August 7 2012
Company announcement no. 08-12

INTERIM REPORT 2012 OF NORTH MEDIA A/S

The Group's revenue and profit are as expected for H1 2012. The expectations for FY 2012 have been lowered due to reduced volume in the market for distribution of printed matter.

- Group revenue stands at DKK 568.1 million, which is 4% down on last year. The performance is mainly attributable to a foreseen decline in FK Distribution's revenue resulting from pricing pressure and reduced volumes in the market. This is to some extent cancelled out by an increase in revenue earned by Søndagsavisen and BoligPortal and by the newly acquired companies, Byggestart.dk and HentTilbud.dk
- EBIT is DKK 60.0 million against DKK 80.8 million for 2011. The profit margin for H1 2012 is 10.6% against 13.6% last year. The decline in revenue is attributable to lower earnings from FK Distribution and to the investments made in Byggestart.dk and HentTilbud.dk, which to some extent are cancelled out by improved results produced by Søndagsavisen and the online activities compared to last year
- FK Distribution has successfully concluded long-term two and three-year contracts with some of its largest customers. The term of the distribution agreement with Dansk Supermarked was recently extended to 31 December 2015
- At the end of May 2012, the Danish Ministry of Business and Growth announced that the existing "No ads, please" scheme will not be replaced by a "Yes to ads" scheme. The Danish Government still plans to impose a levy on door-to-door distributed printed matter in 2013
- Søndagsavisen has managed to increase revenue from text advertisements by more than 20% in H1 2012 compared to H1 2011. Søndagsavisen is still expected to break even at group level for Q1 2013.
- As expected, Ofir has completed the implementation of the initial phase of a new strategy based on a new way of understanding the job market. It will be supported by a solid marketing effort. This is supposed to result in revenue growth for H2 2012
- The process of combining and further developing the newly acquired Internet services, Byggestart.dk and HentTilbud.dk, is progressing as expected
- At 30 June 2012, the Group's net interest-bearing cash position was DKK 61.4 million, consisting of cash and cash equivalents and listed bonds and shares of DKK 231.9 million in total as well as mortgage loans on group properties of DKK 170.5 million

Lowered expectations for FY 2012

- North Media foresees more difficult market conditions for FK Distribution in the next quarters, which will have a stronger effect on the results for H2 2012 than previously estimated
- For 2012, the Group's revenue is expected to remain in the range of DKK 1,050 to 1,150 million. EBIT expectations have been adjusted downwards from DKK 100-130 million to DKK 80-110 million.

Please contact Lars Nymann Andersen, CEO, or Kåre Wigh, CFO, at + 45 39 57 70 00 for further information.

FINANCIAL HIGHLIGHTS AND RATIOS (DKKm)

	H1-12	H1-11	2011
Income statement:	*unaudited*	*unaudited*	*audited*
Revenue	568.1	594.3	1,211.6
Gross margin	273.3	286.0	579.7
EBITDA	76.9	97.2	199.5
Depreciation	16.9	16.4	33.0
EBIT	60.0	80.8	166.5
Financials, net	0.5	-4.1	-3.7
EBT, continued operations	60.2	76.7	162.3
Tax for the period	15.2	19.4	41.1
Net profit, continued operations	45.0	57.3	121.2
Disposals of subsidiaries	0.0	181.8	182.0
Net profit, discontinued operations	0.0	-0.9	-1.6
Net profit	45.0	238.2	301.6
Comprehensive income	44.2	247.0	302.9
Balance sheet:			
Total assets	860.2	718.3	868.9
Share capital	100.3	100.3	100.3
Shareholders' equity (incl. minorities)	500.9	468.0	523.8
Net interest-bearing cash position incl. securities	61.4	42.1	107.3
Net working capital (NWC)	-61.6	-44.8	-50.4
Invested capital	439.5	425.9	416.5
Investment in property, plant and equipment	11.3	6.0	13.5
Free cash flow	60.6	64.4	166.7
Other information:			
Average number of employees	611	598	602
Numbers of shares at year-end, in thousands	20,055	20,055	20,055
Treasury shares, in thousand	444	444	444
Share price at year-end, DKK	24.4	35.5	22.8
Ratios:			
Profit margin (%)	48.1	48.1	47.8
Operating margin (EBIT) (%)	10.6	13.6	13.7
Equity ratio (%)	58.2	65.2	60.3
Return on equity (ROE) (%) *) (1)	17.6	98.6	59.0
Return on capital employed (ROIC) (%) *)	28.0	37.3	38.9
Earnings per share (EPS) - continued operations	2.1	2.7	5.8
Earnings per share (EPS) - Total (1)	2.1	12.0	15.0

The financial highlights and financial ratios have been compiled in accordance with "Anbefalinger & Nøgletal 2010" (Recommendations & Financial Ratios 2010) issued by the Danish Society of Financial Analysts. Ratios marked by *) are stated on an annual basis.

Unless otherwise indicated, the Group's key figures are stated for continuing operations.

(1): The ratio includes discontinued operations.

SCHEDULED IMPLEMENTATION OF STRATEGY IN ALL BUSINESS AREAS. FK DISTRIBUTION SEES DECLINING MARKET

The activities of the North Media Group have developed as planned in both Q1 and Q2 2012.

As expected at the beginning of 2012, the conditions in the markets for printing activities were very difficult in H1 2012 in that the uncertainty as to both business trends and legislation has made many advertisers reduce their marketing efforts. Nevertheless, the Group has protected and improved its market position in the Print segment through product development and by enhancing its competitive performance through high-level efficiency and cost control.

The markets relating to the Group's Online segment were generally stable and growing. North Media remains focused on establishing a strong online basis to enable the Group – within selected online areas – to become Denmark's leading sales channel for providers of goods and services and private consumers.

