

**4 August 2010**

**Company Announcement No 10-10**

## **Interim Report 2010 of North Media A/S (former Søndagsavisen A/S)**

**North Media A/S' EBIT before special items amounted to DKK 50.2m for H1 2010. This performance is a considerable improvement on the same period last year and is attributable to revenue growth and cost reductions. Expectations for EBIT before special items for FY 2010 are thus raised from DKK 55-65m to DKK 90-110m.**

- Operating profit (EBIT) before special items totalled DKK 50.2m for H1 2010 against a loss of DKK 13.4m in H1 2009. This performance is generally considered satisfactory due to the current market conditions.
- As a result of continued negative developments, primarily in the online segment, all intangible assets relating to loss-making activities are written down. Total write-downs amount to DKK 28.0m and are indicated under special items in the income statement.
- In H1 2010, the Group's revenue was DKK 556.0m. This is DKK 43.2m or 8% up on revenue for H1 2009. The job advertisement market, which performed poorly in H1 2009, has declined further, especially due to an almost total standstill in the public sector.
- With revenue growth of DKK 43.8m, printing activities improved earnings from DKK 15.2m in H1 2009 to DKK 78.1m in H1 2010. The main reason for the earnings improvement is the continued improvement of the quality and efficiency of the distribution business. Efficiency measures at Søndagsavisen compensated partially for the decline in printed job advertisements.
- The developments in the Group's online activities are unsatisfactory, and particularly the job market has developed far worse than expected. H1 witnessed historically low activity, especially in the public sector job market, which also had an adverse effect on the earnings development. In H1 2010, a negative EBIT of DKK 26.9m was realised against a negative EBIT of DKK 19.7m in H1 2009.
- At 30 June 2010, the Group has cash resources of DKK 140.6m, securities worth DKK 19.1m and long-term mortgage loans of DKK 93.1m. In H1 2010, the Group generated cash flows from operations of DKK 77.1m. During this half year, a cash amount of DKK 50.2m was paid to the shareholders as part of the legal reorganisation of the group structure, which was adopted at the Annual General Meeting held on 23 April 2010.
- The Board of Directors is planning to pay an extraordinary dividend of DKK 4.0 per share, or a total amount of DKK 80.2m. The distribution is expected to be made on 17 August 2010, and 11 August 2010 will be the last day for trading in shares carrying a right to this dividend.
- Due to the continued uncertainty in the financial markets, the process relating to a possible sale or the conclusion of a strategic alliance for the Group's distributing activities is not expected to be resumed until at year-end 2010 at the earliest, and is therefore not expected to end until Q2 2011.
- GISAB's earnings improved considerably, which has affected the price of the remaining 33.3% of shares that are agreed to be sold at the beginning of 2011. Current expectations are that the selling price will increase from earlier expected to be at least SEK 160m now to approximate SEK 200m. The selling remains unrecognised in the profit for H1 2010 and until GISAB is sold it is recognised as an associate.

### **Outlook for 2010**

- The Group's revenue from cont. activities is expected to remain unchanged, i.e. DKK 1,050-1,100m.
- The Group's operating profit (EBIT) before special items is now expected to be DKK 90-110m, whereas such profit previously was expected to be DKK 55-65m.

Please contact Mads Dahl Andersen, CEO and Kåre Wigh, CFO, at +45 39 57 70 00 for further information.

## CONSOLIDATED HIGHLIGHTS AND FINANCIAL RATIOS

	<i>H1-10</i>	<i>H1-09</i>	<i>2009</i>
	<i>unaudited</i>	<i>unaudited</i>	<i>audited</i>
<b><u>Income statement:</u></b>			
Revenue	556.0	512.8	1,028.5
Contribution margin	262.6	213.8	441.7
EBITDA	75.9	16.0	74.9
Depreciation	25.7	29.4	55.4
EBIT before special items	50.2	-13.4	19.5
Special items	-28.0	-1.1	-13.2
Financials, net	-1.6	-2.6	-4.4
EBT, continued operations	28.7	-17.6	3.4
Tax for the year	7.4	-0.9	6.9
Net profit, continued operations	21.3	-16.7	-3.5
Disposals of subsidiaries	-0.2	10.8	10.7
Net profit, discontinued operations	-1.0	2.6	1.9
Net profit	20.1	-3.3	9.1
<b><u>Balance sheet:</u></b>			
Total assets	784.9	940.2	802.9
Share capital	100.3	111.4	100.3
Shareholders' equity incl. minorities	523.3	661.6	573.4
Net interest-bearing debt incl. securities	-63.5	-93.4	-62.9
Net working capital (NWC)	-54.7	-65.4	-44.2
Invested capital	459.8	568.2	510.5
Investment in property, plant and equipment	3.6	8.8	11.5
Free cash flow	78.9	11.0	42.6
<b><u>Other information:</u></b>			
Average number of employees	642	689	672
Numbers of shares at end of period, in thousand	20,055	22,280	20,055
Treasury shares, in thousand	332	2,225	24
Share price at end of period, DKK	41.5	23.9	34.5
<b><u>Ratios:</u></b>			
Contribution ratio (%)	47.2	41.7	42.9
Operating margin (EBIT) (%)	9.0	-2.6	1.9
Equity ratio (%)	66.7	70.4	71.4
Return on equity (ROE) (%) *) (1)	7.3	-1.0	1.5
Return on capital employed (ROIC) (%) *)	20.7	-4.6	3.1
Earnings per share (EPS) - continued operations	0.9	-0.9	-0.3
Earnings per share (EPS) - Total (1)	0.8	-0.3	0.2

