EGMONT

THE EGMONT FOUNDATION

Annual Report 2009

CVR No.: 11456111

EGMONT

The Egmont Foundation
Vognmagergade 11
DK-1148 Copenhagen K
Telephone +45 3330 5550
Fax +45 3332 4508
www.egmont.com
egmont@egmont.com
Registered office: Copenhagen

Content

Management's Review

FINANCIAL HIGHLIGHTS	2009	2008	2007	2006	2005
Key figures (EUR million)					
Revenue	1,439.9	1,564.8	1,492.0	1,235.9	1,173.3
Profit before net financials, depreciation, amortisation and impairment (EBITDA)	125.1	100.4	120.4	87.0	86.6
Operating profit (EBIT)	50.1	20.6	68.8	49.8	54.4
Profit/(loss) on net financials	(3.0)	(5.6)	(3.9)	0.7	10.1
- of which profit/(loss) from investments in associates	(8.8)	(5.6)	(3.7)	(1.3)	6.8
- of which financial income and expenses, net	5.8	0.0	(0.2)	2.0	3.4
Profit before tax (EBT)	47.1	15.1	64.9	50.5	64.5
Net profit for the year	50.1	2.6	52.0	46.1	44.9
The Group's share of net profit for the year	46.9	1.0	53.5	46.2	45.2
Balance sheet total	1,185.1	1,111.9	1,122.6	1,032.3	793.9
Investments in intangible assets	14.6	57.7	7.9	144.2	35.9
Investments in property, plant and equipment	19.6	27.5	38.1	19.2	19.5
Equity	415.0	382.1	435.7	389.7	368.5
Financial ratios (%)					
Profit ratio	3.5	1.3	4.6	4.0	4.6
Equity ratio	35.0	34.4	38.8	37.8	46.4
Return on equity	11.8	0.2	13.0	12.2	13.0
Average number of employees	4,754	5,134	4,399	3,842	3,621

The financial ratios have been calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios 2005". Please see the definitions and terms used in the accounting policies.

Egmont is an international media company rooted in Scandinavia. We publish media in more than 30 countries.

Creating and telling stories on relevant media platforms form the cornerstone of all Egmont's activities. With a workforce of 6,800, we work continuously on developing our media. Our media universe embodies magazines, books, film, music, interactive games and TV.

Outside the Nordic region, we focus on magazines and books for children and young people.

Our vision is to be the most attractive media group for our employees and business partners as well as consumers.

Since its inception in 1878, Egmont has been a solid company that strives to contribute positively to society – as a workplace and cultural mediator, and through donations to charitable causes.

PROFIT IMPROVEMENT IN 2009

Revenue in 2009 totalled EUR 1,439.9 million, 8.0 % lower than in the previous year. More than half of the decline is attributable to the translation of foreign revenue at lower exchange rates. The remaining drop in revenue is mainly due to lower advertising income.

The profit before net financials, depreciation and amortisation (EBITDA) amounted to EUR 125.1 million against EUR 100.4 million the year before. This is the highest EBITDA generated by Egmont to date. The cost-cutting and efficiency-enhancing programmes launched by a large number of enterprises had a positive impact on profit, as did a gain from the sale of Nordisk Film TV Production. The gain from the sale of Nordisk Film TV Production amounted to EUR 16.3 million. In 2009 EBITDA was negatively impacted by the non-recurring cost of implementing profitability programmes and lower advertising income.

Operating profit (EBIT) increased from EUR 20.6 million in 2008 to EUR 50.1 million in 2009.

The Group recorded a pre-tax profit of EUR 47.1 million in 2009, against EUR 15.1 million in 2008. The improvement can be seen in the light of the positive impact of the non-recurring gain of EUR 29.0 million in 2008 from the conversion of a bond into shares in Hjemmet Mortensen.

The profit after tax amounted to EUR 50.1 million in 2009.

The balance sheet total increased by EUR 73.2 million to EUR 1,851.1 million.

Net interest-bearing debt dropped from EUR 142.6 million to EUR 29.1 million due to operating profit, optimisation of working capital and the sale of Nordisk Film TV Production.

Egmont's equity at the end of 2009 had increased to EUR 415.0 million, corresponding to an equity ratio of 35.0 %.

Cash flows from operating activities amounted to EUR 140.5 million in 2009, against EUR 92.6 the previous year. The increase can primarily be attributed to improved earnings and the optimisation of working capital.

Egmont Magazines

Revenue 2009: EUR 263 million (2008: EUR 276 million)
Operating profit 2009: EUR 10 million (2008: EUR 21 million)
Employees 2009: 1,012 (2008: 1,248)

With more than 100 titles in Denmark, Norway, Sweden and Finland, Egmont Magazines is among Scandinavia's largest publishers of weeklies and magazines. Catering primarily for the consumer market, the magazines provide a vehicle for advertisers to reach attractive target groups.

Egmont Magazines' product portfolio includes family magazines, women's and men's magazines, illustrated weeklies, a broad selection of monthly and special interest magazines as well as an array of websites and web-based communities.

Egmont Magazines generated revenue of EUR 263 million in 2009, a drop of 5 % compared to the previous year. The financial crisis triggered a fall in advertising income, and developments in the exchange rates for the Norwegian and Swedish kroner also had an unfavourable effect on the revenue.

Operating profit was EUR 10 million in 2009 against EUR 21 million in 2008. The noticeable drop in advertising income impacted negatively on the profit. This trend was countered by a number of cost-cutting and efficiency-enhancing projects that significantly reduced cost levels, but also generated non-recurring costs. Furthermore, major investments are still being made in digital activities.

FAMILY MAGAZINES

Egmont's family magazines in Scandinavia – *Hjemmet, Hemmets Journal, Norsk Ukeblad* and *Familien* – have a total weekly circulation of 688,000. Despite the declining market, family magazines still represent a highly attractive part of the magazine portfolio. They have proved buoyant through the financial recession and are among the market bestsellers. In Norway and Sweden *Hjemmet* and *Hemmets Journal* maintained their positions as the biggest weekly and biggest family magazine, respectively.

WOMEN'S MAGAZINES

With its attractive advertising potential, the women's magazine market remains highly competitive, although the financial crisis has put a significant limitation on advertising. Egmont Magazines has a strong foothold in Denmark with *ALT for damerne*, the largest advertising medium in the Danish market for weeklies and magazines, and *Eurowoman,* the largest advertising medium in the women's monthly magazine market. In Sweden unsatisfactory circulation spurred the division to discontinue publishing *Hennes*.

ILLUSTRATED WEEKLIES

In Denmark and Norway, Egmont Magazines leads the market in the low price category, represented by *HER&NU* and *Her & Nå,* respectively. The total weekly circulation is 242,000 copies.

MEN'S MAGAZINES

Egmont Magazines commands a strong position in the market for men's magazines. In Denmark *Euroman* increased its circulation, while also strengthening its position as the segment's biggest advertising medium. In Norway, *Vi Menn* is clearly the largest magazine for men. In Sweden the division is represented by the country's only fashion magazine, *King*.

SPECIAL INTEREST MAGAZINES

Covering the Nordic market with a portfolio of more than 80 titles, the division holds commanding positions in various segments in the individual countries, including the house-and-home, car, boat, parenting, data, sports, leisure, travel and hobby segments. In Norway, for example, Egmont Magazines commands a powerful position in the market for house and home magazines, publishing *Bonytt, Hytteliv, Bo Byg & Bolig* and *rom 1.2.3*.

INTERACTIVE MEDIA

Interactive media continue to be the focal investment. Fundamentally, Egmont Magazines wants to serve customers on all platforms. To create synergies, the division focuses on areas clearly linked to its brands and competencies. The division runs numerous websites, including the klikk.no portal in Norway. Although traffic growth was promising, income failed to develop as anticipated in 2009.

Egmont Kids Media

Revenue 2009: EUR 429 million (2008: EUR 479 million)
Operating profit 2009: EUR 13 million (2008: loss of EUR 7 million)
Employees 2009: 1,355 (2008: 1,399)

Egmont Kids Media is a leading children's publisher of books and magazines in the Nordic region, the German-speaking countries, the United Kingdom, Eastern Europe and China. Egmont Kids Media publishes and sells magazines, books, digital media, games and merchandise to children and young people in more than 30 countries.

Performance in 2009 was affected by the global economy, fluctuating exchange rates, payment defaults on the part of retailers and distributors, and cautious purchasing behaviour by the industry. Egmont Kids Media responded by continuing to develop good, dynamic products, introducing cost-cutting programmes, trimming its publishing portfolio and focusing on its core business.

In 2009, the division recorded a profit of EUR 13 million against an operating loss of EUR 7 million in 2008. The division generated revenue of EUR 429 million, a decrease of EUR 50 million attributable to falling exchange rates, smaller print runs and discontinued titles. The profit for the year includes various non-recurring costs related to restructuring programmes and impairment losses.

THE NORDIC REGION

Restructuring programmes were implemented throughout the Nordic region in 2009. Although sales of core products declined in the Nordic region, there were also positive developments. In Norway the Pondus character continued its success. Sweden acquired the publication rights to comics featuring the Warner characters Tom & Jerry. In Finland the division performed well with classic titles such as Asterix and the well-known Finnish Moomintrolls. In Denmark Egmont signed an agreement with Tivoli Gardens to launch the Egmont-owned character Petzi as an attraction in the summer of 2010. The world-famous bear will have his own personal universe: Petzi's World. In 2009 Egmont also signed a series of new licence agreements related to Petzi.

CENTRAL EUROPE

The financial performance of both companies in the region exceeded expectations. Commanding a market share of over 50 %, Ehapa Verlag maintained its position as the largest publisher of children's magazines, and its publication of Asterix album no. 34 was a success. The German book publisher VGS continued to increase its earnings and market share on various publication lists, including the highly successful fantasy label, Lyx. The publication of several paperback titles featuring standard Disney characters, and the transfer of the Munich-based activities to the Berlin office, also contributed to the excellent performance. Last but not least, stricter cost management and workflow improvements had a significant impact.

UNITED KINGDOM

All companies in the English-speaking countries were affected by the recession, exchange rate fluctuations and particularly, administration orders suspension of payment issued against a number of significant retail customers. Despite these hurdles, Egmont Kids Media remains the leading publisher of children's books and magazines in the United Kingdom, and the leading publisher of children's books in Australia and New Zealand. Egmont US enjoyed its first year of publication in 2009, launching 15 titles for children and youth.