The activities and specific results for H1 2012 are based on the above-mentioned group targets and strategies that were specified and divided into the following four tactical target areas at the beginning of 2012:

a) Retain existing market positions and high efficiency level
b) Retain high-level manoeuvrability and profitability in an unstable market for printed matter
c) Develop online activities based on core competencies
d) Ensure high profitability and cash flows allowing for investments as well as a high dividend yield for shareholders.

Based on those four target areas, the main specific achievements for H1 2012 are as follows:

1. Conclusion of long-term contracts with some of FK Distribution's major customers. This helps to protect the existing market positions and ensure a high efficiency level for the future
2. Continued editorial improvements and effective sales work continue to increase Søndagsavisen's revenue and market shares in a declining market
3. As expected, Ofir has successfully completed the implementation of the initial phase of a new strategy based on a new way of understanding the job market. The method will be supported by a continued solid marketing effort and is expected to result in increased revenue in H2 2012
4. Investments in and combination of two online enterprises, Byggestart.dk and HentTilbud.dk, arranging construction projects and offers between construction workers and private entrepreneurs
5. A reduction of the Group's total loss on online activities from DKK 23.9 million for H1 2011 to DKK 16.1 million for H1 2012.

"As expected, the results for H1 2012 were lower than for H1 2011", says Lars Nymann Andersen, CEO. "This is a reflection of FK Distribution in particular seeing pressure in the market in terms of both prices and printed matter volumes. In H2 2012 we expect lower volume in the market for distributing printed matter. On the other hand we find it very positive that some of our major customers have shown us confidence by concluding long-term contracts with FK Distribution. This provides stability for the distribution business, which is a precondition for efficiently performing work while retaining a high quality level.

I am also very satisfied with the developments in the other business areas of the Group. The intensified focus on the implementation, execution and realisation of the planned initiatives has resulted in better results for all business areas, and we are on track to meet our targets".

FINANCIAL PERFORMANCE

As expected, the difficult conditions in the distribution market have had a negative effect on revenue whereas the other activities continue to show growth

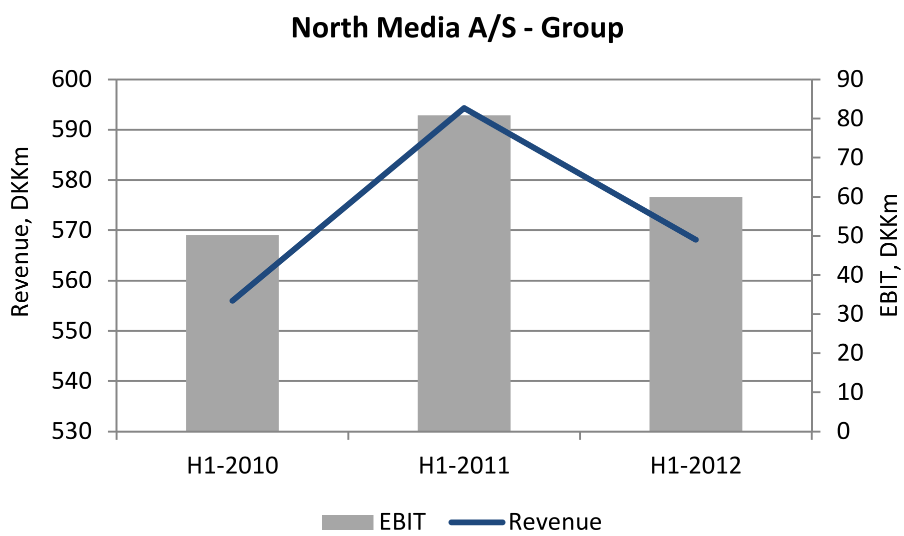
North Media's H1 2012 revenue amounts to DKK 568.1 million compared to DKK 594.3 million last year, meaning a decline of DKK 26.2 million, or 4%. Revenue from printing activities has declined by 6%, or DKK 36.5 million, whereas revenue from the online activities has increased by 31%, or DKK 10.3 million.

The decline in revenue is almost only attributable to FK Distribution, whereas the continued growth in revenue earned by Søndagsavisen and BoligPortal.dk and revenue from the acquisition of Byggestart.dk and HentTilbud.dk partly compensate for this. As for the online activities, more than half of revenue growth relates to the acquisition of Byggestart.dk in January and HentTilbud.dk in March.

Reduction of profit resulting from lower revenue from distributing activities and implementation costs for Byggestart.dk/HentTilbud.dk. Søndagsavisen and the Online segment generally continue to show growth

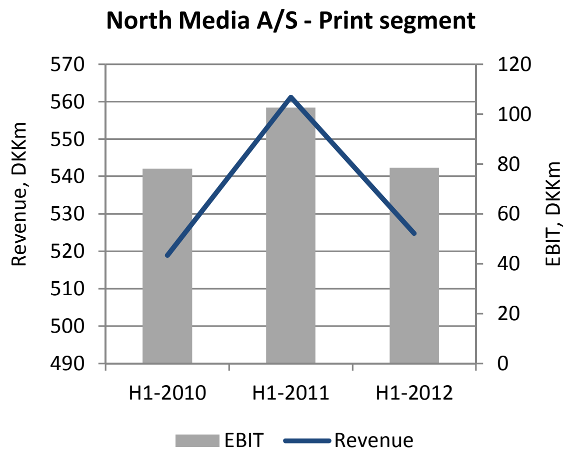
The Group's EBIT for H1 2012 is DKK 60.0 million as expected and DKK 20.8 million down on H1 2011. The decrease is primarily attributable to the revenue decline realised by FK Distribution, but also to one-off costs incurred for the combination and further development of Byggestart.dk and HentTilbud.dk. However, Søndagsavisen continues to earn higher revenue, and the loss on total online activities, including Byggestart.dk and HentTilbud.dk, has improved by DKK 7.8 million, arriving at a negative DKK 16.1 million for H1 2012.