The consolidated 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 stated, the Group's key figures have been stated for continuing activities.

(1): The ratio also includes discontinued activities.

## Revenue and EBIT before special items by segment

DKK'm	Revenue								
	H1 YTD		Q2	Q1	Q4	Q3	Q2	Q1	Year
	2010	2009	2010	2010	2009	2009	2009	2009	2009
Print	518.9	475.1	273.1	245.8	255.2	226.9	247.3	227.8	957.2
<i>Index compared to the same period of last year</i>	<i>109.2</i>	<i>84.6</i>	<i>110.4</i>	<i>107.9</i>	<i>99.7</i>	<i>90.9</i>	<i>88.4</i>	<i>80.8</i>	<i>89.7</i>
Online	37.1	37.7	17.7	19.4	15.9	17.7	18.9	18.8	71.3
<i>Index compared to the same period of last year</i>	<i>98.4</i>	<i>71.8</i>	<i>93.7</i>	<i>103.2</i>	<i>85.9</i>	<i>78.7</i>	<i>71.1</i>	<i>72.6</i>	<i>76.3</i>
<b>Group revenue</b>	<b>556.0</b>	<b>512.8</b>	<b>290.8</b>	<b>265.2</b>	<b>271.1</b>	<b>244.6</b>	<b>266.2</b>	<b>246.6</b>	<b>1,028.5</b>
<i>Index compared to the same period of last year</i>	<i>108.4</i>	<i>83.5</i>	<i>109.2</i>	<i>107.5</i>	<i>98.8</i>	<i>89.9</i>	<i>86.9</i>	<i>80.1</i>	<i>88.6</i>

DKK'm	EBIT before special items								
	H1 YTD		Q2	Q1	Q4	Q3	Q2	Q1	Year
	2010	2009	2010	2010	2009	2009	2009	2009	2009
Print	78.1	15.2	46.2	31.9	37.6	18.2	17.5	-2.3	71.0
<i>Profit margin</i>	<i>15.1%</i>	<i>3.2%</i>	<i>16.9%</i>	<i>13.0%</i>	<i>14.7%</i>	<i>8.0%</i>	<i>7.1%</i>	<i>-1.0%</i>	<i>7.4%</i>
Online	-26.9	-19.7	-14.2	-12.7	-10.5	-11.4	-10.7	-9.0	-41.6
<i>Profit margin</i>	<i>-72.5%</i>	<i>-52.3%</i>	<i>-80.2%</i>	<i>-65.5%</i>	<i>-66.0%</i>	<i>-64.4%</i>	<i>-56.6%</i>	<i>-47.9%</i>	<i>-58.3%</i>
Un-allocated costs	-1.0	-8.9	-1.0	0.0	0.1	-1.1	-2.4	-6.5	-9.9
<b>Group EBIT, continuing operations</b>	<b>50.2</b>	<b>-13.4</b>	<b>31.0</b>	<b>19.2</b>	<b>27.2</b>	<b>5.7</b>	<b>4.4</b>	<b>-17.8</b>	<b>19.5</b>
<i>Profit margin</i>	<i>9.0%</i>	<i>-2.6%</i>	<i>10.7%</i>	<i>7.2%</i>	<i>10.0%</i>	<i>2.3%</i>	<i>1.7%</i>	<i>-7.2%</i>	<i>1.9%</i>
Discontinuing operations, printing	-1.3	3.5	-0.6	-0.7	-6.7	1.2	2.2	1.3	-2.0
<b>Group EBIT</b>	<b>48.9</b>	<b>-9.9</b>	<b>30.4</b>	<b>18.5</b>	<b>20.5</b>	<b>6.9</b>	<b>6.6</b>	<b>-16.5</b>	<b>17.5</b>

### Printing – Notable performance improvement despite historically low activity in the job advertisement market – particularly regarding the public sector job markets

The Group's printing segment includes the distributing activities of Forbruger-Kontakt as well as the Søndagsavisen, Helsingør Dagblad and Nordsjællands Avis newspapers.

In H1 2010, revenue from the printing segment was DKK 518.9m, which is an improvement of DKK 43.8m, or 8%, on the same period last year. The combination of increased revenue and extensive efficiency improvements has produced a considerable earnings increase.