EASTERN AND SOUTHEASTERN EUROPE

Egmont Kids Media activities in this region cover Bulgaria, the Czech Republic, Croatia, Estonia, Latvia, Hungary, Poland, Romania, Ukraine, Russia, Slovakia, Serbia and Turkey. The division recorded satisfactory results. In Russia, Egmont Kids Media increased its leading position in children's books. In the Czech Republic and Bulgaria the Twilight saga topped the bestseller lists. In Poland Egmont Kids Media defended its strong market position in children's magazines while simultaneously developing a book programme tailored to a new business area – 'Business to Schools'. In Turkey, Dogan Egmont achieved phenomenal sales, selling 370,000 copies of Elif Safak's bestseller, *The Forty Rules of Love,* and launching the BEN 10 magazine. The division also generated good results in the Baltic countries – Lithuania and Estonia in particular – and Croatia.

ASIA

Children's Fun Publishing in China is a joint venture between Egmont and the Chinese Post & Telecom Press. The company recorded its best year to date thanks to booming sales of local and international children's books and magazines based on characters from the Happy Goat universe, the Disney portfolio and others. Children's Fun Publishing achieved an impressive revenue increase of over 30 % and a highly satisfactory profit. In Thailand Egmont's joint venture with The Nation Group – a leading publisher of manga and children's books – is still performing satisfactory.

Egmont Books

Revenue 2009: EUR 156 million (2008: EUR 165 million)
Operating profit 2009: EUR 4 million (2008: loss of EUR 1 million)
Employees 2009: 521 (2008: 532)

Egmont Books develops and produces literary fiction, non-fiction, children's books, audio books and educational materials that entertain readers and give them insight and knowledge.

Revenue in 2009 amounted to EUR 156 million against EUR 165 million the previous year. Operating profit was EUR 4 million, an improvement of EUR 5 million attributable to the ongoing efforts to enhance profitability.

LINDHARDT OG RINGHOF

The Danish book publishing activities are concentrated in Denmark's second-largest publishing company, Lindhardt og Ringhof, and its subsidiaries Alinea, Akademisk Forlag, Alfabeta, L&R Business and Carlsen. The division's Danish arm also runs several book clubs, the largest being 12 Bøger and Bogsamleren.

In 2009 the publishing company improved its profitability by introducing cost-cutting measures and streamlining workflows. At the outset of 2010, Carlsen had grown to become Denmark's largest children's book publisher. This growth was driven by the acquisition of the Egmont publisher Litas, which primarily publishes Disney titles, and a publishing agreement with the Danish Broadcasting Corporation, DR, which gave Lindhardt og Ringhof the publishing rights to all books based on DR's programmes. Alinea, already Denmark's leading publisher of schoolbooks, intends to establish itself in an equally market-leading position within digital education. By 2011 the company's aim is to be the nation's largest provider of digital learning materials to primary and lower secondary schools. Together with Gyldendal, Lindhardt og Ringhof acquired the digital distribution company Publizon, an acquisition that will be decisive for the future distribution of digital publications in Denmark. Publizon will enable anyone wishing to deal in digital publications to buy all the rights to all available e-reader formats in one single place.

In 2009 Lindhardt og Ringhof published about 800 new titles in all genres. The year saw many bestseller hits such as Stephenie Meyer's Twilight series, Claus Meyer's cookbooks, and biographies about colourful personalities like Danish actor and entertainer Erik Clausen.

CAPPELEN DAMM

Co-owned equally by Egmont and Bonnier, Cappelen Damm is Norway's largest book publisher, with activities including book clubs and e-commerce. The company also runs the bookstore chain Tanum, which has 14 book dealers in the Oslo area, and the distribution centre Sentraldistribusjon. All these core areas recorded positive profit development in 2009.

The Tanum bookstore chain made particularly noteworthy profit improvements, while the educational publisher and the group's book clubs both enjoyed good results and enhanced market positions.

Having cemented its market position in 2010, Cappelen Damm is now a clear leader in the market for general literature (children's books, literary fiction, non-fiction and documentaries). In the educational field, Cappelen Damm heads the market for upper secondary school books and stands a strong second in textbooks for primary and lower secondary schools.

Cappelen Damm's bestselling titles include Roy Jacobsen's *Prodigy Child,* which was awarded the annual Norwegian booksellers' prize 'Bokhandlerpris', and has been sold for publication in eight countries; Kjetil Østli's Brage Prize winner, *Cops and Robbers;* and Princess Märtha Louise's *Meet Your Guardian Angel.*

Egmont Nordisk Film

Revenue 2009: EUR 445 million (2008: EUR 472 million)
Operating profit 2009: EUR 25 million (2008: EUR 5 million)
Employees: 1,246 (2008: 1,289)

Egmont Nordisk Film creates and tells stories through films, music, TV and interactive games.

In 2009 the film production and distribution businesses, along with cinema operations, were instrumental in strengthening the division's market position. Post-production companies and partner companies in the music and film segment underwent a challenging year. Finally, the TV production company was sold to the French enterprise Banijay Entertainment as part of a more focused strategy.

Revenue amounted to EUR 445 million in 2009 against EUR 472 million in 2008. Revenue decreased because the TV production company was divested and the consolidation principles for music activities were changed. Operating profit was EUR 25 million. The increase of EUR 20 million is attributable to the improved performance of the distribution and cinema businesses and the sale of the TV production company.

FILM

Egmont Nordisk Film produces and distributes feature films, animations and TV series, both as in-house productions and in association with Nordic and other international partners.

Although the Danish film industry endured a tough year, ticket sales of all in-house productions exceeded expectations: *Karla and Katrine* (175,000), *Aching Hearts* (175,000) and *Headhunter* (221,000).

The Swedish in-house production *Beck – In the eye of the storm,* a part of a continuing detective story, sold more than 145,000 tickets in its home country. In Norway *The Junior Olsen Gang and the Black Gold* sold 188,000 tickets. At the end of 2009 Nordisk Film & TV in Norway were being restructured after the division sold Nordisk Film TV.

Nordisk Film Post Production also underwent a restructuring process in 2009, implementing significant economies and employee reductions. The company in Norway was closed, and its activities incorporated in a new enterprise, Nordisk Film Shortcut Norge, a joint venture with Storm Studios.

In terms of film distribution, the year featured 49 releases of films produced either in-house or by other companies. In 2009 the division's share of cinema premieres in Denmark, Norway and Sweden was between 20 and 30 %.

The screen adaptations of Stieg Larsson's Millennium trilogy were the overwhelming distribution success of 2009. Almost 6.5 million Nordic film-goers saw the three films, and the first two also sold more than 1.7 million DVDs.

Nordisk Film was also behind three of the five largest independent international hits, including the big winner *Twilight – New Moon,* which drew 1.2 million Scandinavians to the cinema.

Egmont Nordisk Film also distributes DVD and VOD (Video On Demand) titles and sells music titles. Every year Nordisk Film Distribution releases about 300 films as DVDs in the Nordic region. With doubled sales, VOD distribution found its wings in 2009.

Nordisk Film Biografer achieved the highest box office sales to date, selling 6.2 million tickets in Denmark and

375,000 in Norway. In Denmark this translated into a market share of approx. 45 %.

In 2009 Nordisk Film Biografer established a partnership with Cinemaxx A/S regarding the film site kino.dk, when Cinemaxx acquired a 26 % stake of the shares in Kino.dk A/S. Kino.dk now gives consumers digital access to about 60 % of all cinema tickets on sale in Denmark. The site boasted over 390,000 monthly users by the end of the year and ranked as Denmark's largest film website.

Dansk Reklame Film A/S became a wholly owned company in 2009, when Screen Vision Europe sold its stake to Egmont Nordisk Film. Dansk Reklame Film A/S captured significant market shares, turning cinema commercials into Egmont's fastest-growing advertising medium.

The division's part-owned production companies underwent a challenging year as a result of the financial crisis, making it difficult to raise funds for film-making.

INTERACTIVE GAMES

Despite intensified competition in the market for game consoles, Egmont Nordisk Film maintained high sales figures for PlayStation 3 consoles, now to be found in almost 750,000 Nordic homes. Exceptionally strong content has propelled sales. PlayStation 3 is the market's bestselling game console in terms of games sold per unit, and consumers have additionally started to realise that PlayStation 3 can also show HD-quality films via BluRay. Customers are still buying the PlayStation 2 console, which sold more than 90,000 units in its tenth year of existence.

MUSIC

Egmont Nordisk Film holds a 50 % stake in MBO Group A/S (MBO), a group of Nordic music production companies. MBO's Danish music companies top the hit lists, producing more than a third of all Danish-produced music sold in Denmark in 2009. The Swedish company Roxy Recordings and MBN in Norway also had several artists on the hit lists. The MBO name also featured on several international hits by artists such as the Swedish singer Agnes and the Danish group Alphabeat.

TV PRODUCTION

As part of a strategic focusing, on 2 December 2009, Egmont Nordisk Film sold off its TV production company to the French enterprise Banijay Entertainment. The sale includes the Nordisk Film TV companies in Denmark, Sweden and Norway. The divestment also includes Nordisk Film TV's ownership interests in the Danish Respirator Media & Development and the Finnish Solar Television.

In 2009 Nordisk Film TV productions produced several booming successes: *Good Morning Denmark!* (Danish TV 2), *71 Degrees North* and *Who Wants to Be a Millionaire?* (TV Norge and Norwegian TV 2), and *Häxan Surtant,* which won the Kristall award for best Swedish children's programme.

The distribution unit Nordisk Film TV World again achieved excellent sales figures at the Cannes TV market, where NFTV's *My Big Fat Parents,* an original lifestyle format developed in-house, was sold via options to 18 countries, while the documentary *Honestly, Mum and Dad* was sold via options to 25 countries.

The TV 2 Group, Norway

TV 2 is a leading supplier of news, sports and entertainment as well as information and content services across electronic media platforms. TV 2 offers its products and services through television, internet and mobile phones. Egmont and A-pressen are 50/50 co-owners of TV 2.