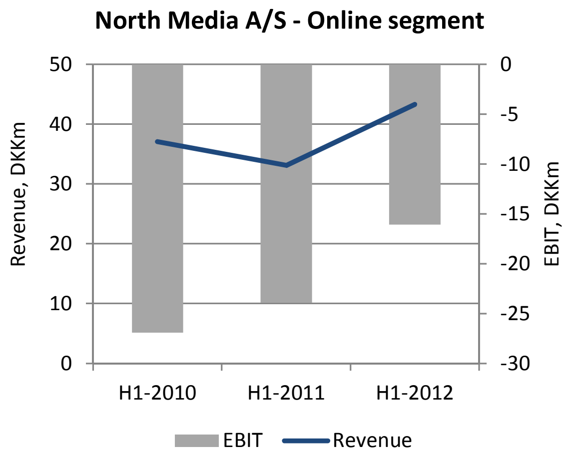
Unallocated costs, which consist of group-related activities not allocated on operating activities, stand at DKK 2.4 million compared to income of DKK 2.1 million last year.



The Group's profit margin for H1 2012 is 10.6%, which is 3 percentage points lower than for H1 2011.

EBIT on printing activities has decreased by DKK 24.1 million to DKK 78.5 million, primarily due to lower revenue from FK Distribution. However, the increase in revenue from Søndagsavisen compensates for this to a lesser extent. The profit margin for the Print segment is 15.0% for H1 2012. Considering the current market conditions, this is considered satisfactory.





In spite of continued heavy investment in H1 2012 in marketing and product development in relation to Ofir and in the development of Byggestart.dk og HentTilbud.dk performance-wise, the realised EBIT for the Online segment has been reduced from DKK -23.9 million last year to DKK -16.1 million this year. This is the main reason for the negative results produced by the Online segment. The improvement of the results for H1 2012 compared to those for H1 2011 is mainly attributable to the discontinuance in 2011 of Lokalia.dk and the restructuring of MatchWork, but also to an underlying improvement of the results produced by BoligPortal.dk.

Positive net-interest bearing cash position safeguards high-level financial manoeuvrability

At the balance sheet date, the Group's operating cash amounts to DKK 74.8 million. Add to this its portfolio of listed shares and bonds worth DKK 157.1 million. Mortgage debt comes to DKK 170.5 million. Accordingly, the Group's net interest-bearing cash position, including securities, is DKK 61.4 million.

Also prospectively, the Group's capital structure is designed specifically to facilitate investments in business development as well as to secure a high rate of return for its shareholders.

BUSINESS ACTIVITIES

The Group's Print segment comprises the distribution activities of FK Distribution, Bekey as well as the Søndagsavisen, Helsingør Dagblad and Lokalavisen Nordsjælland newspapers, whereas the Online segment covers Ofir.dk, BoligPortal.dk, Bostadsportal.se, Søndagsavisen.dk, MinReklame.dk, Byggestart.dk, HentTilbud.dk and MatchWork.com.

	Revenue								
	H1		Q2	Q1	Q4	Q3	Q2	Q1	Year
DKKm	2012	2011	2012	2012	2011	2011	2011	2011	2011
Print	524.8	561.3	259.5	265.3	327.3	258.5	296.5	264.8	1,147.1
Index compared to the same period of last year	*93.5*	*108.2*	*87.5*	*100.2*	*108.5*	*103.8*	*108.6*	*107.7*	*107.3*
Online	43.3	33.0	22.5	20.8	14.4	17.1	16.2	16.8	64.5
Index compared to the same period of last year	*131.2*	*88.9*	*138.9*	*123.8*	*91.7*	*104.3*	*91.5*	*86.6*	*93.2*
Group revenue	**568.1**	**594.3**	**282.0**	**286.1**	**341.7**	**275.6**	**312.7**	**281.6**	**1,211.6**
Index compared to the same period of last year	*95.6*	*106.9*	*90.2*	*101.6*	*107.7*	*103.8*	*107.5*	*106.2*	*106.4*

	EBIT								
	H1		Q2	Q1	Q4	Q3	Q2	Q1	Year
DKKm	2012	2011	2012	2012	2011	2011	2011	2011	2011
Print	78.5	102.6	34.9	43.6	72.0	41.3	61.6	41.0	215.9
Profit margin	*15.0%*	*18.3%*	*13.4%*	*16.4%*	*22.0%*	*16.0%*	*20.8%*	*15.5%*	*18.8%*
Online	-16.1	-23.9	-8.3	-7.8	-12.2	-14.5	-14.0	-9.9	-50.6
Profit margin	*-37.2%*	*-72.4%*	*-36.9%*	*-37.5%*	*-84.7%*	*-84.8%*	*-86.4%*	*-58.9%*	*-78.4%*
Unallocated costs	-2.4	2.1	0.0	-2.4	-1.8	0.9	1.7	0.4	1.2
Group EBIT, continuing operations	**60.0**	**80.8**	**26.6**	**33.4**	**58.0**	**27.7**	**49.3**	**31.5**	**166.5**
Profit margin	*10.6%*	*13.6%*	*9.4%*	*11.7%*	*17.0%*	*10.1%*	*15.8%*	*11.2%*	*13.7%*
Discontinued operations	0.0	-1.2	0.0	0.0	-0.7	-0.4	-0.6	-0.6	-2.3
Group EBIT	**60.0**	**79.6**	**26.6**	**33.4**	**57.3**	**27.3**	**48.7**	**30.9**	**164.2**

The efficiency level for FK Distribution remains very high, but market conditions have worsened

As expected, FK distribution has realised lower revenue for H1 2012 compared to H1 2011. The volume of printed matter in the market has decreased, and the increasing number of households turning down printed matter as well as fierce price competition have placed a certain pressure on prices and, consequently, on revenue.

The conditions regarding competition and the market in general have worsened, and Management expects more than before that a further decline in volumes will affect FK Distribution's revenue and earnings negatively for H2 2012.