In aggregate, the Group's operating profit from the printing segment for H1 2010 was DKK 78.1m against a profit of DKK 18.8m in H1 2009 (adjusted for restructuring costs in 2009). The earnings increase is the result of substantial cost reductions and the solid gain from the efficiency programme, which was introduced in the distribution business at year-end 2008 and in H1 2009 and only somewhat impacted on the results for H1 2009.

The quality and efficiency of the distribution business continued to improve, just as Søndagsavisen succeeded in partially compensating for the decline in printed job advertisements through efficiency improvements. The targeted effort to constantly improve the quality of the journalistic content and maintain and increase the number of readers also continued.

The dailies Helsingør Dagblad and Nordsjællands Avis continued to develop positively. The measures taken to improve efficiency also produced the desired effect and resulted in improved earnings.

The Board of Directors is still optimistic about carrying through a sale or concluding a strategic alliance for the Group's distributing activities in Forbruger-Kontakt. Due to continued volatility in the financial markets, expectations are that the process will not be initiated until at year-end 2010 and it is not expected to end until Q2 2011.

## **Online - The job market at a historically low level, but showing faint signs of having reached the bottom**

The Group's online segment consists of Kandidathuset (Ofir.dk), MatchWork.com, Søndagsavisen.dk, BoligPortal.dk, MinReklame.dk as well as the newly established web page of Lokalia.dk.

In H1 2010, revenue from the online segment was DKK 37.1m, which largely remains unchanged compared to last year.

In H1 2010, the operating loss before special items for the online segment was DKK 26.9m. This loss is significantly lower than the loss for H1 2009, which was DKK 19.7m, corresponding to a difference of DKK 7.2m. H1 2009 was also influenced by restructuring costs totalling DKK 3.6m, and adjusted for this the operating loss increased by DKK 10.8m.

The developments in the Group's online activities are unsatisfactory, and especially the job market has developed far worse than expected. Kandidathuset attends to the sale of printed job advertisements and is thus dependent on the sale of both printed and online job advertisements.

H1 2010 witnessed historically low activity, particularly in the public sector job market. However, the Group believes that both the private and the public sector job markets will improve in 2011, for which reason it was decided to maintain the relatively high level of activities. When the job market returns to a more natural level, the Group will thus have a strong sales organisation and a competitive product in the printing and online markets.

Also in H1 2010, costs were incurred for Lokalia.dk, which is a new concept of a very locally oriented home page. Lokalia.dk is being tested in five municipalities as part of the establishment phase and therefore has not generated any revenue yet.

BoligPortal.dk still generates satisfactory growth.

## **Unallocated costs**

The segment of unallocated costs consists of group-related activities which are not allocated to the operating activities in the printing and online segments.

In H1 2010, the operating loss relating to unallocated costs was DKK 1.0m. The operating loss for the same period last year was DKK 8.9m. Performance for H1 2009 included approx DKK 9m for restructuring costs, severance pay to a manager as well as costs for financial and legal advisers relating to the ongoing evaluation of the strategic possibilities for the distribution business.

## **Discontinued operations**

In 2010, costs totalling DKK 1.3m were incurred for discontinued activities, primarily in the form of operating activities and maintenance of buildings. The printing machinery was disposed of, however without receiving any significant net proceeds, but the premises of Helsingør Dagblad are still for sale. Despite several presentations, no buyer has been found for the property. Management still expects to be able to sell the property at a price exceeding the carrying amount.

## **Reorganisation of the group**

At the Company's Annual General Meeting held on 23 April 2010, it was decided to effect a legal reorganisation of the group structure. The formal changes have now been made, and the new group structure is evident from Note 2. In connection with the reorganisation a cash amount of DKK 50.2m, was paid to the shareholders.

## **Special risks and elements of uncertainty in H2 2010**

The printing segment is still considered to be extremely competitive, and the advert markets for both job and text remain highly fragile. The Group estimates that the bottom has been reached, but even minor factors may change the budding optimism. Additional adjustment of costs in the short run will only be possible to a limited degree.

Distributing activities have been affected by greater efficiency in both packing and distribution. Continued high efficiency is crucial to the development of the Group's profit in H2 2010.

## **Outlook for 2010**

The Group's revenue from continuing activities is expected to remain unchanged, i.e. DKK 1,050-1,100m.

The Group's operating profit (EBIT) before special items is now expected to be DKK 90-110m, whereas such profit previously was expected to be DKK 55-65m. The profit before tax for the year is affected by write-downs of DKK 28.0m, which are shown as special items in the interim report.

Costs for discontinued activities will remain unchanged, totalling approx DKK 5m.

The Board of Directors regularly assesses the Company's holding of treasury shares in preparation for any acquisition.