In 2009 TV 2 generated revenue of NOK 2,437 million (EUR 277 million) against NOK 2,744 million (EUR 331 million) in 2008. TV 2's operating profit amounted to NOK 150 million (EUR 17 million) compared with NOK 184 million in 2008 (EUR 22 million). The decrease in operating profit is largely due to the financial crisis, which caused the TV channel's advertising revenue to drop by over 20 % or NOK 400 million (EUR 49 million). TV 2 contributed EUR 139 million to the Egmont Group's revenue and EUR 4 million to operating profit.

A NOK 150 million cost-cutting programme had been initiated in September 2008, before the financial crisis broke. The programme had its greatest impact in 2009, and a total of 72 positions were closed down.

In 2009 a new cost-efficiency programme was launched, prompted mainly by the fall in advertising income. The programme, which cut costs by NOK 150 million, was completed in autumn 2009, and its primary effect will be seen in 2010. In this second round 130 positions were closed down, reducing employee numbers by about 200 to 640 over a two-year period. Programme content was excluded from the cost-cutting programme as far as possible.

TV 2 (MAIN CHANNEL)

The channel commanded a market share of 22.1 % in 2009 against 25.3 % in 2008. The decline is due to the development of digital TV in Norway, which has given Norwegians an even larger range of channels to choose from, and thus eliminated TV 2's distribution advantage. Several new niche channels have been established in recent years, a development that has generally intensified competition.

TV 2 NYHETSKANALEN

TV 2 Nyhetskanalen is growing and continues to break new records. In 2009 the channel captured a 1.8 % share of all TV viewers in Norway, an increase of 0.6 percentage points over 2008. TV 2 Nyhetskanalen is indisputably the most popular news channel in Norway.

TV 2 ZEBRA

Co-owned by TV 2 and Telenor, TV 2 Zebra focuses on Norwegian football and programmes targeted at a younger viewing group. The channel increased its market share by 0.2 % from 2008 to 2009, ending at 3.2 %.

TV 2 SPORT

TV 2 Sport, also co-owned by TV 2 and Telenor, was launched in 2007. Based on a pay-TV subscription model, the channel boasted an average of 76,000 subscribers in 2009. TV 2 Sport transmits all Norwegian Tippeliga matches simultaneously, and is the preferred channel of Norwegian football fans. While TV 2 Sport was once the only channel transmitting top football matches live, it now faces competition from the web and IP platforms.

TV 2 FILMKANALEN

TV 2 Filmkanalen continues to increase its market share. In 2007 its market share was 0.5 %, rising to 0.7 % in 2008 and to 0.8 % in 2009. In 2009 TV 2 Filmkanalen ranked number 15 on the list of Norway's largest TV channels.

RIKSTV

TV 2 owns a third of RiksTV. In the course of two and a half years, RiksTV has become Norway's second-largest TV distributor. At the end of 2009 the company had 450,000 subscribers. At the start of November 2009 RiksTV introduced its 'Fritt Valg' concept, which lets customers decide the channels to which they want to subscribe. RiksTV is co-owned by TV 2, Telenor and NRK, and its signals reach 98 % of households and 87 % of holiday homes in Norway.

TV 2 NETT

tv2.no has enjoyed solid growth since its launch in March 2008, and this positive development continued throughout 2009. Measured in terms of unique weekly users, tv2.no's growth rate was 72 %. Measured by unique daily viewers, growth was a huge 91 %, an average of 178,000 viewers every day. No other Norwegian website could demonstrate such rapid percentage growth in 2009.

The interaction of web and TV has been a key to success. News, sport and entertainment have all seen solid improvement in 2009, and an active social media strategy has created an even closer dialogue between viewers and users. A dynamic football strategy, the new weather portal storm.no, greater focus on celebrity journalism and unusual interactive solutions related to sports, election and TV programmes are among the new products and services that TV 2 Nett offered users throughout 2009.

The Charitable Activities

Under the aegis of the parent company, the Egmont Foundation, the Egmont Group works to give children and young people a good life, by giving them better opportunities to get actively involved in society. Every year the Egmont Foundation supports a number of projects as well as single-parent families. The Nordisk Film Foundation also operates under the umbrella of the Egmont Foundation.

Since 1920 the Egmont Foundation has donated more than EUR 240 million to support social, cultural and health initiatives. In 2009 Egmont's financial support amounted to EUR 6 million, EUR 0.4 million of which was donated via the Nordisk Film Foundation.

Projects supported in 2009 included:

RESEARCH CENTRE TO HELP CHILDREN AND YOUTH DEAL WITH GRIEF

The bereavement centre at the Centre for Crisis Psychology in Bergen is a new research and treatment centre that opened in 2009 under the name 'Bereavement centre – a research project supported by the Egmont Foundation'. The centre will conduct research on grief and methods of treatment. Children and young people who have been bereaved, can come under severe psychological stress, if they do not get help. The bereavement centre can help promote awareness about the social and health-related consequences of grief. The research project is an important element of the Egmont Foundation's focus on children and young people who have lost a close relative, an initiative also supported by the clinical counselling provided by Løvehjerte, the Egmont Foundation's centre for Danish children suffering bereavement. The Foundation is donating EUR 1.1 million over the period 2009 to 2012.

DR PERSPEKTIV: 'TVÆRS – YOUTH COUNSELLING'

In association with DR, the Danish Broadcasting Corporation, the Egmont Foundation has taken the initiative to launch a new digital counselling portal, intended to carry on the work of DR's, now discontinued, popular radio programme 'Tværs'. The Tværs portal is intended to provide a single site where all counselling services and offers for young people with difficulties transitioning from child- to adulthood can be found. The Egmont Foundation will use the partnership to collect information about counselling programmes and thus provide support where most needed. The Foundation has donated EUR 0.8 million to the project.

DANNERHUSET: SCHOOL PROJECT FOR CHILDREN EXPOSED TO DOMESTIC VIOLENCE

About half of all children have their schooling interrupted while living in crisis centres. The Egmont Foundation has supported the Danner school project to help children exposed to domestic violence, to return to school more easily after their stay at the crisis centre. The Foundation has donated EUR 0.2 million to the project.

NORDISK FILM FOUNDATION

Since 1992 the Nordisk Film Foundation, part of the Egmont Foundation, has re-channelled funds into the Danish film industry for a variety of purposes: developing creative talent, festivals, honorary awards, conferences, training programmes and film reel renovation.

The Foundation focuses on supporting collective film and TV production training programmes and courses. Its collaboration partners are the National Film School of Denmark, Super16 (a training project for film-making talents), the European Film College in Ebeltoft, The Animation Workshop in Viborg (animator training programmes) and the courses for schools run by Station Next in Filmbyen. In 2009 a total of approx. EUR 0.2 million was donated to these initiatives. Part of the grant awarded to the National Film School in 2009 helped finance the introduction of a master's programme in screenwriting. The Danish Producers' Association and the Danish Ministry of Culture, among others contributed to the support programme.

Management's Review

FINANCIAL PERFORMANCE IN 2009

Revenue

In 2009, Egmont's total revenue dropped by EUR 124.9 million to EUR 1,439.9 million, corresponding to a decline of 8.0 %. More than half the decline in revenue is attributable to the exchange of foreign revenue at lower exchange rates. The remaining drop in revenue is due mainly to lower advertising income.

Egmont generates 82 % of its revenue in the Nordic region.

Earnings

The profit before net financials, depreciation and amortisation (EBITDA) amounted to EUR 125.1 million in 2009 against EUR 100.4 million the year before. The profit was positively impacted by the efficiency-enhancing and cost-cutting programmes launched by a large number of enterprises, as well as a gain on the sale of Nordisk Film TV Production. The gain from the sale of Nordisk Film TV Production amounted to EUR 16.3 million. In 2009 EBITDA was negatively impacted by non-recurring expenses for implementing profitability programmes and lower advertising income.

The operating profit (EBIT) increased from EUR 20.6 million in 2008 to EUR 50.1 million in 2009.

Net financials (excluding results generated by associates) amounted to EUR 5.8 million against a breakeven result in 2008. Foreign exchange gains generated a net amount of EUR 15.1 million, up EUR 32.6 million compared to 2008. The figures for 2008 include a non-recurring gain of EUR 29.0 million from the conversion of a bond into shares in Hjemmet Mortensen.

Accordingly, the Group's pre-tax profit was EUR 47.1 million in 2009 compared to EUR 15.1 million in 2008.

Tax on net profit for the year was an income of EUR 3.0 million against an expense of EUR 12.5 million in 2008. Tax in 2009 was positively affected by an adjustment of the tax base of the Group's deferred tax assets, primarily in Denmark.

The net profit for the year was EUR 50.1 million versus EUR 2.6 million in 2008.

The Group's share of net profit for the year was EUR 46.9 million versus EUR 1.0 million the year before.

Balance sheet

The balance sheet total increased by EUR 73.2 million to EUR 1,185.1 million.

On 30 June 2009, the Group raised a new mortgage credit loan of EUR 90.7 million.

Net interest-bearing debt dropped from EUR 142.6 million to EUR 29.1 million due to operating profit, optimisation of the working capital and the sale of Nordisk Film TV Production.

At year-end, Egmont's equity amounted to EUR 415.0 million, an increase of EUR 32.9 million compared with 2008.

Return on equity was 11.8 % compared with 0.2 % the year before.

The equity ratio was 35.0 % against 34.4 % in 2008.

Cash generated from operations rose by EUR 47.9 million to EUR 140.5 million in 2009. The increase is due mainly to improved earnings and optimisation of the working capital.

EGMONT FOUNDATION AS PARENT ENTITY

The profit of the Egmont Foundation excluding results generated by subsidiaries was EUR 5.3 million. The Foundation's Commercial Activities primarily comprise royalty income from the Foundation's publishing rights and management of the Foundation's assets.

The Board of Trustees resolved to allocate EUR 4.3

million of the Egmont Foundation's profit to the liquid reserve fund of the Charitable Activities. The balance will be transferred to the reserve fund of the Commercial Activities.

The Foundation's equity thus corresponds to the total shown in the consolidated financial statements.

ORGANISATION

In connection with the Annual Meeting in March 2009, Ivar Samrén, the former Chairman of the Board of Trustees, resigned from the Egmont Foundation's Board of Trustees after having reached the retirement age stipulated in the Foundation's Charter.