Business development and optimisation are important competitive parameters

In order to ensure stable operations and continued high-level efficiency, FK Distribution focused on concluding long-term contracts with its major clients in H1 2012. Most recently, FK Distribution has entered into a distribution contract with Dansk Supermarked, effective until 31 December 2015. Further, a number of minor contracts have been concluded with clients operating in sectors that have not previously been making use of printed matter. This is all attributable to FK Distribution's focus on and ability to improve quality and increase the level of productivity and efficiency, which has helped to improve competitiveness considerably in recent years.

The requirements regarding a levy on advertisements remains to be specified

In late May 2012, the Danish Ministry of Business and Growth announced that the current "No ads, please" scheme would continue, however, it would become easier for the consumers to participate in the scheme. The Danish Government still plans to impose a levy on unaddressed printed matter to become effective from 1 January 2013. FK Distribution continues to collect facts for the political decision-makers.

Bekey continues the installation of electronic keys for door units and experiences increased interest in the system

The further development and roll-out of Bekey's electronic key system continues unabated, and the system is tested by property companies and distribution firms, including FK Distribution.

By year-end 2012, Bekey units are expected to have been installed at more than 15,000 stairway doors, primarily in Copenhagen. The commercial launch will accelerate in H2 2012. Efforts are made to develop systems for both stairway doors and apartment doors. Overall, Bekey activities are expected to generate a larger loss for 2012 than that realised for 2011.

Søndagsavisen continues to increase its market share and revenue in a declining market

Søndagsavisen continues to create growth unabated in the important text advertisement market, and revenue for H1 2012 has increased by more than 20% compared to H1 2011. The printed job advertisement market remains at an almost complete standstill, and revenue earned by Søndagsavisen in this business area was lower in H1 2012 than in the same period last year.

Søndagsavisen aims to be profitable at group level in Q1 2013

The growth in revenue is attributable to continued editorial improvements and effective sales work intended to increase the readers' as well as the advertisers' benefits of reading and using the Søndagsavisen newspaper. The results for H1 2012 bear out Management's strategic focus and support the objective of Søndagsavisen being profitable at group level in Q1 2013.

Søndagsavisen's readership is more than three times higher

In May 2012, Søndagsavisen was included in the official monthly survey of readership for nationwide Danish newspapers. The survey shows that Søndagsavisen's readership is more than three times higher than that of the largest non-free daily.

Editorial co-operation between publications and Søndagsavisen has been enhanced to improve synergies

The Helsingør Dagblad and Lokalavisen Nordsjælland newspapers, have seen a decline in revenue, particularly for Q2 2012, and the local advertisement market is generally hesitant. In order to compensate for this, measures to optimise newspaper sales and management thereof as well as efficiency measures regarding the sale of advertisements and production have been taken.

Also, content and layout-wise, Lokalavisen Nordsjælland has been subjected to major restructuring.

Overall, the measures taken have led to one-off costs for H1 2012, which are expected to result in a higher profit margin for those two newspapers from year-end 2012.

Ofir expects revenue growth for H2 2012

Ofir's new strategy is based on each recruitment being unique. Some positions are easy to find candidates for, while others are not. By using Ofir's online recommendation tool, the employer receives a recommendation for the most appropriate type of job advertisement and the media in "Ofir Jobunivers" (job universe) offering the best way to recruit new employees.

Acquisition of eConscribi eRecruitment

In Q1 2012, Ofir acquired a minority interest in eConscribi International ApS in order to support the strategy. eConscribi International ApS has developed an entirely new and updated electronic recruitment system to manage the process from the time when the need to recruit a new employee arises until the time when the contract with the new employee is signed. A number of new customers started using the product at the end of H1 2012. Ofir is the sole distributor of the product in Denmark, and expectations are that the new system will replace Ofir's own popular recruitment system, which is rather old. Customers using the Ofir recruitment system most frequently also use Ofir to post their job advertisements.

Revenue growth for H2 2012

The extensive marketing and product development activities have, as expected, led to a considerable operating loss for Ofir for H1 2012. Ofir's ratios and KPIs improve steadily, and Ofir has managed to cement its position as a strong no. 2 player in the Danish market for job advertisements. The sale of advertisement products as well as licences for the eConscribi electronic recruiting system are expected to result in increased revenue and a higher market share for H2 2012.

BoligPortal.dk continues to be successful

Both BoligPortal.dk and the newly established BostadsPortal.se have continued their success in H1 2012, and both have improved their market positions. This satisfactory development is the result of increased traffic and more advertisements.

Acquisition and development of online activities to create a strong online platform

In January and March 2012, as part of the implementation of the strategy for the online vision, the Group acquired Byggestart.dk and HentTilbud.dk, respectively. These two companies are online service providers arranging construction projects and offers between construction workers and private entrepreneurs. In Q2 2012, the Group focused on integrating, combining and developing Byggestart.dk and HentTilbud.dk while retaining a high level of revenue growth. This process is progressing as planned.

MinReklame.dk continues to further develop its products and has seen substantial growth in the number of users and page clicks compared to H1 2011.

Break-even for MatchWork.com

In 2011, considerable adjustments were made to the activities of MatchWork.com. As a result, revenue for H1 2012 is lower than for H1 2011, however, the substantial loss for H1 2011 has been transformed into a modest profit.

Granting of share options and purchase of treasury shares

The Board of Directors intends to grant options representing a total of about 1,400,000 shares in North Media at DKK 5.00 nominal to a group of about 20 persons made up of the Company's Executive Board and selected executive. The options will be granted by way of three tranches, the first of which will be exercisable in August 2014. The exercise price is expected to correspond to the average closing price of the shares in the period 8 august to 14 August 2012 inclusively.

In relation thereto, the Board of Directors intends to repurchase about 1 million shares in the nearest future at market price. Richard Bunck, Chairman of the Board of Directors and principal shareholder, plans to participate proportionally through Baunegård ApS in selling the company's shares back to North Media.

Information about the accounting consequences of the share option programme and about the share repurchase will be provided as part of the expected final implementation of the programme on 15 August 2012. On 30 June 2012 the Company holds a total of 444.000 treasury shares.