The Board of Directors is planning to pay an extraordinary dividend of DKK 4.0 per share, or a total amount of DKK 80.2m. After the auditors' review of balance sheet for the relevant period showing that there is sufficient money available for the distribution of the dividend, the distribution is expected to be made on 17 August 2010, and 11 August 2010 will be the last day for trading in shares carrying a right to this dividend.

The Q3 2010 Quarterly Announcement is expected to be published on 3 November 2010.

## **Pending case**

In May 2009, North Media A/S was awarded damages of DKK 75m by the Danish Eastern High Court as well as DKK 4m to cover legal costs. This case relates to Forbruger-Kontakt's claim for damages for the loss suffered as a result of Post Danmark A/S' abuse of its dominant position. Post Danmark A/S has appealed to the Danish Supreme Court. The case remains to be decided, and the amount remains unrecognised in the profit for H1 2010 and in the Group's profit expectations for 2010.

The legal costs have been recognised on a current basis.

## **Events after the balance sheet date**

No events have occurred prior to the publication of the interim report on 4 August 2010 which would influence the reader's view of the interim report.

## **Managerial changes**

Following the changes made to the management of Kandidathuset A/S, which attends to the sale of job advertisements to both Søndagsavisen and Ofir.dk, the Board of Directors has asked its chairman, Richard Bunck, to assume the position as CEO of Kandidathuset A/S.

## **COMMENTS ON THE FINANCIAL STATEMENTS**

### **Income statement**

The Group's contribution margin for H1 2010 was DKK 262.6m, which is an increase of DKK 48.8m compared to the same period last year. The contribution margin increased from 41.7% in H1 2009 to 47.2% in H1 2010.

Staff costs totalled DKK 130.9m in H1 2010, corresponding to a decrease of DKK 16.8m, or 11% compared to H1 2009. The staff costs were higher in H1 2009 mainly due to restructuring costs incurred and severance pay to a manager totalling DKK 14.1m in H1 2009.

Other costs amounted to DKK 58.0m in H1 2010, representing a minor increase of DKK 2.5m, or 5%. In H1 2009, costs were incurred for financial and legal advisers relating to the evaluation of the strategic possibilities for the distributing activities, whereas in H1 2010 costs were incurred for the legal restructuring of the Group.

Tax on profit for the financial period amounts to DKK 7.4m and relates to the profit from the Danish activities. The foreign activities are loss-making and are not covered by the Danish joint taxation scheme, for which reason the effective tax rate totals 36% as the amount of losses on the foreign companies is not capitalised.

### **Special items**

Due to continued negative developments in some business areas in H1 2010, the Company has decided to write down all intangible assets relating to loss-making activities. The write-downs total DKK 28.0m and are indicated under special items in the income statement. In H2 2010, write-downs will reduce ordinary depreciation and amortisation by a total amount of approx DKK 5.5m, primarily in the online segment.

Of the total write-down of DKK 28.0m, DKK 9.3m is attributable to the printing segment, whereas DKK 18.7m is attributable to the online segment.

### **Share of profit/loss from associates, discontinued operations and financial income and expenses**

The share of profit/loss from associates primarily corresponds to the share of profit/loss on GISAB. The profit for 2010 is DKK 8.1m against a loss of DKK 0.5m in 2009. The loss for 2009 on the operations of Lokalavisen Holding ApS is included in the share of profit/loss from associates.

GISAB's earnings improved considerably in 2010, which has affected the price of the remaining 33.3% of shares that are agreed to be sold at the beginning of 2011. Current expectations are that the selling price will increase from earlier expected to be at least SEK 160m now to approximate SEK 200m. The selling remains unrecognised in the profit for H1 2010 and until GISAB is sold it is recognised as an associate.

With a view to reducing the foreign currency risks involved in the sale of the shares in GISAB, a forward exchange contract was concluded on the sale of SEK 150m at an average selling price of DKK/SEK 77.29. At 30 June 2010, the value of the concluded forward exchange contract was negative by DKK 1.2m. The unrealised capital loss is not recognised in the income statement, but is included in other comprehensive income under the item Value adjustment of hedging instruments.

Financial income comprises interest on the Group's excess liquidity. Financial expenses primarily comprise interest on the Group's mortgage loans as well as a minor capital loss on securities.

### **Balance sheet**

The Group's balance sheet at 30 June 2010 includes goodwill of DKK 39.1m, other intangible assets of DKK 19.9m and software of DKK 8.4m. Goodwill and other intangible assets relate to the distributing activities as well as activities on the Boligportal. These items have been tested for any indication of impairment, and for example a 50% reduction of earnings will not produce such indication. Software is primarily attributable to development activities in the distribution segment, which supports operations within production or distribution.

The Group's property, plant and equipment mainly include three owner-occupied properties as well as plant at the Group's two distribution terminals.

The Group's former printing property in Helsingør is still for sale, as the Company still has not succeeded in finding a buyer. The printing machinery has been disposed of, whereas the printing property is still shown as assets held for sale because Management believes that a sale within a foreseeable future at a price exceeding the carrying amount is realistic.

