Annual Report

NORTH MEDIA A/S

2010

NORTH MEDIA A/S

REG NO. 66 59 01 19

Content

Consolidated Annual Report	Page
Management Commentary	1
Business Concept	25
Company Description	26
Statement by the Management on the Annual Report	31
Consolidated financial statements	35
Notes	41
Board of Directors and Executive Board	78
Group Structure	80
Parent Company's financial statements	81
Group addresses	97

The Annual Report 2010 has been prepared in Danish and English.
The Danish text shall be the governing text for all purposes and in case of any discrepancy the Danish wording shall be applicable.

Designations
In the Annual Report the Group is referred to as 'North Media' or the Group.

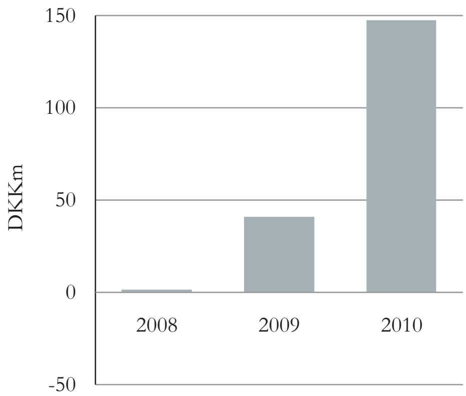
The designations 'North Media A/S' and 'the Parent Company' refer to the Parent Company

North Media A/S realises another considerable performance improvement

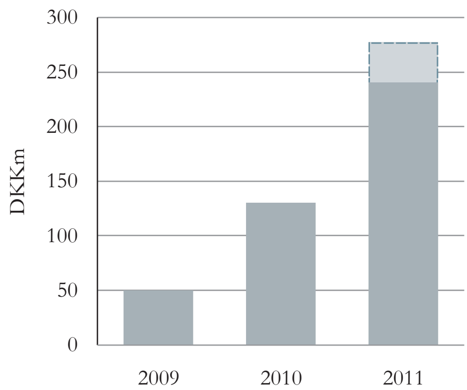
- The North Media Group realised a considerable performance improvement in 2010. Operating profit before special items totalled DKK 110.2 million, which is DKK 90.7 million up on 2009. Since 2008, performance has improved by DKK 164.6 million.
- The pivotal reason for the Group's performance improvement is increased revenue and positive development in the quality and efficiency of the distribution business.
- Activities and initiatives in 2010 were marked by an extremely low level of activity in the job advertisement market both in the newspaper and on the Internet, rendering the development in revenue and earnings unsatisfactory for Søndagsavisen, Ofir and MatchWork.
- For Søndagsavisen, the decline in job advertisements was partly compensated for by the long-standing drop in Søndagsavisen's market shares for display advertising being reversed in 2010.
- Cash flows from operating activities totalled DKK 148 million in 2010, which is DKK 107 million more than in 2009.
- At 31 December 2010, the Group has a strong liquidity base with cash funds totalling DKK 99.4 million and a securities portfolio totalling DKK 48.8 million.
- At 31 December 2010, the Group's net interest-bearing debt (which constitutes a positive net cash position) including securities totalled a negative DKK 57.7 million. At year-end 2009, it totalled a negative DKK 62.9 million.
- In 2010, a total amount of DKK 128.5 million was disbursed partly as dividend and partly as cash remuneration to the shareholders.
- The process involving a possible sale or formation of a strategic alliance for FK Distribution was halted due to changed expectations for a liberalised postal market.
- At 31 December 2010, Mads Dahl Andersen resigned as Chief Executive Officer of North Media A/S to take up the position as Chief Executive Officer of FK Distribution A/S, the definitely largest subsidiary of the Group.
- At 1 January 2011, Lars Nymann Andersen took up the position as Chief Executive Officer of North Media A/S. Lars Nymann Andersen has been employed with the Group since 2001, most recently as Chief Executive Officer of Helsingør Dagblad A/S.
- In 2011, the Group's revenue is expected to total DKK 1,175 to 1,225 million.
- In 2011, the Group's EBIT is expected to total DKK 120 to150 million exclusive of the accounting profit from the sale of the equity investment in the Swedish company, GISAB.
- GISAB's earnings development was particularly positive in 2010, and this affects the price of the remaining 33.3% shares, which, as agreed, will be sold at a price based on earnings in the period from 2008 to 2010.The selling price is expected to be approx SEK 250 million which is SEK 50 million higher than previously expected. Expectations are that the sale will be completed after GISAB's financial reporting for 2010.
- The Board of Directors recommends to the Annual General Meeting that no ordinary dividend be paid. When the sale of GISAB has been completed and the selling price has been received, the plan is to pay an extraordinary dividend of DKK 12 to 14 per share. This corresponds to DKK 240 to 280 million and payment is expected to take place in May 2011 pending a resolution on payment.