SPECIAL RISKS AND ELEMENTS OF UNCERTAINTY IN H2 2012

Revenue for H2 2012 is expected to be lower than that for H2 2011 due to lower volumes of distributed printed matter.

Also, the number of households not accepting door-to-door distribution of printed matter is subject to some uncertainty, and it remains unclear how the retail chains will respond in the autumn with respect to the size of circulation prior to the expected adoption of the levy on advertisements to come into force in 2013.

All of the Group's activities are distinct high-volume enterprises, meaning that they have major market shares, many customers and many transactions, 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.

EXPECTATIONS FOR THE FINANCIAL YEAR 2012 ADJUSTED DOWNWARDS

The activities of North Media have developed as expected in H1 2012. However, due to increased competition and less printed matter in the distribution market, both revenue and earnings for the rest of the year are estimated to be lower than before. The Group's EBIT for the Print segment is now expected to come to DKK 115-145 million in 2012 rather than DKK 130-160 million as previously anticipated.

In the Online segment, the roll-out of the Ofir strategy and the continuation of the development of business in this segment are generally expected to result in improved growth and results. Compared to earlier, however, costs of approximately DKK 5 million are expected for the acquisition of Byggestart.dk and HentTilbud.dk, primarily in the form of amortisation of intangible assets acquired. Consequently, ordinary activities in the Online Segment are estimated to generate a loss of approximately DKK 35 million for 2012 instead of DKK 30 million as previously anticipated compared to a loss of DKK 51 million for 2011.

Overall, the Group's revenue for 2012 is expected to remain in the range of DKK 1,050 to 1,150 million. EBIT expectations have been adjusted downwards from DKK 100-130 million to DKK 80-110 million.

COMMENTS ON THE FINANCIAL STATEMENTS

INCOME STATEMENT

The Group's contribution margin for H1 2012 was DKK 273.3 million, which is a decrease of DKK 12.7 million compared to the same period last year. The contribution ratio for H1 2012 remains unchanged at 48.1%.

Costs for salaried staff for H1 2012 total DKK 138.1 million, equalling an increase of DKK 10.7 million, or 8% compared to H1 2011. A considerable part of this increase is attributable to the acquisitions of HentTilbud.dk and Byggestart.dk.

Other costs amount to DKK 60.4 million for H1 2012, representing a drop of DKK 4.5 million, or 7%. This drop may be attributable to lower marketing costs for Ofir and lower IT costs in general.

Tax on profit for the period stands at DKK 15.2 million. The effective tax rate is 25%.

Profit on sale of subsidiary

In 2011, the sale of the remaining 33.3% of the shares held in GISAB yielded a net profit of DKK 182.0 million.

Share of profit on associates, discontinued operations and financial income and expenses

The share of profit on associates is the share of profit on Vestsjællandske Distriktsblade and eConscribi International ApS. H1 2012 generated a loss of DKK 0.3 million.

Financial income comprises interest on the Group's excess liquidity as well as a minor capital gain on securities. Financial expenses primarily relate to interest on the Group's mortgage loan.

BALANCE SHEET

The Group's balance sheet at 30 June 2012 includes goodwill of DKK 60.1 million, other intangible assets of DKK 25.7 million and software of DKK 5.2 million. Thanks to the acquisition of HentTilbud.dk and Byggestart.dk, intangible assets have gone up by a total of DKK 30.9 million. The purchase price of HentTilbud.dk was recognised at a minimum price of DKK 20 million. Any earn-out in excess of the minimum price will be recognised in operations when the amount can be finally calculated. For further details, we refer to Note 1.

Goodwill and other intangible assets worth approximately DKK 60 million are attributable to the distribution activities and the activities on Boligportal.dk. These items have been tested for any indication of impairment, and it has been concluded that no such indication exists.

Software is primarily attributable to development activities in the distribution segment supporting operations within production or distribution.

The Group's property, plant and equipment mainly comprise three owner-occupied properties as well as plant at the Group's two distribution terminals. The properties are rented to the Group's operating companies on market terms.

The property which used to house in 2009 discontinued printing press was renovated in 2011 to support the selling process initiated some years earlier. The property is presented as assets held for sale.

Cash and cash equivalents

Having distributed dividend of DKK 58.9 million in March 2012, the Group had cash and cash equivalents of DKK 74.8 million at 30 June 2012. Mortgage debt, including the value of the interest rate swap, was DKK 170.5 million.

The Group's net interest-bearing cash position, including securities, amounted to DKK 61.4 million at 30 June 2012. At 31 December 2011, it came to DKK 107.3 million.

Equity and holding of treasury shares

At 30 June 2012, the Group's equity was DKK 500.9 million, which is DKK 22.9 million down on 31 December 2012. This reduction is mainly attributable to the fact that an amount exceeding profit for the period has been distributed as dividend. The Company holds a total of 444,000 treasury shares, which is unchanged on 31 December 2011. The average buying rate was DKK 40.9 per share.

Cash flows and interest-bearing debt

In H1 2012, North Media generated DKK 56.6 million in positive cash flows from operations compared to DKK 66.1 million in H1 2011. The slightly lower operating profit for 2012 is set off by a small reduction in working capital compared to last year.

In the period under review, dividend of DKK 58.9 million was distributed to the shareholders. Cash and cash equivalents amount to DKK 74.8 million, whereas readily tradable listed securities total DKK 157.1 million at 30 June 2012.

The Company has long-term mortgage loans, including an interest rate swap, of DKK 170.5 million.

In H1 2012 a total amount of DKK 24.5 million was invested in acquisitions. Furthermore, in H1 2012, DKK 12.1 million was invested in intangible assets and property, plant and equipment. In H1 2011, investments stood at DKK 6.3 million. The Group's packaging machines have been upgraded further in order to improve the efficiency of packaging. Software development is expensed regularly for loss-making activities, for which reason such development is not classified as an investment.