On account of the extremely low interest rate on the Group's positive liquid bank deposit it was decided to invest part of the liquidity in highly liquid securities such as listed shares and bonds. Securities are bought in accordance with the finance policy adopted by the Board of Directors.

At 30 June 2010, DKK 19.1m was invested in securities, and subsequently another DKK 21.2m was invested.

### **Share capital and treasury shares**

On 30 June 2010, the Group's equity was DKK 523.3m, corresponding to a decrease of DKK 50.1m compared to equity at 31 December 2009. This decrease is primarily attributable to the profit for H1 2010 and to cash payments totalling DKK 50.2m as well as to the purchase of treasury shares worth DKK 12.6m. In H1 2010, the holding of treasury shares increased by 307,000. The total number of treasury shares is now 332,000. The average buying rate was DKK 40.9 per share.

### **Cash flows and interest-bearing debt**

In H1 2010, North Media generated positive liquidity of DKK 77.1m from operations against DKK 25.3m in H1 2009. In H1 2010, DKK 50.2m was paid to the shareholders as part of the restructuring of

the Group. For tax purposes, this amount is treated as dividend received in 2010. In addition, DKK 12.6m was invested in treasury shares. Cash equals DKK 140.6m, whereas securities amount to DKK 19.1m at 30 June 2010. Long-term mortgage loans, including interest rate swap, of DKK 93.1m exist.

In H1 2010, DKK 4.0m was invested in intangible assets and property, plant and equipment. Such investment amounted to DKK 18.3m in H1 2009. For years now, the Group has been investing heavily in capital equipment and software to improve the efficiency of the processes in all business areas. This, combined with the fact that all software developments for loss-making activities are regularly recognised in the income statement, has resulted in a substantial reduction of the amounts invested.

Due to the considerable generation of liquidity from operations, North Media has solid capital resources. In addition, expectations are that the sale of the remaining shares in GISAB in April 2011 will yield net cash of approx SEK 200m.

At 30 June 2010, the Group's net interest-bearing debt (incl. securities) is negative by DKK 63.5m in total, meaning that the Group's deposit is higher than its debt.

### **Related parties**

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

By virtue of his holding company, Baunegaard 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 and amounted to a maximum of DKK 5m for H1 2010.

### **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 2010.

The interim report is presented in accordance with IAS 34, *Presentation of interim reports*, as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

The accounting policies applied to this interim report are consistent with those applied to the annual report for 2010. No new accounting standards or interpretations are estimated to cause considerable changes to the annual report for 2010.

In the interim report, income tax on the profit or loss before tax is calculated at a rate of 25%. Income tax is calculated separately for each tax jurisdiction.

Due to the investment of part of the Group's excess liquidity in securities, the accounting policies have been extended to this financial statement item. The accounting policies applied to securities are as follows:

Shares and bonds which are regularly monitored are measured and reported at fair value in accordance with the Group's policy for investment, recognised on the trading day as current assets at fair value and subsequently measured at fair value. Changes in fair value are recognised regularly in the income statement as financial income or financial expenses.



## **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 2010.

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

We consider the applied accounting policies appropriate and the accounting estimates reasonable. We therefore believe that the interim report provides a true and fair view of the Group's financial position at 30 June 2010 and of its financial performance and cash flows for the period 1 January to 30 June 2010.

We also believe that the management's review provides a true and fair view of the development in the Group's activities and finances, profit or loss for the period and of its financial position as a whole as well as a description of the most material risks and uncertainties facing the Group.

Søborg, 4 August 2010

Management:

Mads Dahl Møberg Andersen  
CEO

Kåre Stausø Wigh  
CFO

Arne Ullum Laursen  
Media Director

Board of Directors:

Richard Bunck  
Chairman

Peter Rasztar  
Vice Chairman

Steen Gede

Ulrik Holsted-Sandgreen

## CONSOLIDATED INCOME STATEMENT

	<i>Note</i>	<i>H1-10</i> <i>DKKm</i> <i>unaudited</i>	<i>H1-09</i> <i>DKKm</i> <i>unaudited</i>	<i>2009</i> <i>DKKm</i> <i>audited</i>
Revenue		556.0	512.8	1,028.5
Direct expenses		193.5	187.2	366.9
Direct staff costs		99.9	111.8	219.9
<b>Contribution margin</b>		<b>262.6</b>	<b>213.8</b>	<b>441.7</b>
Staff costs		130.9	147.7	273.1
Other costs		58.0	55.5	99.8
Depreciation		25.7	29.4	55.4
Other operating income		2.2	5.4	6.1
<b>EBIT before special items</b>		<b>50.2</b>	<b>-13.4</b>	<b>19.5</b>
Special items, net	1	-28.0	-1.1	-13.2
Share of profit/losses in associates		8.1	-0.5	1.5
Financial income		1.4	0.9	2.0
Financial expenses		-3.0	-3.5	-6.4
<b>Profit before tax, continued operations</b>		<b>28.7</b>	<b>-17.6</b>	<b>3.4</b>
Tax, continued operations		7.4	-0.9	6.9
<b>Net profit, continued operations</b>		<b>21.3</b>	<b>-16.7</b>	<b>-3.5</b>
Profit of disposal of subsidiaries		-0.2	10.8	10.7
Net profit, discontinued operations		-1.0	2.6	1.9
<b>Net profit for the period</b>		<b>20.1</b>	<b>-3.3</b>	<b>9.1</b>
<b>Attributable to:</b>				
Shareholders in North Media A/S		16.8	-5.4	4.7
Minority interests		3.3	2.1	4.4
		<b>20.1</b>	<b>-3.3</b>	<b>9.1</b>
<b>Earnings per share, in DKK</b>				
Earnings per share (EPS) - total		0.8	-0.3	0.2
Diluted earnings per share (EPS-D) - total		0.8	-0.3	0.2
Earnings per share (EPS) - continued operations		0.9	-0.9	-0.3
Diluted earnings per share (EPS-D) - continued operations		0.9	-0.9	-0.3

## COMPREHENSIVE INCOME STATEMENT

	<i>H1-10</i> <i>DKKm</i> <i>unaudited</i>	<i>H1-09</i> <i>DKKm</i> <i>unaudited</i>	<i>2009</i> <i>DKKm</i> <i>audited</i>
<b>Net profit for the period</b>	<b>20.1</b>	<b>-3.3</b>	<b>9.1</b>
Currency adjustments, foreign companies	0.7	1.5	1.8
Fair value adjustment of hedging instruments	-7.2	0.5	0.0
<b>Other total income before tax</b>	<b>-6.5</b>	<b>2.0</b>	<b>1.8</b>
Tax	1.8	0.0	0.0
<b>Comprehensive income</b>	<b>15.4</b>	<b>-1.3</b>	<b>10.9</b>
<b>Attributable to:</b>			
Shareholders in North Media A/S	12.1	-3.4	6.5
Minority interests	3.3	2.1	4.4
	<b>15.4</b>	<b>-1.3</b>	<b>10.9</b>

## CONSOLIDATED BALANCE SHEET

### Assets

	<i>H1-10</i> <i>DKKm</i> <i>unaudited</i>	<i>H1-09</i> <i>DKKm</i> <i>unaudited</i>	<i>2009</i> <i>DKKm</i> <i>audited</i>
Goodwill	39.1	56.6	43.0
Other intangible assets	19.9	25.1	24.2
Completed development projects, software	8.4	31.9	31.6
Development projects in progress	0.0	7.1	4.4
<b>Intangible assets</b>	<b>67.4</b>	<b>120.7</b>	<b>103.2</b>
Land and buildings	311.6	360.8	315.5
Plant and machinery	65.0	103.9	72.2
Operating equipment, fixtures and fittings	16.1	26.8	20.0
Property, plant and equipment in course of construction	0.1	4.8	0.0
<b>Property, plant and equipment</b>	<b>392.8</b>	<b>496.3</b>	<b>407.7</b>
Investments in associates	16.8	11.8	8.0
Other securities and investments	3.9	3.7	3.9
Other receivables	1.7	2.1	1.7
<b>Other non-current assets</b>	<b>22.4</b>	<b>17.6</b>	<b>13.6</b>
<b>Total non-current assets</b>	<b>482.6</b>	<b>634.6</b>	<b>524.5</b>
Inventory	0.0	2.4	0.0
Trade receivables	89.6	96.6	64.5
Receivables from associates	1.2	0.3	0.7
Other receivables	2.7	4.4	12.8
Prepayments	17.1	14.6	13.1
Securities	19.1	0.0	0.0
Cash	140.6	187.3	155.3
<b>Total current assets</b>	<b>270.3</b>	<b>305.6</b>	<b>246.4</b>
Assets held for sale	32.0	0.0	32.0
<b>Total current assets</b>	<b>302.3</b>	<b>305.6</b>	<b>278.4</b>
<b>Total assets</b>	<b>784.9</b>	<b>940.2</b>	<b>802.9</b>