EBIT before special items

Cashflow from operating activities



Dividend and cash payment to shareholders



NORTH MEDIA A/S

Financial highlights and ratios

DKKm	2010	2009	2008	2007	2006
Income statement:					
Revenue	1,138.7	1,028.5	1,160.9	1,433.8	1,666.6
Gross profit	535.7	441.7	455.1	571.6	829.3
EBITDA	156.4	74.9	6.7	114.8	253.3
Depreciation	46.2	55.4	61.1	77.0	73.3
EBIT before special items	110.2	19.5	-54.4	37.8	180.0
Special items	-28.0	-13.2	-52.9	-28.6	0.0
Financials, net	4.3	-4.4	-9.6	-8.3	-7.6
EBT, continued operations	103.0	3.4	-120.0	-1.6	174.5
Tax for the year	15.3	6.9	-14.1	-3.3	42.8
Net profit, continued operations	87.7	-3.5	-105.9	1.7	131.7
Disposals of subsidiaries	-0.3	10.7	299.4	0.0	0.0
Net profit, discontinued operations	-1.6	1.9	11.7	22.4	0.0
Net profit	85.8	9.1	205.2	24.1	131.7
Comprehensive income	78.5	10.9	195.0	30.8	136.1
Balance sheet:					
Total assets	762.2	802.9	923.1	979.8	929.2
Share capital	100.3	100.3	111.4	111.4	111.4
Shareholders' equity (incl. minorities)	498.2	573.4	661.4	490.1	505.4
Net interest-bearing debt	-57.7	-62.9	85.5	207.8	100.7
Net working capital	-63.0	-44.2	96.7	-21.9	-39.2
Invested capital	440.5	510.5	746.9	697.9	606.0
Investment in property, plant and equipment	8.8	11.5	35.1	102.4	86.5
Free cash flow	166.4	42.6	-25.0	-6.8	140.8
Cash flow statement:					
Cash flows from operating activities	147.7	41.0	1.5	94.4	182.4
Cash flows from investing activities	-43.0	-53.4	-65.8	-150.9	-125.7
Cash flows from financing activities	-158.7	-54.1	-24.2	-54.5	-20.5
Changes in cash flow and cash equivalents, continued operations	-54.0	-66.5	-88.5	-111.0	36.2
Other information:					
Average number of employees	627	672	849	991	1,191
Number of shares at year-end, in thousand	20,055	20,055	22,280	22,280	22,280
Treasury shares, in thousand	582	24	2,225	1,518	1,218
Share price at year-end, DKK	36.0	34.5	19.8	30.4	87.7
Ratios:					
Gross margin (%)	47.0	42.9	39.2	39.9	49.8
Operating margin (EBIT) (%)	9.7	1.9	-4.7	2.6	10.8
Equity ratio (%)	65.4	71.4	71.6	50.0	54.4
Return on equity (ROE) (%) (1)	16.0	1.5	35.6	4.8	31.5
Return on capital employed (ROIC) (%)	23.2	3.1	-7.5	5.8	33.3
Earnings per share (EPS) - continued operations	4.1	-0.3	-4.6	-0.3	5.7
Earnings per share (EPS) - Total (1)	4.0	0.2	11.0	0.7	5.7
Price Earning (P/E) (1)	9.0	172.5	1.8	43.4	15.5
Price/Book Value (P/BV)	1.4	1.2	0.7	1.4	3.9
Cash flow per share (CFPS)	7.5	2.0	0.1	4.5	8.7
Dividend per share	6.5	2.5	0.0	0.0	1.0

Definition of financial ratios, see note 3.