Due to the considerable generation of positive cash flows from operations, North Media has solid capital resources.

The Group's net-interest bearing cash position (including securities) is DKK 61.4 million at 30 June 2012.

PENDING CASE

In 2009, Søndagsavisen a-s (now North Media A/S) was awarded damages of DKK 75 million by the Danish Eastern High Court as well as DKK 4 million to cover legal costs. The case relates to Forbruger-Kontakt's (now FK Distribution) claim for damages for the loss it suffered as a result of Post Danmark A/S having abused its dominant position. Post Danmark A/S has appealed against the decision to the Danish

Supreme Court. The main hearing was planned for 30 and 31 May 2013 however the Danish Supreme Court has decided to reschedule the case wherefore the main hearing will take place on 31 January and 1 February 2013. Any damages will not be recognised until the case has been settled and no new options for appeal are available. Legal costs are recognised in the income statement as incurred.

MANAGERIAL CHANGES

None

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 2012 which would have a material impact on the financial position of the Group.

RELATED PARTIES

Besides ordinary remuneration of Management, no transactions were carried out with 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.

Trading with associates only involved ordinary sales transactions, amounting to a maximum of DKK 5 million for H1 2012.

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 2012. The Interim Report is presented in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU and additional Danish disclosure requirements governing interim reports of listed companies. The accounting polices applied to this Interim Report are consistent with those applied to the Annual Report for 2011. No new standards of accounting or interpretations are expected to have a significant effect on the 2012 Annual Report.

In the Interim Report, income tax on profit or loss before tax is charged at a rate of 25%. Income tax is charged separately for each tax jurisdiction.

STATEMENT BY MANAGEMENT ON THE INTERIM REPORT

The Board of Directors and the Executive Board have today examined and adopted the unaudited Interim Report of the North Media A/S Group for the period 1 January to 30 June 2012.

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 applied accounting policies 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 2012 and of its financial performance and its cash flows for the period 1 January to 30 June 2012.

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, 7 August 2012

Executive Board:

Lars Nymann Andersen
Chief Executive Officer

Kåre Stausø Wigh
Chief Financial Officer

Arne Ullum Laursen
Media Director

Board of Directors:

Richard Bunck
Chairman

Peter Rasztar
Vice-Chairman

Steen Gede

Ulrik Holsted-Sandgreen

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	H1-12 DKKm unaudited	*H1-11 DKKm unaudited*	*2011 DKKm audited*
Revenue	568.1	594.3	1,211.6
Direct expenses	201.2	206.8	426.6
Direct staff costs	93.6	101.5	205.3
Gross margin	**273.3**	**286.0**	**579.7**
Staff costs	138.1	127.4	263.3
Other costs	60.4	64.9	124.3
Amortisation and depreciation	16.9	16.4	33.0
Other operating income	2.1	3.5	7.4
EBIT	**60.0**	**80.8**	**166.5**
Share of profit in associates	-0.3	0.0	-0.5
Financial income	5.0	1.0	7.0
Financial expenses	-4.5	-5.1	-10.7
Profit before tax, continuing operations	**60.2**	**76.7**	**162.3**
Tax, continuing operations	15.2	19.4	41.1
Net profit, continuing operations	**45.0**	**57.3**	**121.2**
Profit of disposal of subsidiaries	0.0	181.8	182.0
Net profit, discontinued operations after tax	0.0	-0.9	-1.6
Net profit for the period	**45.0**	**238.2**	**301.6**
Translation adjustments, foreign companies	-0.1	0.8	0.6
Fair value adjustment of hedging instruments	-0.9	10.7	0.9
Tax, other comprehensive income	0.2	-2.7	-0.2
Other comprehensive income	**-0.8**	**8.8**	**1.3**
Comprehensive income	**44.2**	**247.0**	**302.9**
Attributable, net profit:			
Shareholders in North Media A/S	41.6	234.2	293.3
Minority interests	3.4	4.0	8.3
	45.0	**238.2**	**301.6**
Attributable, comprehensive income:			
Shareholders in North Media A/S	40.8	243.0	294.6
Minority interests	3.4	4.0	8.3
	44.2	**247.0**	**302.9**
Earnings per share, in DKK			
Earnings per share (EPS) - total	2.1	12.0	15.0
Diluted earnings per share (EPS-D) - total	2.1	12.0	14.8
Earnings per share (EPS) - continuing operations	2.1	2.7	5.8
Diluted earnings per share (EPS-D) - continuing operations	2.1	2.7	5.7

CONSOLIDATED BALANCE SHEET

Assets

	Note	*H1-12 DKKm unaudited*	*H1-11 DKKm unaudited*	*2011 DKKm audited*
Goodwill	1	60.1	39.1	39.1
Other intangible assets	1	25.7	19.1	18.7
Completed development projects, software		3.2	2.4	2.2
Development projects in progress		2.0	0.2	1.7
Intangible assets		**91.0**	**60.8**	**61.7**
Land and buildings		295.5	304.3	300.0
Plant and machinery		49.2	53.2	47.9
Operating equipment, fixtures and fittings		15.7	14.8	15.8
Property, plant and equipment		**360.4**	**372.3**	**363.7**
Investments in associates	2	15.8	2.5	8.6
Other securities and investments		3.8	3.7	3.7
Other receivables		1.8	1.5	1.5
Other non-current assets		**21.4**	**7.7**	**13.8**
Total non-current assets		**472.8**	**440.8**	**439.2**
Trade receivables		101.3	97.7	91.9
Receivables from associates		2.1	1.5	1.5
Other receivables		7.8	2.9	11.0
Prepayments		12.3	14.1	13.9
Securities		157.1	17.6	207.6
Cash		74.8	111.7	71.8
Current assets		**355.4**	**245.5**	**397.7**
Assets held for sale		32.0	32.0	32.0
Total current assets		**387.4**	**277.5**	**429.7**
Total assets		**860.2**	**718.3**	**868.9**

