark continues to increase the letter rate!
- The total volume of unaddressed printed matter continues to decline – yet Post Danmark continues to lower distribution prices!

DKKm	Revenue									
	Q3 YTD		Q3	Q2	Q1	Q4	Q3	Q2	Q1	Year
	2015	2014	2015	2015	2015	2014	2014	2014	2014	2014
Print	666.9	708.4	204.0	237.0	225.9	267.9	223.1	251.8	233.5	976.3
<i>Index cp. same period last year</i>	94.1	100.5	91.4	94.1	96.7	95.3	104.1	101.7	96.2	99.0
Online	72.7	75.1	24.0	24.1	24.6	22.3	25.2	25.1	24.8	97.4
<i>Index cp. same period last year</i>	96.8	109.2	95.2	96.0	99.2	100.5	115.6	108.2	104.2	107.0
Group revenue	739.6	783.5	228.0	261.1	250.5	290.2	248.3	276.9	258.3	1,073.7
<i>Index cp. same period last year</i>	94.4	101.3	91.8	94.3	97.0	95.7	105.1	102.2	96.9	99.7

DKKm	EBIT before special items									
	Q3 YTD		Q3	Q2	Q1	Q4	Q3	Q2	Q1	Year
	2015	2014	2015	2015	2015	2014	2014	2014	2014	2014
Print	-9,0	37,9	-10,0	9,2	-8,2	23,3	3,7	17,4	16,8	61,2
<i>Profit margin</i>	-1,3%	5,4%	-4,9%	3,9%	-3,6%	8,7%	1,7%	6,9%	7,2%	6,3%
Online	-8,0	-5,0	-3,9	-0,7	-3,4	-3,2	2,4	-3,2	-4,2	-8,2
<i>Profit margin</i>	-11,0%	-6,7%	-16,3%	-2,9%	-13,8%	-14,3%	9,5%	-12,7%	-16,9%	-8,4%
Unallocated income/costs	0,5	1,2	0,9	-0,4	0,0	1,0	1,3	0,8	-0,9	2,2
Group EBIT	-16,5	34,1	-13,0	8,1	-11,6	21,1	7,4	15,0	11,7	55,2
<i>Profit margin</i>	-2,2%	4,4%	-5,7%	3,1%	-4,6%	7,3%	3,0%	5,4%	4,5%	5,1%

The newspaper ads market was weaker than anticipated, affecting revenue from newspaper activities negatively. Revenue generated from the Group's total newspaper activities came out lower than expected as, in addition to the general market contraction, Søndagsavisen lost market shares on regional customers and estate agents. The newspaper's revenue from large customers and chains was above last year's level, and here Søndagsavisen has managed to win market shares during Q3. Compared with Q3 2014, revenue was 8% lower.

As expected, BEKEY realised revenue at a level somewhat higher than that realised last year. However, this revenue still represents a very small percentage of revenue for the entire Print segment.

Revenue from the Print segment as a whole went down from DKK 223.1 million in Q3 2014 to DKK 204.0 million in Q3 2015, equalling a 9% drop.

Revenue from the Online segment dropped by 5% on Q3 2014. This is a little more than expected at the beginning of the year, and the reasons are lower growth at Ofir, the change of håndværker.dk and the readjusted pricing model for BoligPortal.dk.

Group EBIT is a negative DKK 13.0 million for Q3 2015. This is DKK 20.4 million down on the same quarter last year.

Relatively speaking, the decline in performance is larger than the decline in revenue. Some of the reasons for this are lower prices on household-distributed printed ads, increased costs for the development and marketing of NoAds+ and for marketing and product development in most of the online activities.

In Q3 2015, the Group's amortisation and depreciation came to DKK 11.7 million compared to DKK 11.9 million in Q3 2014. Accordingly, group EBITDA went down from DKK 19.3 million in Q3 2014 to DKK -1.3 million for the same quarter this year.

Print segment EBIT is a negative DKK 10.0 million for Q3 2015, with a negative profit margin of 4.9%.

For Q3 2015, the Print segment realised EBIT of a negative DKK 10.0 million, which is DKK 13.7 million down on the same quarter last year. This decline is attributable to poorer results from FK Distribution in particular, but also from the newspaper activities and BEKEY. Massive investments are still made in product and market development.

Reduced EBIT from the Online segment.