Niels Fisch-Thomsen, member of the Board of Trustees, died in April 2009.

Brian Petersen and Jeppe Skadhauge joined the Board of Trustees in 2009.

Following the Annual Meeting in 2009, a board meeting was held for the purpose of constituting itself, and the Board of Trustees elected Mikael Olufsen Chairman and Steen Riisgaard Vice Chairman.

In February 2007, an election was held in the Group to select employee representatives for the Board of Trustees of the Egmont Foundation. The method used to determine the number of employees in the individual subsidiaries was subsequently contested by one of the nominated candidates. The Copenhagen City Court upheld the Egmont Foundation's claim that the method of calculation was correct, whereas the High Court of Eastern Denmark reversed that ruling on 18 February 2009 and held that the method used was not correct.

After the Appeals Permission Board rejected the Egmont Foundation's petition for permission to bring the case before the Danish Supreme Court, an election was held in the Group in 2009 to select employee representatives for the Board of Trustees of the Egmont Foundation.

The election resulted in the re-election of Anna von Lowzow and Maibritt Jensen, while Peder Høgild replaced Tony Jørgensen.

Egmont's Group Management is composed of Steffen Kragh, Hans J. Carstensen, Kjeld Lucas, Frank Knau and Allan M. Hansen. As announced in December 2009, Kjeld Lucas, Executive Vice President, has decided to retire from his position in the course of 2010.

OUTLOOK FOR 2010

Egmont will carry on developing media platforms, continuously adapting its media products to meet changed consumer needs, profitability programmes and efficiency-enhancing measures. Most uncertainty is related to advertising revenue, which has shown to be sensitive to economic fluctuations.

CORPORATE SOCIAL RESPONSIBILITY

Egmont H. Petersen, founder of Egmont, declared in his will that a portion of his company's profits should be spent on improving the lives of children and young people. Since 1920, Egmont has supported numerous social, cultural and health initiatives. As a foundation-owned company, Egmont takes this inherited responsibility as a socially responsible company seriously.

Egmont's work is guided by a Code of Conduct that defines standards in three areas: human rights, working conditions and the environment.

In 2009 Egmont established Egmont Sourcing (HK) Ltd. Based on a set of guidelines of which all suppliers are made aware, the company handles the contact, purchasing and quality control of the 'cover mounts' (toys, for example) used for a range of Egmont Kids Media products.

In the United Kingdom, Egmont UK is continuing its efforts to develop and promote the Egmont Grading

System©, an industry standard for paper to ensure that trees from endangered rain forests are not used for paper production. About 65 % of British book publishers have committed themselves to the initiative.

Efforts are being made at corporate level to consider new initiatives and policies for social responsibility in 2010.

SPECIAL RISKS

Part of the Group's business is based on stable, long-standing relations with some of the world's leading rights holders. Egmont's strength and geographic breadth support its constant efforts to sustain and expand these partnerships.

Due to the international nature of the Group's activities, its profit, cash flows and equity are impacted by trends in exchange and interest rates for a number of currencies. The Group's policy is to hedge commercial foreign exchange risks, largely through forward exchange contracts and options. The Group does not engage in speculative currency transactions.

The Group is furthermore exposed to fluctuations in foreign exchange rates, as the results of foreign subsidiaries and associates are translated into EUR at the end of the year on the basis of average exchange rates.

As a general rule, exchange risks related to investments in foreign subsidiaries and associates are not hedged, as it is the Group's opinion that ongoing hedging of such longer-term investments is not the best strategy, relative to the overall risk and cost.

The Group's exposure to credit risks relates primarily to the financial assets recognised in the balance sheet. The Group is not exposed to any significant risks associated with a particular customer or business partner. According to the Group's policy for accepting credit risk, all major customers and other business partners are regularly credit rated.

Statement by the Management Board and Board of Trustees

The Management Board and Board of Trustees have today discussed and approved the annual report of the Egmont Foundation for the financial year 1 January - 31 December 2009.

The annual report has been prepared in accordance with the Danish Financial Statements Act and the financial reporting requirements of the Foundation's Charter.

In our opinion, the consolidated financial statements and the Foundation's financial statements give a true and fair view of the Group's and the Foundation's financial position at 31 December 2009, and of the results of the Group's and the Foundation's operations and the consolidated cash flows for the financial year 1 January - 31 December 2009.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Foundation's activities and financial matters and the results of the Group's and the Foundation's operations and financial position.

Copenhagen, 5 March 2010

MANAGEMENT BOARD:

Steffen Kragh
President and CEO

Hans J. Carstensen

BOARD OF TRUSTEES:

Mikael Olufsen
Chairman

Steen Riisgaard
Vice Chairman

Ulrik Bülow

Peder Høgild

Maibritt Jensen

Anna von Lowzow

Brian Petersen

Jeppe Skadhauge

Torben Ballegaard Sørensen

Independent Auditor's Report

To the Board of Trustees of the Egmont Foundation

We have audited the consolidated financial statements and the Foundation's financial statements for the financial year 1 January - 31 December 2009, pages 22-47. The consolidated financial statements and the Foundation's financial statements comprise the accounting policies, income statement, balance sheet and notes for the Group as well as for the Foundation and the consolidated cash flow statement. The consolidated financial statements and the Foundation's financial statements have been prepared in accordance with the Danish Financial Statements Act and the financial reporting requirements of the Foundation's Charter.

In addition to our audit, we have read the Management's review, prepared in accordance with the Danish Financial Statements Act, and issued a statement in this regard.

THE MANAGEMENT BOARD AND BOARD OF TRUSTEES' RESPONSIBILITY

The Management Board and Board of Trustees are responsible for the preparation and fair presentation of the consolidated financial statements and the Foundation's financial statements in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements and the Foundation's financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Further, it is the responsibility of the Management Board and Board of Trustees to prepare a Management's review that gives a fair review in accordance with the Danish Financial Statements Act.

AUDITOR'S RESPONSIBILITY AND BASIS OF OPINION

Our responsibility is to express an opinion on the consolidated financial statements and the Foundation's financial statements based on our audit. We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the consolidated financial statements and the Foundation's financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the Foundation's financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the consolidated financial statements and the Foundation's financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the consolidated financial statements and the Foundation's financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Board and Board of Trustees, as well as evaluating the overall presentation of the consolidated financial statements and the Foundation's financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

OPINION

In our opinion, the consolidated financial statements and the Foundation's financial statements give a true and fair view of the Group's and the Foundation's financial position at 31 December 2009, and of the results of the Group's and the Foundation's operations and the consolidated cash flows for the financial year 1 January - 31 December 2009, in accordance with the Danish Financial Statements Act and the financial reporting requirements of the Foundation's Charter.

STATEMENT ON THE MANAGEMENT'S REVIEW

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to our audit of the consolidated financial statements and the Foundation's financial statements. On this basis, it is our opinion that the information given in the Management's review is consistent with the consolidated financial statements and the Foundation's financial statements.

Copenhagen, 5 March 2010

KPMG
Statsautoriseret Revisionspartnerselskab

Jesper Koefoed
State-Authorised Public Accountant

Accounting Policies

The annual report of the Egmont Foundation for 2009 has been prepared in accordance with the provisions applying to class C enterprises (large) under the Danish Financial Statements Act and the financial reporting requirements of the Foundation's Charter.

Following an amendment of the Danish Financial Statements Act, the recognition of shares of profit or loss in subsidiaries and associates has been changed in the income statement. The company's shares of profit or loss in subsidiaries and associates were previously recognised in two income statement items, being broken down by profit before tax, and tax on net profit for the year.

In the future, shares of profit or loss in subsidiaries and associates will be recognised in one item, i.e. profit after tax. Comparative figures for previous years have been restated to reflect the changed classification. In addition, insignificant reclassifications have been made to a few items.

Except from the above-mentioned reclassification, the accounting policies applied in the preparation of the annual report are consistent with those of the previous year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Group and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost, implying the recognition of a constant effective interest rate to maturity.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report and proving or disproving matters arising on, or before the balance sheet date, are taken into account.

Income is recognised in the income statement as earned. Moreover, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment and provisions, as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Consolidated financial statements

The consolidated financial statements comprise the Egmont Foundation and the enterprises in which the Group holds more than 50 % of the votes or otherwise has a controlling interest (subsidiaries). Enterprises in which the Group holds between 20 % and 50 % of the voting rights and over which it exercises significant influence, but does not control, are considered associates. In the consolidated financial statements, joint ventures and associates are included according to the pro-rata method, see note 30. The pro-rata method means that the proportionate share of the enterprises' items in the financial statements is included in the corresponding items in the consolidated financial statements.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains and losses on intra-group transactions are eliminated. Pro-rata consolidated enterprises are eliminated proportionally.

Investments in subsidiaries are offset against the proportionate share of the subsidiaries' fair value of net assets and liabilities on the acquisition date.

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of or wound up are recognised in the consolidated income statement until the date of disposal or winding-up. The comparative figures are not adjusted for acquisitions, disposals or winding-up.

When a controlling interest is obtained, the purchase method is used, according to which the identifiable assets and liabilities of the acquired enterprises are measured at their fair values at the date of acquisition. When acquisitions are achieved by successive purchases, the carrying amount of previous investments remains the same. Provision is made for costs related to adopted and announced plans to restructure the acquired enterprises. The tax effect of the restatement of assets and liabilities is taken into account.

Any excess of the acquisition cost over the fair value of the identifiable assets and liabilities acquired (goodwill), including restructuring provisions, is recognised under intangible assets and amortised on a systematic basis in the income statement based on an individual assessment of the useful economic life of the asset. The useful life is generally ten years, and does not exceed 20 years. In accordance with the transitional provisions of the Danish Financial Statements Act, goodwill acquired before 1 January 2002 is not capitalised.

Goodwill from acquired enterprises can be adjusted until the end of the year following the acquisition.

The acquisition of further minority interests after obtaining a controlling interest is considered an owner's transaction, and the difference between acquisition cost and net asset value is recognised directly in equity.

Gains or losses on disposal or winding-up of subsidiaries and associates are stated as the difference between the sales amount or the winding-up proceeds and the carrying amount of net assets, including goodwill, at the date of disposal or winding-up, plus anticipated disposal or winding-up costs.