CONSOLIDATED BALANCE SHEET

Equity and liabilities

	H1-12 *DKKm* *unaudited*	*H1-11* *DKKm* *unaudited*	*2011* *DKKm* *audited*
Share capital	100.3	100.3	100.3
Treasury shares	-18.7	-18.7	-18.7
Hedging reserves	-13.9	-5.9	-13.2
Reserve, translation adjustments	-3.5	-3.2	-3.4
Retained earnings	428.2	386.5	445.5
Parent Company's share of shareholders' equity	**492.4**	**459.0**	**510.5**
Minority interest	8.5	9.0	13.3
Total equity	**500.9**	**468.0**	**523.8**
Deferred tax	3.7	2.1	4.3
Financial institutions	146.6	75.1	149.4
Fair value, interest-rate swap	18.5	7.9	17.6
Total non-current liabilities	**168.8**	**85.1**	**171.3**
Financial institutions	5.4	4.2	5.1
Trade payables	43.8	43.9	56.4
Income tax	25.3	13.3	10.1
Other payables	95.9	74.3	85.1
Deferred income	20.1	29.5	17.1
Total current liabilities	**190.5**	**165.2**	**173.8**
Total liabilities	**359.3**	**250.3**	**345.1**
Total equity and liabilities	**860.2**	**718.3**	**868.9**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Half year – unaudited

DKKm H1-12	Share capital	Treasury shares	Hedging reserves	Reserve, translation adjustments	Retained earnings	Parent Company's total share	Minority interests	Total equity
Equity at 1 January 2012	**100.3**	**-18.7**	**-13.2**	**-3.4**	**445.5**	**510.5**	**13.3**	**523.8**
Changes in equity in H1-12								
Net profit for the period	0.0	0.0	0.0	0.0	41.6	41.6	3.4	45.0
Translation adjustments, foreign companies	0.0	0.0	0.0	-0.1	0.0	-0.1	0.0	-0.1
Value adjustment of hedging instruments	0.0	0.0	-0.9	0.0	0.0	-0.9	0.0	-0.9
Tax, other comprehensive income	0.0	0.0	0.2	0.0	0.0	0.2	0.0	0.2
Other comprehensive income after tax	**0.0**	**0.0**	**-0.7**	**-0.1**	**0.0**	**-0.8**	**0.0**	**-0.8**
Total comprehensive income	**0.0**	**0.0**	**-0.7**	**-0.1**	**41.6**	**40.8**	**3.4**	**44.2**
Dividend distributed	0.0	0.0	0.0	0.0	-60.2	-60.2	-8.2	-68.4
Dividend, treasury shares	0.0	0.0	0.0	0.0	1.3	1.3	0.0	1.3
Total changes in equity in H1-12	**0.0**	**0.0**	**-0.7**	**-0.1**	**-17.3**	**-18.1**	**-4.8**	**-22.9**
Equity at 30 June 2012	**100.3**	**-18.7**	**-13.9**	**-3.5**	**428.2**	**492.4**	**8.5**	**500.9**

DKKm H1-11	Share capital	Treasury shares	Hedging reserves	Reserve, translation adjustments	Retained earnings	Parent Company's total share	Minority interests	Total equity
Equity at 1 January 2011	**100.3**	**-22.6**	**-13.9**	**-4.0**	**426.7**	**486.5**	**11.7**	**498.2**
Changes in equity in H1-11								
Net profit for the period	0.0	0.0	0.0	0.0	234.2	234.2	4.0	238.2
Translation adjustments, foreign companies	0.0	0.0	0.0	0.8	0.0	0.8	0.0	0.8
Value adjustment of hedging instruments	0.0	0.0	10.7	0.0	0.0	10.7	0.0	10.7
Tax, other comprehensive income	0.0	0.0	-2.7	0.0	0.0	-2.7	0.0	-2.7
Other comprehensive income after tax	**0.0**	**0.0**	**8.0**	**0.8**	**0.0**	**8.8**	**0.0**	**8.8**
Total comprehensive income	**0.0**	**0.0**	**8.0**	**0.8**	**234.2**	**243.0**	**4.0**	**247.0**
Sale of treasury shares	0.0	3.9	0.0	0.0	0.0	3.9	0.0	3.9
Dividend distributed	0.0	0.0	0.0	0.0	-280.8	-280.8	-6.7	-287.5
Dividend, treasury shares	0.0	0.0	0.0	0.0	6.2	6.2	0.0	6.2
Share-based payments	0.0	0.0	0.0	0.0	0.2	0.2	0.0	0.2
Total changes in equity in H1-11	**0.0**	**3.9**	**8.0**	**0.8**	**-40.2**	**-27.5**	**-2.7**	**-30.2**
Equity at 30 June 2011	**100.3**	**-18.7**	**-5.9**	**-3.2**	**386.5**	**459.0**	**9.0**	**468.0**

Full year – audited

DKKm 2011	Share capital	Treasury shares	Hedging reserves	Reserve, translation adjustments	Retained earnings	Parent Company's total share	Minority interests	Total equity
Equity at 1 January 2011	**100.3**	**-22.6**	**-13.9**	**-4.0**	**426.7**	**486.5**	**11.7**	**498.2**
Changes in equity in 2011								
Net profit for the period	0.0	0.0	0.0	0.0	293.3	293.3	8.3	301.6
Translation adjustments, foreign companies	0.0	0.0	0.0	0.6	0.0	0.6	0.0	0.6
Value adjustment of hedging instruments	0.0	0.0	-8.6	0.0	0.0	-8.6	0.0	-8.6
Forward contract recognised in the income statement	0.0	0.0	9.5	0.0	0.0	9.5	0.0	9.5
Tax, other comprehensive income	0.0	0.0	-0.2	0.0	0.0	-0.2	0.0	-0.2
Other comprehensive income after tax	**0.0**	**0.0**	**0.7**	**0.6**	**0.0**	**1.3**	**0.0**	**1.3**
Total comprehensive income	**0.0**	**0.0**	**0.7**	**0.6**	**293.3**	**294.6**	**8.3**	**302.9**
Sale of treasury shares	0.0	3.9	0.0	0.0	0.0	3.9	0.0	3.9
Dividend distributed	0.0	0.0	0.0	0.0	-280.8	-280.8	-6.7	-287.5
Dividend, treasury shares	0.0	0.0	0.0	0.0	6.2	6.2	0.0	6.2
Share-based payments	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.1
Total changes in equity in 2011	**0.0**	**3.9**	**0.7**	**0.6**	**18.8**	**24,0**	**1.6**	**25.6**
Equity at 31 December 2011	**100.3**	**-18.7**	**-13.2**	**-3.4**	**445.5**	**510.5**	**13.3**	**523.8**