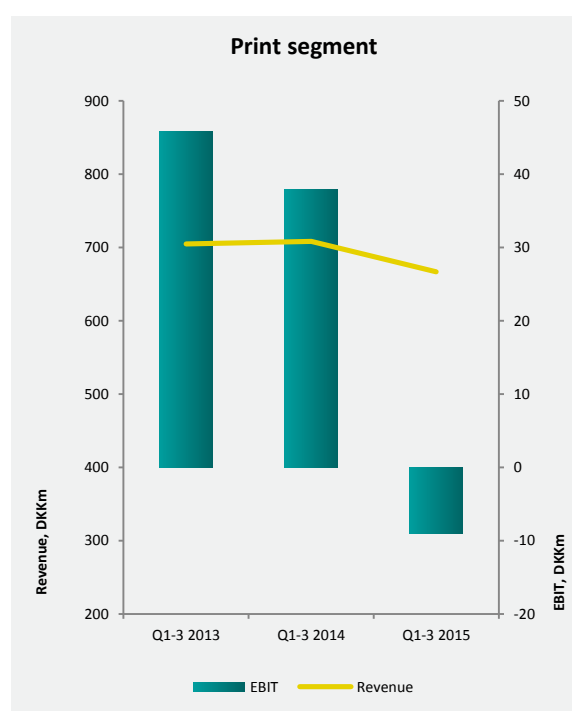
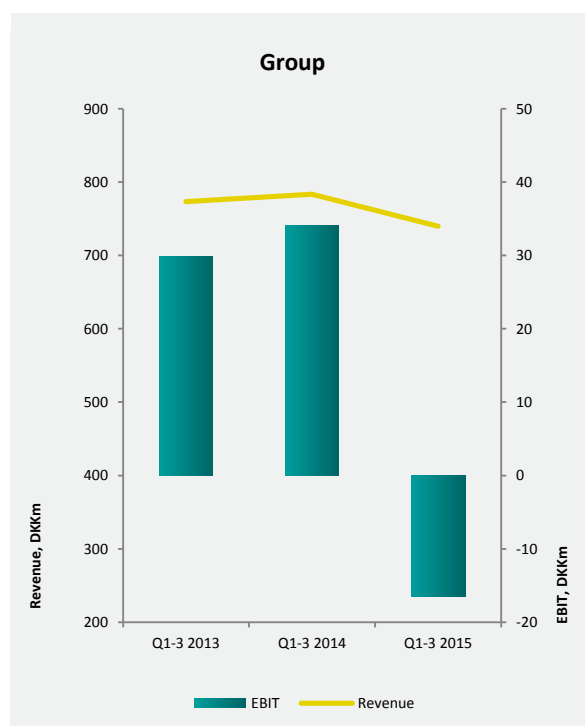
EBIT of the Online segment for Q3 2015 is a negative DKK 3.9 million, equalling a reduction of DKK 6.3 million compared to Q3 2014.

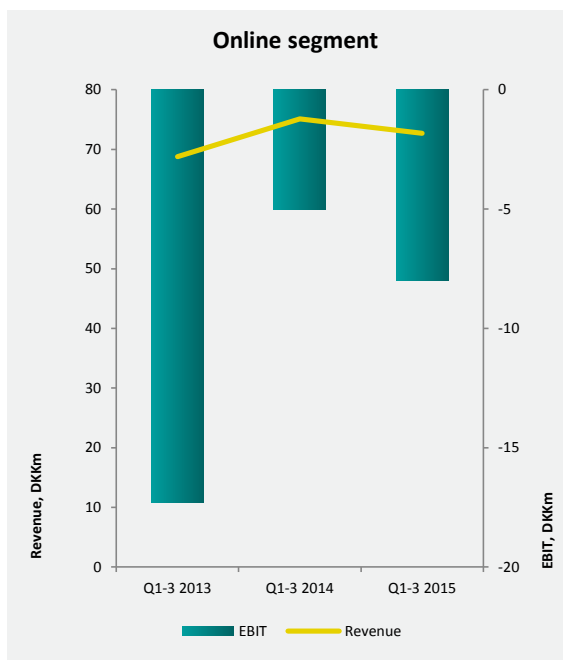
The reduction in 2015 is primarily attributable to the investments made in strengthening the market position of håndværker.dk and BoligPortal.dk and severance payment costs at Ofir.dk as part of a minor restructuring measure.

The operating loss realised by the Online segment is mainly due to the operating loss sustained by Ofir.dk resulting from costs for product development and a small operating loss for håndværker.dk caused by marketing costs.