Minority interests

In the consolidated financial statements, the items of subsidiaries are recognised in full. The minority interests' proportionate shares of the subsidiaries' results and equity are adjusted annually and recognised separately in the income statement and balance sheet.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates on the transaction date. Foreign exchange differences arising between the exchange rates on the transaction day, and at the date of payment are recognised in the income statement as financial income and expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates on the balance sheet date. The difference between the exchange rates on the balance sheet date, and at the date on which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income and expenses.

Foreign exchange differences on intra-group loans that are considered part of investments in subsidiaries are recognised directly in equity.

On recognition of subsidiaries and associates which are separate entities and which report in currencies other than EUR, the income statements are translated at the average exchange rates for the year, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of subsidiaries' equity at the beginning of the year to the exchange rates ruling at the balance sheet date and on translation of the income statements from average exchange rates to the exchange rates ruling at the balance sheet date are recognised directly in equity.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement together with changes in the value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future assets or liabilities are recognised as receivables or payables and in equity. Income and expenses relating to such hedging transactions are transferred from equity on realisation of the hedged item and recognised in the same item as the hedged item.

INCOME STATEMENT

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place before year-end, and that the income can be reliably measured, and is expected to be received. Revenue is measured excluding VAT, taxes and discounts in relation to the sale. To the extent that products are sold with the right to return unsold items, provisions for expected returns are offset against revenue.

Contract work in progress is measured applying the percentage of completion method.

Other operating income and expenses

Other operating income and expenses comprise items secondary to the principal activities of the enterprises, including gains and losses on disposal of consolidated enterprises.

Profits/losses from investments in subsidiaries and associates

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the Egmont Foundation after full elimination of intra-group profits/losses.

The proportionate share of the results after tax of the associates less amortisation of goodwill is recognised in both the Foundation's income statement and the consolidated income statement.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities.

Tax on profit from ordinary activities

Tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

BALANCE SHEET

Publishing rights, licences, etc.

Licences and similar rights are measured at cost less accumulated amortisation and impairment or at the recoverable amount where this is lower. Licences are amortised on a straight-line basis over the licence period.

In-house production rights

In-house production rights are measured at cost, which includes indirect production costs, less grants received, accumulated amortisation and impairment, or at the recoverable amount where this is lower. In-house production rights are amortised over the period during which they are expected to generate income.

Trademarks

Trademarks are measured at cost less accumulated amortisation and impairment or at the recoverable amount where this is lower. Trademarks are amortised on a straight-line basis over the estimated useful economic life, generally 20 years.

Goodwill

Goodwill is amortised over its estimated useful life, determined on the basis of Management's experience of the specific business areas. Goodwill is amortised on a straight-line basis over the useful life, which is generally ten years and does not exceed 20 years. The amortisation period is longest for strategically acquired enterprises with strong market positions and long-term earnings profiles.

The carrying amount of goodwill is assessed currently and written down in the income statement to the recoverable amount if the carrying amount exceeds the expected future net income from the enterprise or activity to which the goodwill relates.

In accordance with the transitional provisions of the Danish Financial Statements Act, goodwill acquired before 1 January 2002 is not capitalised.

Software

Software comprises costs, salaries and amortisation directly or indirectly attributable to the Group's development of software.

Development projects that are clearly defined and identifiable, where sufficient resources and development opportunities in the enterprise are evidenced and where it is the intention to use the project, are recognised as intangible assets, provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover administrative expenses and development costs. Other development costs are recognised in the income statement when incurred.

Software that is recognised in the balance sheet is measured at cost less accumulated amortisation and impairment or at the recoverable amount where this is lower.

Following the completion of development work, software is amortised on a straight-line basis over the estimated useful life.

Property, plant and equipment

Land and buildings are measured at cost, including value adjustments to fair value, less accumulated depreciation. After the deduction of deferred tax, revaluation surpluses are tied up in the reserve fund under the revaluation reserve. Land is not depreciated.

Plant and machinery, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is provided on a straight-line basis over the expected useful lives, based on the following estimates of the useful lives and residual values of the assets:

Buildings	25-50 years
Plant and machinery	3-15 years
Tools and equipment	3-5 years
Leasehold improvements	5-10 years

Property, plant and equipment are written down to the recoverable amount, if this is lower than the carrying amount.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales amount less disposal costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Investments in subsidiaries and associates
Investments in subsidiaries and associates are measured according to the equity method.

Investments in subsidiaries are measured in the balance sheet at the proportionate share of the enterprises' net asset values, calculated in accordance with the Group's accounting policies, minus or plus unrealised intra-group profits and losses. Investments in associates are measured at the Group's pro-rata share of the enterprises' net asset values as per the financial statements of the enterprises, plus the carrying amount of goodwill.

Subsidiaries and associates with negative net asset values are measured at EUR 0 (nil), and any amounts owed by such enterprises are written down by the parent company's share of the negative net asset value, if the amount owed is considered irrecoverable. Where the negative net asset value exceeds the amount owed, the remaining amount is recognised under provisions, if the parent company has a legal or constructive obligation to cover the enterprise's deficit.

To the extent that the carrying amount exceeds cost, the net revaluation of investments in subsidiaries and associates is transferred to the net revaluation reserve according to the equity method, which is included in the reserve fund.

On acquisition of subsidiaries, the purchase method is applied, see "Consolidated financial statements" above.

Inventories
Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, write-downs are made to this lower value.

Goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production costs. Indirect production costs comprise indirect materials, wages and salaries as well as maintenance and depreciation of production machinery, factory buildings and equipment as well as factory administration and management. Cost does not include borrowing costs.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to effect the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Film rights
Film rights comprise film, video and TV rights. Film rights are measured at cost. Where the net realisable value is lower than cost, inventories are written down to this lower value.

For purchases, the cost price is allocated proportionally to the cinema, video and TV media, as well as to markets. Film rights to titles that have not yet been released are stated at cost. Titles are expensed in the month of release in the individual medium on the market in question.

Receivables
Receivables are measured at amortised cost. Write-downs are made for bad debts.

Prepayments
Prepayments, which are recognised under assets, comprise costs incurred concerning subsequent financial years.

Securities
Listed securities and investments recognised as current assets are measured at fair value on the balance sheet date.

Corporate income tax and deferred tax
Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill that is not deductible for tax purposes and on office premises and other items where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised – after a specific assessment – at the expected value when utilised; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries when the deferred tax is expected to redeem as current tax, based on the legislation existing at the balance sheet date. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

Pension obligations
The Group has entered into pension agreements with a significant proportion of its employees.

Costs related to defined contribution plans are recognised in the income statement, and any amounts payable are recognised in the balance sheet under other payables. The Group has no obligations other than the current fixed contributions.

Costs related to defined benefit plans are compiled at present value and accrued over the expected period of employment. The present value of unfunded plans is provided under provisions in the balance sheet. If the provision is higher than the present value, the asset is recognised under other receivables. The change in provisions for the year is recognised in the income statement. The present value of the most significant defined benefit plans and the related costs is calculated on an actuarial basis.

Other provisions
Provisions comprise estimated returns of goods supplied on sale or return and anticipated costs related to restructuring, etc. Provisions are recognised when, as a result of past events, the Group has a legal or a constructive obligation, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Liabilities
Financial liabilities are recognised as at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are recognised at amortised cost.

Other liabilities are measured at net realisable value.

The Egmont Foundation
Profit is distributed according to the Foundation's Charter. The Charitable Activities' expenses and amounts used for charitable purposes are charged directly to the liquid reserve fund under equity.

The Foundation's equity consists of a capital fund and a reserve fund earmarked for the Commercial Activities.

The capital fund is an undistributable reserve, while the reserve fund comprises distributable reserves. The charitable fund serves to ensure the existence of funds required for the Egmont Foundation's Charitable Activities. The liquid reserve fund is the amount which is to be used for charitable purposes under the Foundation's Charter within the scope of the Charitable Activities.

In the calculation of tax, due allowance is made for the deductibility of charitable donations made according to the Egmont Foundation's Charter. These are charged to equity. Tax provisions for future donations are also taken into account. Provision for deferred tax is made in case the Egmont Foundation does not expect to use funds for charitable purposes equal to the tax provisions.

CASH FLOW STATEMENT

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents, as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as net profit for the year adjusted for non-cash operating items, changes in working capital and corporate income tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with the acquisition and disposal of enterprises and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise the raising of loans and repayment of interest-bearing debt.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities that can easily be converted into cash and which are subject to an insignificant risk of changes in value.

SEGMENT INFORMATION

Information is provided on business segments and geographical markets. Segment information is based on the Group's accounting policies, risks and internal financial management.

Segment assets comprise assets used directly in the operating activities of the segment, including non-current assets, inventories, receivables, cash and cash equivalents.

Segment liabilities comprise liabilities resulting from the operating activities of the segment, including trade payables and other payables.

FINANCIAL RATIOS

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios 2005".