CONSOLIDATED CASH FLOW STATEMENT

	Note	*H1-12* *DKKm* *unaudited*	*H1-11* *DKKm* *unaudited*	*2011* *DKKm* *audited*
Net profit, continuing operations		**45.0**	**57.3**	**121.2**
Adjustments for non-cash operating items		31.9	40.4	78.2
Changes in working capital		-18.4	-28.2	-21.6
Cash flows from operating activities before net financials		**58.5**	**69.5**	**177.8**
Interest received		2.6	0.8	5.6
Interest paid		-4.5	-2.9	-6.8
Cash flows from ordinary activities before tax		**56.6**	**67.4**	**176.6**
Income tax paid		0.0	-0.4	-20.7
Cash flows from operating activities, continuing operations		**56.6**	**67.0**	**155.9**
Cash flows from operating activities, discontinued operations		0.0	-0.9	-1.6
Total cash flows from operating activities		**56.6**	**66.1**	**154.3**
Investments in intangible assets and property, plant and equipment		-12.1	-6.3	-15.9
Disposal of intangible assets and property, plant and equipment		0.1	1.1	1.9
Investment in securities, net		52.7	29.5	-158.6
Dividend from securities		0.2	0.2	0.2
Investment in other non-current assets		-0.4	0.0	0.0
Investment in associates	2	-7.5	0.0	-6.5
Investments in subsidiaries and associates	1	-17.0	0.0	0.0
Cash flows from investing activities, continued operations		**16.0**	**24.5**	**-178.9**
Cash flows from investing activities, discontinued operations		0.0	201.3	201.4
Total cash flows from investing activities		**16.0**	**225.8**	**22.5**
Repayment of non-current liabilities		-2.5	-2.2	-4.4
Additions of non-current liabilities		0.0	0.0	77.4
Dividend to minority shareholders		-8.2	-6.7	-6.7
Sale of/investment in treasury shares		0.0	3.9	3.9
Dividend to shareholders		-58.9	-274.6	-274.6
Cash flows from financing activities, continuing operations		**-69.6**	**-279.6**	**-204.4**
Cash flows from financing activities, discontinued operations		0.0	0.0	0.0
Total cash flows from financing activities		**-69.6**	**-279.6**	**-204.4**
Changes in cash and cash equivalents		**3.0**	**12.3**	**-27.6**
Cash and cash equivalents at 1 January		**71.8**	**99.4**	**99.4**
Cash and cash equivalents at 30 June / 31 December		**74.8**	**111.7**	**71.8**

Note

1 Acquires activities

In H1 2012, the North Media Group acquired the following companies and activities, and has subsequently recognosed them as subsidiaries.
Profit or losses and equity are recognised from the time of acquisition.

	Acquired at	**Ownership interest**
Byggestart, activity	1 January 2012	100%
HentTilbud ApS	1 March 2012	100%

The two companies/activities operate within the same business area.

In connection with the acquisition of the companies/activities above, North Media A/S has preliminarily measured identifiable assets at fair value. As a result of the acquired companies operating within the same business area and the companies largely having been acquired at the same time, the two acquisitions are presented collectively.

	Fair value at time of acquisition	**Carrying amount before acquisition**
Intagible assets	9.8	0.0
Receivables	0.9	0.9
Cash	0.3	0.3
Deferred tax	0.4	0.0
Trade payables	-2.3	-2.3
Other payables	-2.8	-2.8
Net assets acquired	**6.3**	**-3.9**
Goodwill	21.0	
Aquisition cost	27.3	
Of which deferred cost	-10.0	
Of which cash	-0.3	
Net cash costs	**17.0**	

After recognition of identifiable assets, liabilities and contingent liabilities at fair value, goodwill arisen in connection with the acquisition has been calculated at DKK 21.0 million. Goodwill represents the value of existing staff, know-how as well as synergies from the ownership of the two companies/activities.

DKK 10 million of the acquisition price of DKK 27.3 million falls due in 2-4 years.

In addition to the recognised acquisition price of DKK 27.3 million, an agreement on a possible additional purchase price was signed in case future revenue from enterprises acquired exceeds specified levels. At 30 June 2012, estimates are that the acquisitions will not trigger additional payments. If additional payments are triggered, they would be recognised in operations when the amounts can be finally calculated.

The activities acquired have affected revenue for H1 2012 by DKK 6.3 million and resulted in EBIT of a negative DKK 5 million. Of this, amortisation and depreciation of intangible assets and integration costs represent total DKK 2.6 million.

Note		H1-12 DKKm	H1-11 DKKm	2011 DKKm
2	**Investments in associates**			
	Net assets value at 1 January	8.6	2.6	2.6
	Addition in the year	7.5	0.0	6.5
	Share of profit	-0.3	0.0	-0.5
	Currency adjustment	0.0	-0.1	0.0
	Indre værdi ultimo	**15.8**	**2.5**	**8.6**

Investments in associates for the year consist of a 34% investment in eConscribi International ApS. At the time of acquisition, equity value represents DKK 2.8 million of the cost of DKK 7.5 million, whereas the residual amount relates to other intangible assets.