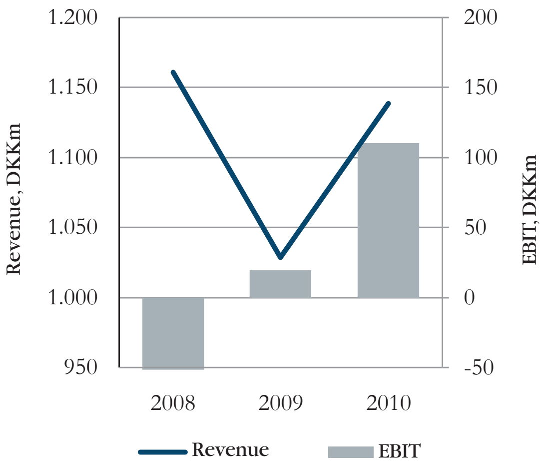
The consolidated highlights are adjusted for discontinued operations for 2008 and 2009.

The consolidated highlights are shown for continued operations unless otherwise stated.

Note 1: The key figures also include discontinued operations.

ANNUAL REPORT

Group



The North Media Group realised a considerable performance improvement in 2010. Operating profit before special items totalled DKK 110.2 million, which is DKK 90.7 million up on 2009.

With EBIT before special items (hereinafter EBIT) of DKK 170.2 million compared to DKK 71.0 million in 2009, print activities generated satisfactory earnings. The distribution business managed to recapture some of the market shares previously lost, and the efficiency measures taken in recent years achieved full effect in 2010. Particularly in the last months of 2010, Søndagsavisen experienced significant growth in the non-job advertisement market, but remains adversely influenced by the negative market conditions for the printed job advertisement market. In 2010, print activities realised a profit margin of 16% compared to 7% in 2009.

In 2010, online activities realised negative EBIT of DKK 49.7 million, which is DKK 8.1 more than the loss in 2009 and is considered highly unsatisfactory. Performance is as anticipated as massive investments have been made in new business areas. It was also decided to maintain the high level of activities within the business development of the Group's job-related activities.

Due to negative developments, primarily within the online activities, it was decided in H1 2010 to write down all intangible assets relating to loss-making activities. Total write-downs for impairment amount to DKK 28 million and have been recognised under special items in the income statement.

In 2010, the Group generated cash flows from operating activities totalling DKK 148 million. During the year, DKK 22 million worth of treasury shares were purchased, DKK 8.8 million was invested in property, plant and equipment, and dividend and cash remuneration totalling DKK 128.5 million were paid to the shareholders. At 31 December 2010, the Group has a strong liquidity base with cash funds totalling DKK 99.4 million and a securities portfolio with a market price of DKK 48.8 million.

As stated previously, the remaining 33.3% ownership interest in GISAB will be sold when GISAB has presented its financial statements for 2010. The selling price is performance-based and expectations are that the final price will amount to approx SEK 250 million, which is approx SEK 50 million higher than previously expected. The increase in the estimated selling price is a result of the particularly satisfactory earnings development especially in 2010. A forward contract has been made for the sale of SEK 180 million at an average selling rate of DKK/SEK 77.54. The 33.3% ownership interest has been recorded at DKK 18.8 million in the Group's Annual Report for 2010, classified as assets held for sale.

As already specified in the Interim Management Statement for Q3 2010, the process involving a possible sale or formation of a strategic alliance for FK Distribution A/S was halted. As part of the liberalisation of the postal markets in Europe, expectations were that competition would be intensified considerably across the European countries. In that connection, it was the Board of Directors' assessment that a larger and financially stronger business would be better placed to exploit and develop FK Distribution A/S than North Media A/S. The massive decline in the volume in mail in Europe and particularly in Denmark has, however, entailed that at present expectations are that it would not be attractive for North Media A/S to sell or enter into strategic alliances involving FK Distribution A/S.

Management believes that FK Distribution A/S holds a considerable growth potential, but that this company operates in a market subject to particular competitive conditions requiring dedicated and targeted efforts by Management. Consequently, Mads Dahl Andersen resigned as Chief Executive Officer of North Media A/S effective from 31 December 2010 to concentrate on his position as Chief Executive Officer of FK Distribution A/S, the definitely largest subsidiary of the Group.

Lars Nymann Andersen commenced as Chief Executive Officer of North Media A/S on 1 January 2011. He is a Master of Laws and has been with the Group since 2001, most recently as Chief Executive Officer of the subsidiaries Helsingør Dagblad A/S and MinReklame ApS. Lars Nymann Andersen is therefore familiar with the Group's media companies, which will also in future be his main focus.