The financial ratios stated under financial highlights have been calculated as follows:

Profit ratio

$$\frac{\text{Operating profit x 100}}{\text{Revenue}}$$

Equity ratio

$$\frac{\text{Equity, excluding minority interests, at year-end x 100}}{\text{Total equity and liabilities at year-end}}$$

Return on equity

$$\frac{\text{Profit from ordinary activities after tax x 100}}{\text{Average equity}}$$

Income Statement of the Group

(EURk)

Note		2009	2008
1	**Revenue**	**1,439,939**	**1,564,779**
	Change in inventories of finished goods and work in progress	9,378	1,117
	Other operating income	28,282	17,980
	Raw materials and consumables	(63,748)	(86,366)
	Other external expenses	(957,031)	(1,057,198)
2	Personnel costs	(324,130)	(334,544)
3, 4	Depreciation, amortisation and impairment losses; property plant and equipment and intangible assets	(74,939)	(79,757)
	Other operating expenses	(7,619)	(5,388)
	Operating profit	**50,132**	**20,623**
5	Profit/(loss) after tax from investments in associates	(8,751)	(5,601)
6	Other financial income	26,076	42,418
	Financial income of the Charitable Activities	317	379
7	Other financial expenses	(20,666)	(42,768)
	Profit before tax	**47,108**	**15,051**
8	Tax on profit from ordinary activities	2,961	(12,485)
	Net profit for the year	**50,069**	**2,566**
	Minority interests' share of net profit for the year	(3,159)	(1,593)
	The Group's share of net profit for the year	**46,910**	**973**

Balance Sheet of the Group at 31 December

(EURk)

Note	Assets	2009	2008
	Publishing rights, licences, etc.	19,861	25,778
	In-house production rights	7,322	8,109
	Trademarks	38,436	34,744
	Goodwill	83,884	95,456
	Software in progress, etc.	3,692	2,587
3	**Intangible assets**	**153,195**	**166,674**
	Land and buildings	231,061	235,641
	Plant and machinery	18,807	18,912
	Tools and equipment	20,801	19,065
	Leasehold improvements	5,399	5,901
	Property, plant and equipment in progress	1,752	4,929
4	**Property, plant and equipment**	**277,820**	**284,448**
	Investments in associates	10,462	19,715
	Other securities and investments	3,898	4,953
5	**Investments**	**14,360**	**24,668**
	Total non-current assets	**445,375**	**475,790**
	Raw materials and consumables	3,631	3,960
	Work in progress	4,850	12,217
	Manufactured goods and goods for resale	100,883	115,740
	Inventories	**109,364**	**131,917**
	Film rights	**75,560**	**77,481**
	Trade receivables	235,004	246,591
	Receivables from associates	3,342	3,382
	Other receivables	76,321	58,229
	Prepayments	30,516	37,155
9	Deferred tax	17,840	26,738
10	**Receivables**	**363,023**	**372,095**
	Securities	**29,691**	**18,352**
11	**Cash and cash equivalents**	**162,061**	**36,220**
	Total current assets	**739,699**	**636,065**
	TOTAL ASSETS	**1,185,074**	**1,111,855**

Note	Equity and liabilities	2009	2008
12	Capital fund	29,564	29,528
13	Reserve fund	366,870	335,602
14	Charitable fund	12,369	12,354
15	Liquid reserve fund	6,209	4,607
	Equity	415,012	382,091
	Minority interests	6,636	2,939
	Provisions for pensions	25,649	25,064
9	Provisions for deferred tax	6,398	30,290
16	Other provisions	60,968	48,982
	Provisions	93,015	104,336
17	Mortgage debt	112,608	21,767
17	Other credit institutions	42,118	44,692
	Other long-term debt	6,878	6,802
18	Long-term liabilities other than provisions	161,604	73,261
17	Other credit institutions	59,269	123,895
	Prepayments received from customers	49,825	46,588
	Trade payables	241,070	240,079
	Payables to associates	494	2,195
	Corporate income tax, etc.	9,241	3,154
	Contract work in progress	21	649
	Other payables	148,887	132,668
	Short-term liabilities other than provisions	508,807	549,228
	Total liabilities other than provisions	670,411	622,489
	TOTAL EQUITY AND LIABILITIES	1,185,074	1,111,855
20	Contingent liabilities		

Cash Flow Statement of the Group

(EURk)

Note		2009	2008
	Operating profit	50,132	20,623
	Adjustment for non-cash operating items, etc.:		
	Amortisation and depreciation	74,939	79,757
	Gain on disposal of non-current assets	(16,214)	323
	Provisions	6,579	1,388
	Cash generated from operations before change in working capital	**115,436**	**102,091**
	Change in inventories	29,942	(16,092)
	Change in film rights	5,661	22,862
	Change in receivables	12,589	(135)
	Change in trade payables and other payables	(23,129)	(16,111)
	Change in working capital	**25,063**	**(9,476)**
	Cash generated from operations	**140,499**	**92,615**
	Interest received	6,868	6,820
	Interest paid	(16,155)	(15,653)
	Cash generated from operations (ordinary activities)	**131,212**	**83,782**
	Corporate income tax paid	(6,354)	(15,933)
	Cash flows from operating activities	**124,858**	**67,849**
	Acquisition of subsidiaries and joint ventures	(400)	(113,760)
	Acquisition of intangible assets	(14,549)	(17,418)
	Acquisition of property, plant and equipment	(19,404)	(27,028)
	Disposal of property, plant and equipment	2,811	9,261
	Acquisition of investments	(4,173)	(13,476)
	Sale of subsidiaries and associates	28,695	0
	Cash flows from investing activities	**(7,020)**	**(162,421)**
	Net addition from payables to credit institutions, etc.	12,277	97,543
	Dividends to minority shareholders	(621)	(9,996)
	Donations	(6,895)	(6,312)
	Cash flows from financing activities	**4,761**	**81,235**
	Net cash flows from operating, investing and financing activities	**122,599**	**(13,337)**
	Cash and cash equivalents at 1 January	36,220	71,157
	Exchange rate adjustment	3,242	(21,600)
	Cash and cash equivalents at 31 December	**162,061**	**36,220**

The cash flow statement cannot be derived directly from the balance sheet and income statement.

Income Statement of the Egmont Foundation

(EURk)

Note		2009	2008
	Royalty income, etc.	4,878	5,208
21	Personnel costs	(192)	(71)
	Other external expenses	(799)	(838)
	Operating profit	**3,887**	**4,299**
24	Profit/(loss) after tax from investments in subsidiaries	41,612	(6,324)
22	Other financial income	1,945	3,780
	Financial income from assets of the charitable and liquid reserve funds	317	351
	Other financial expenses	(515)	(899)
	Profit before tax	**47,246**	**1,207**
23	Tax on net profit for the year	(336)	(234)
	Net profit for the year	**46,910**	**973**
	Distribution of profit		
	Transfer to reserve fund	42,608	(2,027)
	Transfer to liquid reserve fund	4,302	1,740
	Transfer to charitable fund	0	1,260
	Total	**46,910**	**973**

Balance Sheet of the Egmont Foundation at 31 December

(EURk)

Note	Assets	2009	2008
24	Investments in subsidiaries	317,123	282,988
24	Investments in associates	252	251
	Investments	**317,375**	**283,239**
	Total non-current assets	**317,375**	**283,239**
	Receivables from group enterprises	103,315	121,444
	Other receivables	3,997	4,383
	Receivables	**107,312**	**125,827**
25	Securities	559	601
	Cash and cash equivalents	3,422	7,642
	Total current assets	**111,293**	**134,070**
	TOTAL ASSETS	428,668	417,309

Note	Equity and liabilities	2009	2008
26	Capital fund	29,564	29,528
27	Reserve fund	366,870	335,602
28	Charitable fund	12,369	12,354
29	Liquid reserve fund	6,209	4,607
	Total equity	**415,012**	**382,091**
	Provisions for pensions	**395**	**373**
	Payables to group enterprises	234	23,141
	Donations committed but not yet paid	9,646	9,451
	Other payables	3,381	2,253
	Short-term liabilities other than provisions	**13,261**	**34,845**
	TOTAL EQUITY AND LIABILITIES	428,668	417,309

Notes

(EURk)

1 Segment information

	Revenue		Operating profit		Assets		Liabilities	
	2009	2008	2009	2008	2009	2008	2009	2008
Business segments								
Egmont Magazines	262,959	275,531	9,788	20,939	153,784	140,675	103,629	96,139
Egmont Kids Media	428,925	478,816	12,886	(6,548)	241,683	235,892	163,433	177,834
Egmont Books	156,031	165,100	3,666	(1,238)	117,758	116,672	106,808	111,857
Egmont Nordisk Film	445,193	471,598	25,126	5,056	364,596	367,924	294,563	299,595
The TV 2 Group, Norway	138,676	165,699	4,231	6,978	144,247	133,148	63,266	71,607
Unallocated	19,441	19,857	(5,565)	(4,564)	695,819	611,790	564,330	459,740
Eliminations	(11,286)	(11,822)	0	0	(532,813)	(494,246)	(532,603)	(489,947)
Total	**1,439,939**	**1,564,779**	**50,132**	**20,623**	**1,185,074**	**1,111,855**	**763,426**	**726,825**
Geographical markets								
Nordic countries	1,181,220	1,282,093	35,741	30,375	1,060,418	1,008,298	719,918	688,582
Outside the Nordic countries	274,975	297,411	14,391	(9,752)	172,449	164,995	89,292	94,780
Eliminations	(16,256)	(14,725)	0	0	(47,793)	(61,438)	(45,784)	(56,537)
Total	**1,439,939**	**1,564,779**	**50,132**	**20,623**	**1,185,074**	**1,111,855**	**763,426**	**726,825**

2 Personnel costs

Personnel costs	2009	2008
Wages and salaries	(273,078)	(289,161)
Pensions	(17,022)	(10,831)
Other social security costs	(34,030)	(34,552)
Total	**(324,130)**	**(334,544)**

Remuneration for the Management Board amounted to 2,742 (2008: 1,824) and to 398 (2008: 393) for the Board of Trustees. Remuneration for the Management Board includes bonus.