## CONSOLIDATED BALANCE SHEET

### Equity and liabilities

	<i>H1-10</i> <i>DKKm</i> <i>unaudited</i>	<i>H1-09</i> <i>DKKm</i> <i>unaudited</i>	<i>2009</i> <i>DKKm</i> <i>audited</i>
Share capital	100.3	111.4	100.3
Treasury shares	-13.2	-72.7	-0.6
Hedging reserves	-10.4	-4.5	-5.0
Revaluation reserves	-4.9	-5.9	-5.6
Retained earnings	443.3	575.7	475.4
<b>Shareholders' equity</b>	<b>515.1</b>	<b>604.0</b>	<b>564.5</b>
Minority interest	8.2	57.6	8.9
<b>Total equity</b>	<b>523.3</b>	<b>661.6</b>	<b>573.4</b>
Deferred tax	0.1	1.0	1.8
Financial institutions	80.5	84.6	82.6
Fair value interest rate swap	12.6	6.2	6.7
<b>Total non-current liabilities</b>	<b>93.2</b>	<b>91.8</b>	<b>91.1</b>
Financial institutions	3.1	3.1	3.1
Trade payables	44.2	27.3	36.1
Income taxes	7.1	0.4	2.6
Other payables	94.0	129.0	82.3
Deferred income	20.0	27.0	14.3
<b>Total current liabilities</b>	<b>168.4</b>	<b>186.8</b>	<b>138.4</b>
<b>Total liabilities</b>	<b>261.6</b>	<b>278.6</b>	<b>229.5</b>
<b>Total equity and liabilities</b>	<b>784.9</b>	<b>940.2</b>	<b>802.9</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### Half year - unaudited

DKKm	Share capital	Treasury shares	Hedging reserves	Revaluation reserves	Retained earnings	Proposed dividend	Share-holders' total share	Minority-interests	Total
<b>H1-10</b>									
<b>Equity at 1 January 2010</b>	<b>100.3</b>	<b>-0.6</b>	<b>-5.0</b>	<b>-5.6</b>	<b>475.4</b>	<b>0.0</b>	<b>564.5</b>	<b>8.9</b>	<b>573.4</b>
<b>Changes in equity in H1-10</b>									
Comprehensive income	0.0	0.0	-5.4	0.7	16.9	0.0	12.2	3.2	15.4
Purchase of treasury shares	0.0	-12.6	0.0	0.0	0.0	0.0	-12.6	0.0	-12.6
Dividend distributed	0.0	0.0	0.0	0.0	-50.2	0.0	-50.2	-3.9	-54.1
Dividend treasury shares	0.0	0.0	0.0	0.0	0.5	0.0	0.5	0.0	0.5
Share-based payments	0.0	0.0	0.0	0.0	0.7	0.0	0.7	0.0	0.7
<b>Total changes in equity in H1-10</b>	<b>0.0</b>	<b>-12.6</b>	<b>-5.4</b>	<b>0.7</b>	<b>-32.1</b>	<b>0.0</b>	<b>-49.4</b>	<b>-0.7</b>	<b>-50.1</b>
<b>Equity at 30 June 2010</b>	<b>100.3</b>	<b>-13.2</b>	<b>-10.4</b>	<b>-4.9</b>	<b>443.3</b>	<b>0.0</b>	<b>515.1</b>	<b>8.2</b>	<b>523.3</b>

DKKm	Share capital	Treasury shares	Hedging reserves	Revaluation reserves	Retained earnings	Proposed dividend	Share-holders' total share	Minority-interests	Total
<b>H1-09</b>									
<b>Equity at 1 January 2009</b>	<b>111.4</b>	<b>-72.7</b>	<b>-5.0</b>	<b>-7.4</b>	<b>579.6</b>	<b>0.0</b>	<b>605.9</b>	<b>55.5</b>	<b>661.4</b>
<b>Changes in equity in H1-09</b>									
Comprehensive income	0.0	0.0	0.5	1.5	-5.4	0.0	-3.4	2.1	-1.3
Share-based payments	0.0	0.0	0.0	0.0	1.5	0.0	1.5	0.0	1.5
<b>Total changes in equity in H1-09</b>	<b>0.0</b>	<b>0.0</b>	<b>0.5</b>	<b>1.5</b>	<b>-3.9</b>	<b>0.0</b>	<b>-1.9</b>	<b>2.1</b>	<b>0.2</b>
<b>Equity at 30 June 2009</b>	<b>111.4</b>	<b>-72.7</b>	<b>-4.5</b>	<b>-5.9</b>	<b>575.7</b>	<b>0.0</b>	<b>604.0</b>	<b>57.6</b>	<b>661.6</b>