Investment in a Ukrainian housing website

In Q4 2014, North Media acquired a minority stake in a Ukrainian housing website for a minor amount, and North Media has used its housing website skills to contribute strategically and operationally to the development of the website. The website is experiencing heavy growth, and compared with other sites it is now Ukrainian market leader measured by number of posted housing units and number of active agents (estate agents). Measured by number of users/traffic, the site ranks no 2, but is closing heavily in on no 1. Revenue of the company is still very limited, and the company is still loss-making as the focus of phase one is on solidifying its market leader position even further measured by the above parameters.





Positive net interest-bearing cash position secures a continued high level of financial manoeuvrability.

At 30 September 2015, the Group's net interest-bearing cash position is DKK 71.6 million, meaning an increase of DKK 4.0 million compared to 31 December 2014.

The net interest-bearing cash position includes cash of DKK 41.8 million, ultra-liquid shares in the amount of DKK 107.6 million, corporate and mortgage bonds for DKK 88.8 million, mortgage debt and interest rate swaps totalling DKK 150.0 million and acquisition price payable of DKK 16.6 million in total.

At 30 September 2015, the Group's holding of shares comes to DKK 107.6 million, consisting of investments in Danish and foreign ultra-liquid shares in the IT and health care sectors, as well as investments in share-based investment funds.

The Group's holding of listed bonds stands at DKK 88.8 million at 30 September 2015 and comprises both corporate bonds and mortgage bonds.

The Group expects to lower its holding of bonds towards year-end whereas the portion of shares will increase. Shares are expected to account for up to 80% of the Group's capital resources which amount to DKK 263.2 million at 30 September 2015.

Those securities have yielded DKK 0.1 million, or 0.1%, for year-to-date September 2015. The return yielded for the same period last year was DKK 13.6 million, or 8.3%.

The Group's investments in property, plant and equipment total DKK 9.0 million year-to-date September 2015.

Expectations for group revenue and performance for FY 2015 are made more specific.

The Group's revenue for FY 2015 is estimated to be in the range of DKK 1,000 million to DKK 1,020 million. Previously, group revenue was expected to range from DKK 1,010

million to DKK 1,050 million. Revenue expectations for the Online segment have been lowered by DKK 10 million to range now between DKK 90 million and DKK 100 million.

EBIT expectations for the Online segment for 2015 remain in the range from DKK 0 million to a negative DKK 10 million, although EBIT is estimated to be at the low end of the range.

Revenue and results generated from newspaper activities in 2015 are estimated to be a little lower than in 2014, whereas previously they were estimated to be on a par with 2014.

Group EBIT for 2015 is now expected to range from DKK 15 million to DKK 0 million. Previously, EBIT was estimated to range from a negative DKK 20 million to a positive DKK 5 million.

For 2015, group EBITDA is expected to range from DKK 31 million to DKK 46 million.

Overall, the overriding strategic goals and activities for 2015 have so far been achieved, which is satisfactory.

The financial performance of håndværker.dk will be lower than expected at the beginning of the year because of the decision to up investments to develop and strengthen håndværker.dk's market position, primarily by way of intensified marketing efforts. Consequently, håndværker.dk is no longer expected to break even on current operations in H1 2016.

Sales generated by Ofir.dk have seen weaker development than anticipated, and costs have been incurred for minor restructuring. The financial targets will be reconsidered however, Ofir is no longer expected to break even in H2 2016.

Against this background, the Online segment is no longer expected to achieve the break-even point on current operations at year-end 2015.

The Group's investments for 2015 are estimated at approx DKK 15 million whereas ordinary amortisation and depreciation are estimated at approx DKK 46 million.

At year-end 2015, the Group's capital resources are expected to be on a par with or a little better than those at year-end 2014.

The developments seen in some of the key markets in which North Media operates remain a challenge, causing uncertainty as to the estimation of development in revenue and performance for future quarters.

Earnings improvement anticipated after 2016.

As described in the 2014 Annual Report, 2015 and 2016 are expected to be years of transformation in terms of performance, resulting in unsatisfactorily low earnings.

Most of the Group's activities focus on transformation and continued investments in activities and products set to constitute the core of the North Media Group's position in tomorrow's media market.

As specified in Company announcement no 05-15 of 15 June 2015, FK Distribution has lost COOP as its customer effective from 1 January 2016. Seen in isolation, this will affect earnings of North Media adversely from 2016. However, the Group maintains its expectations that, as of 2017, it will improve financial performance and generate positive earnings as a result of the already implemented strategic and product-based initiatives stretching far into the media market of the future.

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 September 2015, which would have a material impact on the financial position of the Group.

Please contact Lars Nymann Andersen, CEO, at +45 40 36 26 30 or Kåre Wigh, CFO, at +45 25 65 21 45 for further information.



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