3 Intangible assets

	Publishing rights, licenses, etc.	In-house production rights	Trademarks	Goodwill	Software in progres, etc.
Cost at 1 January 2009	57,340	41,271	38,816	143,603	3,547
Exchange rate adjustment	3,466	224	6,949	18,471	163
Cost, enterprises acquired	0	666	0	0	320
Grants	0	(22,582)	0	0	0
Additions	3,188	29,471	0	2,807	1,666
Transferred	(581)	(369)	0	0	408
Cost of assets disposed of	(1,025)	(693)	(391)	(3,600)	(275)
Cost 31 December 2009	**62,388**	**47,988**	**45,374**	**161,281**	**5,829**
Impairment and amortisation at 1 January 2009	(31,562)	(33,162)	(4,072)	(48,147)	(960)
Exchange rate adjustment	(1,955)	(207)	(835)	(5,875)	(62)
Amortisation of assets disposed of	865	12	391	135	43
Transferred	122	0	0	0	(20)
Impairment	(1,505)	0	0	(11,104)	(327)
Amortisation	(8,492)	(7,309)	(2,422)	(12,406)	(811)
Impairment and amortisation 31 December 2009	**(42,527)**	**(40,666)**	**(6,938)**	**(77,397)**	**(2,137)**
Carrying amount 31 December 2009	**19,861**	**7,322**	**38,436**	**83,884**	**3,692**

4 Property, plant and equipment

	Land and buildings	Plant and machinery	Tools and equipment	Leasehold improve-ments	Property, plant and equipment in progress
Cost at 1 January 2009	92,138	83,787	65,730	12,619	4,929
Exchange rate adjustment	498	14,549	5,703	1,147	359
Cost, enterprises acquired	0	0	1,062	46	0
Additions	1,034	6,158	8,191	722	3,508
Transferred	169	4,402	568	2,447	(7,044)
Cost of assets disposed of	(875)	(9,940)	(3,624)	(1,205)	0
Cost 31 December 2009	**92,964**	**98,956**	**77,630**	**15,776**	**1,752**
Revaluations at 1 January 2009	188,861	0	0	0	0
Exchange rate adjustment	231	0	0	0	0
Revaluations 31 December 2009	**189,092**	**0**	**0**	**0**	**0**
Impairment and depreciation at 1 January 2009	(45,358)	(64,875)	(46,665)	(6,718)	0
Exchange rate adjustment	(151)	(12,702)	(4,345)	(936)	0
Depreciation of assets disposed of	755	9,627	3,078	605	0
Transferred	0	(706)	1,401	(797)	0
Impairment	0	(758)	(1,230)	(441)	0
Depreciation	(6,241)	(10,735)	(9,068)	(2,090)	0
Impairment and depreciation 31 December 2009	**(50,995)**	**(80,149)**	**(56,829)**	**(10,377)**	**0**
Carrying amount 31 December 2009	**231,061**	**18,807**	**20,801**	**5,399**	**1,752**

5 Investments

	Investments in associates	Other securities and investments
Cost at 1 January 2009	25,502	8,162
Exchange rate adjustment	3,154	815
Additions	1,677	2,496
Disposals	(5,417)	(5,895)
Cost at 31 December 2009	**24,916**	**5,578**
Value adjustments at 1 January 2009	(5,787)	(3,209)
Exchange rate adjustment	(2,066)	(193)
Amortisation of goodwill for the year	(3,138)	(400)
Net profit for the year after tax	(5,613)	0
Dividend	(305)	0
Adjustment of disposals for the year	1,122	2,122
Transferred to set-off against receivables	1,575	0
Transferred to provisions	(242)	0
Value adjustments at 31 December 2009	**(14,454)**	**(1,680)**
Carrying amount at 31 December 2009	**10,462**	**3,898**

6	Financial income	2009	2008
	Interest income	6,751	6,312
	Foreign exchange gains, net	15,103	0
	Conversion gain, Hjemmet Mortensen	0	29,026
	Other financial income	4,222	7,080
	Total	**26,076**	**42,418**

7	Financial expenses	2009	2008
	Interest expenses	(16,038)	(15,145)
	Foreign exchange losses, net	0	(17,531)
	Other financial expenses	(4,628)	(10,092)
	Total	**(20,666)**	**(42,768)**

8	Tax on profit from ordinary activities	2009	2008
	Calculated corporate income tax and dividend tax for the year	(11,811)	(15,640)
	Tax over-/underprovided in previous years	(93)	2,969
	Adjustment of provisions for deferred tax	14,865	186
	Total	**2,961**	**(12,485)**

9 Deferred tax relates to intangible assets and property, plant and equipment, current assets, provisions and liabilities and tax loss carry-forwards.

10 Receivables falling due beyond 1 January 2011 amount to 1,672.

11 Cash and cash equivalents include blocked bank deposits of 3,360.

12	Capital fund	2009	2008
	Balance at 1 January	29,528	29,504
	Exchange rate adjustment	36	24
	Balance at 31 December	**29,564**	**29,528**

13	Reserve fund	2009	2008
	Balance at 1 January	335,602	390,668
	Exchange rate adjustment	(3,260)	(4,045)
	Revaluation of properties	0	97,586
	Acquisition of minority interests in Hjemmet Mortensen	0	(117,952)
	Adjustment of interest rate swap	814	(9,136)
	Tax relating to equity items	(3,080)	(13,960)
	Other capital items	(1,624)	(834)
	Retained earnings	42,608	(2,027)
	Transfer to liquid reserve fund	(4,190)	(4,698)
	Balance at 31 December	**366,870**	**335,602**

14	Charitable fund	2009	2008
	Balance at 1 January	12,354	11,085
	Exchange rate adjustment	15	9
	Retained earnings	0	1,260
	Balance at 31 December	**12,369**	**12,354**

15	Liquid reserve fund	2009	2008
	Balance at 1 January	4,607	4,477
	Exchange rate adjustment	5	3
	Transfer from reserve fund	4,190	4,698
	Used for charitable purposes and associated costs	(6,895)	(6,311)
	Retained earnings	4,302	1,740
	Balance at 31 December	**6,209**	**4,607**

16	Other provisions	2009	2008
	Provision for estimated returns of goods supplied on sale or return	55,973	42,289
	Provision for Security of Employment Agreements	2,253	2,878
	Other	2,742	3,815
	Total	**60,968**	**48,982**

17 Security for a total of 159,509 has been granted to mortgage credit and other credit institutions over miscellaneous assets (a floating charge). These assets have a net carrying amount of 266,026.

18 Long-term debt to mortgage credit institutions falling due for payment beyond 1 January 2015 amounts to 108,715.

19	Fees paid to elected auditor	2009	2008
	Statutory audit	(1,620)	-
	Tax consultancy	(590)	-
	Other assurance statements	(128)	-
	Other services	(470)	-
	Total fees paid to KPMG	**(2,808)**	**(2,940)**
	Statutory audit	(255)	-
	Tax consultancy	(13)	-
	Other assurance statements	(3)	-
	Other services	(102)	-
	Total fees paid to other auditors	**(373)**	**(622)**
	Total	**(3,181)**	**(3,562)**

20	Contingent liabilities	2009	2008
	Rental and lease commitments	123,535	96,719
	Other contingent liabilities	58,807	43,560
	Total	**182,342**	**140,279**

The Group is part in various disputes, and the necessary provisions herefor have been made.

21	Personnel costs	2009	2008
	Wages and salaries	(134)	(87)
	Pensions	(36)	(37)
	Adjustment of provisions for pensions	(22)	53
	Total	**(192)**	**(71)**

Remuneration for the Board of Trustees amounted to 154 in 2009 (2008: 150), of which 62 (2008: 66) was included in the costs of the Charitable Activities.

The Management Board of the Foundation is also employed by Egmont International Holding A/S, which pays all salaries to the Management Board. The Foundation pays an overall fee to Egmont International Holding A/S for this administration.

22 Other financial income includes 1,296 from group enterprises.

23 Tax on net profit for the year consists of royalty tax.

24 Investments in subsidiaries and associates

	Subsidiaries	Associates
Cost at 1 January 2009	181,306	251
Exchange rate adjustment	222	1
Cost at 31 December 2009	**181,528**	**252**
Value adjustments at 1 January 2009	101,682	0
Exchange rate adjustment	(3,809)	0
Net profit for the year after tax	41,612	0
Adjustment of interest rate swap	814	0
Tax relating to equity items	(3,080)	0
Other capital items	(1,624)	0
Value adjustments at 31 December 2009	**135,595**	**0**
Carrying amount at 31 December 2009	**317,123**	**252**

Value adjustments include impairment of consolidated goodwill, which was charged to equity before 1 January 2002.

Investments in associates consist of 50 % of the equity in I/S Ugebladsdistributionen, Albertslund.

25 Securities

Securities	2009	2008
Bank deposit, charitable fund	0	30
Bank deposit, liquid reserve fund	0	20
Other securities	559	551
Total	**559**	**601**

26 Capital fund

Capital fund	2009	2008
Balance at 1 January	29,528	29,504
Exchange rate adjustment	36	24
Balance at 31 December	**29,564**	**29,528**

27	Reserve fund	2009	2008
	Balance at 1 January	335,602	390,668
	Exchange rate adjustment	(3,260)	(4,045)
	Transfer from distribution of net profit	42,608	(2,027)
	Transfer to liquid reserve fund	(4,190)	(4,698)
	Revaluation of properties	0	97,586
	Acquisition of minority interests in Hjemmet Mortensen	0	(117,952)
	Adjustment of interest rate swap	814	(9,136)
	Tax relating to equity items	(3,080)	(13,960)
	Other capital items in subsidiaries	(1,624)	(834)
	Balance at 31 December	**366,870**	**335,602**

Only 231,275 of the reserve fund is available for disposal according to the Foundation's Charter, as 135,595 has been allocated to the net revaluation reserve according to the equity method.

28	Charitable fund	2009	2008
	Balance at 1 January	12,354	11,085
	Exchange rate adjustment	15	9
	Transfer from distribution of net profit	0	1,260
	Balance at 31 December	**12,369**	**12,354**

29	Liquid reserve fund	Use according to articles 6-10	Use according to article 11	Total
	Balance at 1 January 2009	4,405	202	4,607
	Exchange rate adjustment	5	0	5
	Used for charitable purposes	(5,564)	(407)	(5,971)
	Costs	(924)	0	(924)
	Transfer from reserve fund	3,975	215	4,190
	Transfer from distribution of net profit	3,897	405	4,302
	Balance at 31 December 2009	**5,794**	**415**	**6,209**

The liquid reserve fund is the amount which is to be used for charitable purposes under the Foundation's Charter within the scope of the Charitable Activities.

30 Enterprises in the Group

Unless otherwise stated, the enterprises are wholly owned. Insignificant – including sleeping – enterprises are not included in the outline.

The enterprises marked with * are owned directly by the Egmont Foundation.