### Full year – audited

DKKm	Share capital	Treasury shares	Hedging reserves	Revaluation reserves	Retained earnings	Proposed dividend	Share-holders' total share	Minority-interests	Total
<b>2009</b>									
<b>Equity at 1 January 2009</b>	<b>111.4</b>	<b>-72.7</b>	<b>-5.0</b>	<b>-7.4</b>	<b>579.6</b>	<b>0.0</b>	<b>605.9</b>	<b>55.5</b>	<b>661.4</b>
<b>Changes in equity in 2009</b>									
Comprehensive income	0.0	0.0	0.0	1.8	4.7	0.0	6.5	4.4	10.9
Addition of minority interests, net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-51.0	-51.0
Capital reduction, cancellation of treasury shares	-11.1	72.7	0.0	0.0	-61.6	0.0	0.0	0.0	0.0
Purchase of treasury shares	0.0	-0.6	0.0	0.0	0.0	0.0	-0.6	0.0	-0.6
Extraordinary dividend distributed	0.0	0.0	0.0	0.0	-50.1	0.0	-50.1	0.0	-50.1
Share-based payments	0.0	0.0	0.0	0.0	2.8	0.0	2.8	0.0	2.8
<b>Total changes in equity in 2009</b>	<b>-11.1</b>	<b>72.1</b>	<b>0.0</b>	<b>1.8</b>	<b>-104.2</b>	<b>0.0</b>	<b>-41.4</b>	<b>-46.6</b>	<b>-88.0</b>
<b>Equity at 31 December 2009</b>	<b>100.3</b>	<b>-0.6</b>	<b>-5.0</b>	<b>-5.6</b>	<b>475.4</b>	<b>0.0</b>	<b>564.5</b>	<b>8.9</b>	<b>573.4</b>

## CONSOLIDATED CASH FLOW STATEMENT

	<i>H1-10</i> <i>DKKm</i> <i>unaudited</i>	<i>H1-09</i> <i>DKKm</i> <i>unaudited</i>	<i>2009</i> <i>DKKm</i> <i>audited</i>
<b>Net profit, continued operations</b>	<b>21.3</b>	<b>-16.7</b>	<b>-3.5</b>
Adjustments for non-cash operating items	55.3	33.1	81.8
Changes in working capital	4.8	12.3	-28.5
<b>Cash flow from operating activities before net financials</b>	<b>81.4</b>	<b>28.7</b>	<b>49.8</b>
Interest received	1.4	0.2	0.2
Interest paid	-2.8	-4.4	-5.1
<b>Cash flow from ordinary activities</b>	<b>80.0</b>	<b>24.5</b>	<b>44.9</b>
Income tax paid	-2.9	0.8	-3.9
<b>Cash flow from operating activities, continued operations</b>	<b>77.1</b>	<b>25.3</b>	<b>41.0</b>
Cash flow from operating activities, discontinued operations	-1.1	11.2	34.1
<b>Cash flow from operating activities total</b>	<b>76.0</b>	<b>36.5</b>	<b>75.1</b>
Additions of intangible assets and property, plant and equipment	-4.0	-18.3	-24.5
Disposals of intangible assets and property, plant and equipment	1.0	0.9	2.8
Dividend from associates	0.0	0.3	9.2
Investment in other non-current assets	0.0	0.0	0.2
Purchase of minority interest Helsingør Dagblad A/S	0.0	0.0	-36.6
Investment in associates	0.0	0.0	-4.5
Investment in securities	-19.3	0.0	0.0
<b>Cash flows from investing activities, continued operations</b>	<b>-22.3</b>	<b>-17.1</b>	<b>-53.4</b>
Cash flows from investing activities, discontinued operations	-0.1	159.0	177.4
<b>Cash flows from investing activities total</b>	<b>-22.4</b>	<b>141.9</b>	<b>124.0</b>
Repayment of non-current liabilities	-2.1	-1.4	-3.4
Dividend to minority	-3.9	0.0	0.0
Investment in treasury shares	-12.6	0.0	-0.6
Dividend, treasury shares	0.5	0.0	0.0
Dividend to shareholders	-50.2	0.0	-50.1
<b>Cash flows from financing activities, continued operations</b>	<b>-68.3</b>	<b>-1.4</b>	<b>-54.1</b>
Cash flows from financing activities, discontinued operations	0.0	0.0	0.0
<b>Cash flows from financing activities total</b>	<b>-68.3</b>	<b>-1.4</b>	<b>-54.1</b>
<b>Changes in cash and cash equivalents</b>	<b>-14.7</b>	<b>177.0</b>	<b>145.0</b>
<b>Cash and cash equivalents at 1 January</b>	<b>155.3</b>	<b>10.3</b>	<b>10.3</b>
<b>Cash and cash equivalents at 31 December</b>	<b>140.6</b>	<b>187.3</b>	<b>155.3</b>

## NOTE 1: SPECIAL ITEMS

	<i>H1-10</i> <i>DKKm</i> <i>unaudited</i>	<i>H1-09</i> <i>DKKm</i> <i>unaudited</i>	<i>2009</i> <i>DKKm</i> <i>audited</i>
<b>Special items</b>			
Impairment of software related to the online business	12.2	0.0	0.0
Impairment of software related to the print business, newspaper	8.4	0.0	0.0
Impairment of goodwill	3.9	0.0	0.0
Impairment of other intangible assets	3.5	0.0	0.0
Currency loss in connection with the sale of GISAB and Norsk Avidrift AS	0.0	1.1	1.1
Impairment of goodwill, MatchWork	0.0	0.0	12.1
<b>Total special items</b>	<b>28.0</b>	<b>1.1</b>	<b>13.2</b>



**NOTE 2: GROUP STRUCTURE AT 30 JUNE 2010**