Subsidiaries

Country	Enterprise	Ownership	Registered office
Denmark	Egmont International Holding A/S *		Copenhagen
	Egmont Holding A/S		Copenhagen
	Egmont Magasiner A/S		Gentofte
	Egmont Specialblade A/S		Gentofte
	Egmont Serieforlaget A/S		Copenhagen
	Go-Card A/S		Gentofte
	Egmont Creative Center A/S		Copenhagen
	Lindhardt og Ringhof Forlag A/S		Copenhagen
	Substanz A/S	50.1 %	Copenhagen
	Vild med underholdning A/S		Copenhagen
	Nordisk Film A/S		Copenhagen
	Nordisk Film TV A/S (sold December 2009)		Copenhagen
	Nordisk Film Distribution A/S		Copenhagen
	Nordisk Film Post Production A/S		Copenhagen
	Nordisk Film Production A/S		Copenhagen
	Nordisk Film Biografer A/S		Copenhagen
	Scala Bio Center Aalborg ApS	80 %	Aalborg
	BioCenter Kolding A/S	50 %	Kolding
	Euro Broadcast Hire A/S		Copenhagen
	Victoria Film Rights A/S		Copenhagen
	Kino.dk A/S	74 %	Copenhagen
	Fine & Mellow Productions A/S		Copenhagen
	Fine & Mellow A/S	60 %	Copenhagen
	Dansk Reklame Film A/S		Copenhagen
	Egmont Administration A/S		Copenhagen
	Ejendomsselskabet Vognmagergade 11 ApS *		Copenhagen
	Ejendomsselskabet Gothersgade 55 ApS *		Copenhagen
	Ejendomsaktieselskabet Lygten 47-49		Copenhagen
Norway	Egmont AS		Oslo
	Egmont Holding AS		Oslo
	Egmont Serieforlaget AS		Oslo
	Nordisk Film AS		Oslo
	Nordisk Film Produksjon AS		Oslo
	Nordisk Film Production AS		Oslo

30 Enterprises in the Group (continued)

Subsidiaries

Country	Enterprise	Ownership	Registered office
Norway	Nordisk Film & TV AS (sold December 2009)		Oslo
	Nordisk Film Distribusjon AS		Oslo
	Nordisk Film Post Production AS		Oslo
	Drammen Kino AS	66.7 %	Drammen
	Neofilm AS	67 %	Oslo
	Hjemmet Mortensen AS		Oslo
	Hjemmet Mortensen Trykkeri AS		Oslo
	Hjemmet Mortensen Fagmedia AS		Oslo
	Hjemmet Mortensen Markedskontakt AS		Nittedal
Sweden	Egmont Holding AB		Malmoe
	Egmont Tidskrifter AB		Malmoe
	Hjemmet Mortensen AB		Stockholm
	Vagabond Media AB		Stockholm
	Egmont Kärnan AB		Malmoe
	Egmont Editions AB		Malmoe
	Sudd AB	60 %	Stockholm
	Sören och Anders Interessenter AB		Malmoe
	Änglatroll AB		Malmoe
	Skandinaviske Skoledagböcker AB		Stockholm
	Nordisk Film Sverige AB		Stockholm
	Nordisk Film TV-Produktion AB (sold December 2009)		Stockholm
	Nordisk Film Produktion Sverige AB		Stockholm
	Nordisk Film Post Produktion AB		Stockholm
	Nordisk Film Distribution AB		Stockholm
	Nordic Media Link AB		Stockholm
Finland	Egmont Holding Oy/Egmont Holding Ab		Helsinki
	Nordisk Film & TV Oy		Helsinki
	Oy Nordisk Film Ab		Helsinki
	Dominova Oy/Ab		Helsinki
	BK Pro Fitness Oy		Vasa
Germany	Egmont Holding GmbH		Berlin
	Egmont Ehapa Verlag GmbH		Berlin
	Egmont Verlagsgesellschaften mbH		Cologne
	Egmont Horizont Verlag GmbH		Stuttgart
	Mitte-Editionen GmbH		Berlin
United Kingdom	Egmont Holding Ltd.		London
	Egmont UK Ltd.		London

30 Enterprises in the Group (continued)

Subsidiaries

Country	Enterprise	Ownership	Registered office
Poland	Egmont Polska sp. z o.o.		Warsaw
Czech Rep.	Egmont CR s.r.o.		Prague
Hungary	Egmont Hungary Kft.		Budapest
Russia	ZAO Egmont Russia Ltd.		Moscow
Estonia	Aktsiaselts Egmont Estonia		Tallinn
Latvia	Egmont Latvija SIA		Riga
Lithuania	UAB Egmont Lietuva		Vilnius
Ukraine	Egmont Ukraine LLC		Kiev
Romania	Egmont Romania S.R.L.		Bucharest
Bulgaria	Egmont Bulgaria EAD		Sofia
Croatia	Egmont d.o.o.		Zagreb
USA	Egmont US Inc.		New York
	The Student Planner LLC	50.5 %	Denver
China	Egmont Hong Kong Ltd.		Hong Kong
	Egmont Sourcing (HK) Ltd.		Hong Kong

Joint ventures

Country	Enterprise	Ownership	Registered office
Denmark	A.Film A/S	50 %	Copenhagen
	Respirator Media & Development A/S		Copenhagen
	(sold December 2009)	50.1 %	
	Scandinavian Media Alliance A/S	50 %	Copenhagen
	Zentropa Folket ApS	50 %	Hvidovre
	MBO Group A/S	50.1 %	Aalborg
	Nordisk Special Marketing A/S		Aalborg
	Egmont Holding A/S owns	50 %	
	MBO Group A/S owns	50 %	
Norway	AE-TV Holding AS	50 %	Bergen
	TV 2 Gruppen AS	50 %	Bergen
	TV 2 AS	50 %	Bergen
	Nydalen Studios AS	50 %	Oslo
	OB-Team AS	50 %	Oslo
	Nordic World AS		Oslo
	TV 2 AS owns	50 %	

30 Enterprises in the Group (continued)

Joint ventures

Country	Enterprise	Ownership	Registered office
Norway	Mediehuset Nettavisen AS	50 %	Oslo
	Outside Broadcast Team AS	50 %	Bergen
	Eventyrkanalen AS	50 %	Bergen
	TV 2 Nettavisen AS	50 %	Oslo
	TV 2 Invest AS	50 %	Bergen
	TV 2 Torget AS	50 %	Bergen
	Kanal 24 AS	50 %	Fredrikstad
	TV 2 Zebra AS		Bergen
	TV 2 Gruppen AS owns	55 %	
	Mosart Medialab AS	50 %	Bergen
	Cappelen Damm Holding AS	50 %	Oslo
	Cappelen Damm AS	50 %	Oslo
	Cappelen Damm Salg AS	50 %	Oslo
	Tanum AS	50 %	Oslo
	Map Solution AS	50 %	Oslo
	Sentraldistribusjion ANS	50 %	Oslo
	Larsforlaget AS		Oslo
	Cappelen Damm Holding AS owns	66 %	
	Barnemagasinet AS	50 %	Oslo
	Maipo AS	50.1 %	Oslo
	Sportskort AS	52.6 %	Oslo
Sweden	Fladen Film AB	50 %	Stockholm
Finland	Solar Films Oy	50.1 %	Helsinki
	Egmont Kustannus Oy Ab	50 %	Helsinki
Australia	Hardie Grant Egmont Pty Ltd	50 %	Melbourne
Turkey	Dogan ve Egmont Yayincilik A.S.	50 %	Istanbul
China	Children’s Fun Publishing Company Ltd.	49 %	Beijing
Thailand	Nation Egmont Edutainment Company Ltd.	50 %	Bangkok

For all pro-rata consolidated enterprises, contracts have been concluded to regulate the joint management.

30 Enterprises in the Group (continued)

Associates

Country	Enterprise	Ownership	Registered office
Denmark	Ugebladenes Fælles Opkrævningskontor I/S	50 %	Albertslund
	I/S Ugebladsdistributionen *	50 %	Albertslund
	Publizon A/S	40 %	Århus
	Copenhagen Bombay Holding ApS	33.3 %	Copenhagen
	Produktionsselskabet Angora A/S	35 %	Copenhagen
	Co og TV A/S	35 %	Copenhagen
Norway	Bokklubben Villmarksliv Ans	40 %	Oslo
	Motor AS	50 %	Oslo
	Mocca Software AS	21 %	Oslo
	Filmweb AS	34 %	Oslo
	Biip.no AS		Oslo
	Egmont Serieforlaget AS owns	45 %	
	TV 2 AS owns	45 %	
	Rettighedsselskabet Intrige AS		Oslo
	TV 2 AS owns	33.3 %	
	Phonofile AS		Oslo
	TV 2 Invest AS owns	33 %	
	Norges Television AS		Bærum
	TV 2 Gruppen AS owns	33.3 %	
	RiksTV AS		Oslo
	TV 2 Gruppen AS owns	33.3 %	
Sweden	Golfresan AB	24.7 %	Stockholm
Finland	Matila Röhr-Nordisk Oy	30 %	Helsinki
	HD-Post Oy	40 %	Helsinki
United Kingdom	Wendy Promotion Ltd.	50 %	London

Danish partnerships forming part of associates do not prepare official annual reports.

Board of Trustees

All information as per 5 March 2010

CM: Chairman
VC: Vice Chairman

Group Management

Steffen Kragh
President and CEO, born 1964
Member of the Boards of Nykredit Realkredit A/S (VC), Nykredit Holding A/S (VC), Foreningen Nykredit, Cappelen Damm Holding AS, Norway

Hans J. Carstensen
Chief Financial Officer, born 1965
Member of the Boards of MBO Group A/S (CM), TV 2 Gruppen AS, Norway (VC), AE-TV Holding AS, Norway (CM)

Kjeld F. Lucas
Executive Vice President, Egmont Magazines, born 1948
Member of the Boards of Ugebladenes Fælles Opkrævningskontor IS (CM), Dansk Magasinpresses Udgiverforening (VC), IS Ugebladsdistributionen (VC), Unique Models of Copenhagen A/S

Allan Mathson Hansen
Executive Vice President, Egmont Nordisk Film, born 1966
Member of the Boards of Zentropa Folket ApS (CM), TrustNordisk ApS (CM), A. Film A/S (CM), Fine & Mellow A/S (CM), MBO Group A/S, Copenhagen Bombay Holding A/S, Substanz A/S, Kino.dk A/S, Maipo AS (CM), Norway, SS Fladen AB (CM), Sweden, Matila Röhr-Nordisk OY, Finland, Solar Film OY, Finland

Frank Knau
Executive Vice President, Egmont Kids Media, born 1958
Member of the Boards of Copenhagen Economics A/S, Egmont Kustannus OY AB (CM), Finland, Children's Fun Publishing Company Co. Ltd., China, Nation Egmont Edutainment Co. Ltd., Thailand, Dogan Egmont Yayincilik A.S., Turkey

All information as per 5 March 2010

CM: Chairman
VC: Vice Chairman