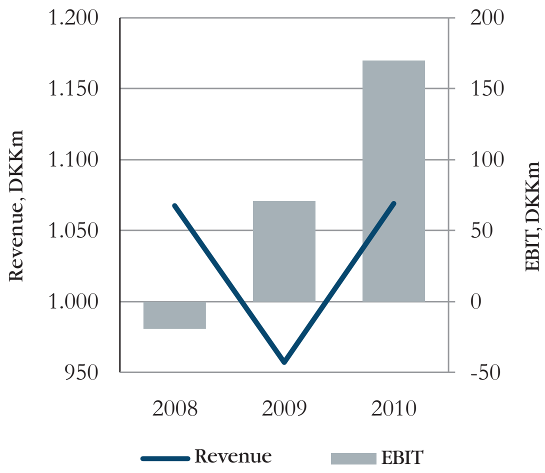
As a result of recent years' very large losses sustained from the Group's online activities, each company has been asked to examine its existing business model and strategy thoroughly in order to help these companies achieve a positive revenue development and profitable operations. This effort has been initiated and is expected to provide visible results from H2 2011.

For FY 2011, the Group's revenue is expected to total DKK 1,175 to 1,225 million, corresponding to a growth rate of 3 to 8% compared to 2010.

The Group's EBIT is expected to be DKK 120 to 150 million, corresponding to an increase of DKK 10 to 40 million. Accordingly, the Group's profit margin is expected to go up from 9.7% in 2010 to approx 11% in 2011.

The Board of Directors recommends to the Annual General Meeting to be held on 25 March 2011 that no ordinary dividend be paid. When the sale of GISAB has been completed and the selling price has been received, the plan is to pay an extraordinary dividend of DKK 12 to 14 per share. This corresponds to DKK 240 to 280 million and payment is expected to take place in May 2011 pending a resolution on payment.

PRINT



Growth in revenue and continuous increase in earnings for FK Distribution. Søndagsavisen has captured market shares in the non-job advertisement market, but is adversely impacted by the very low level of activity in the job advertisement market.

The Group's Print segment consists of the distribution activities of FK Distribution as well as the newspapers of Søndagsavisen, Helsingør Dagblad and Lokalavisen Nordsjælland.

During 2010, the Print segment developed positively and realised a revenue growth rate of 12% compared to 2009. This was achieved in a difficult market where the distribution business managed to recapture some market shares. Particularly in the last months of 2010, Søndagsavisen experienced significant growth in the non-job advertisement market. Conversely, the Group experienced a considerable decline in the job advertisement market. The newspapers of Helsingør Dagblad and Lokalavisen Nordsjælland have also developed positively, and Helsingør Dagblad is one of only very few newspapers which in fact succeeded in increasing the number of sold copies, albeit in modest numbers.

Activities and initiatives in 2010

Projects initiated in previous years to improve efficiency continued in 2010 in FK Distribution and have resulted in considerable cost savings compared to last year.

Thanks to the aspiration to continually improve distribution quality, targeted efforts were made in 2010 to enhance and perfect an electronic key system: BeKey, which is intended to facilitate distributors' access to locked stairways. In this system, locked street doors on the delivery route can be opened via a mobile phone during the limited time span in which the printed ads are distributed. The system was tested and perfected throughout 2010 and is expected to be installed in a considerable number of street doors in 2011 and 2012.

In 2010, Søndagsavisen maintained constant focus on improving the quality of the newspaper by continually strengthening the editorial content. As to sales, the organisation was strengthened to improve the sales efficiency by means of a more targeted sales effort. More automated ad systems have also been developed which enable the customers to create and insert advertisements in the newspaper themselves. At year-end 2010, Søndagsavisen has 1.3 million weekly readers and is by far the newspaper in Denmark with the largest number of weekly readers. This makes Søndagsavisen an obvious choice for medium-sized and large advertisers with a regional advertisement requirement at the weekend; the time of the week when consumers plan the week's shopping, contemplate major investments in housing and long-term consumer goods while also reviewing vacant jobs.

Helsingør Dagblad has undergone a considerable structural conversion throughout the last two years. The printing machines were sold in 2010 and are expected to be dismantled and removed during Q1 2011. Both Helsingør Dagblad and Nordsjællands Avis have been subject to efficiency improvements as well as enhancements within the journalistic as well as the sales area. This has resulted in an increase in subscriptions and improved earnings from advertisements.

Financial performance in 2010

In 2010, revenue from the Print segment was DKK 1,069.5 million, which is an improvement of DKK 112.3 million or 12% on 2009. The revenue increase was primarily attributable to the distribution activities. In 2010, Søndagsavisen experienced a continued decline in the job advertisement market, whereas the non-job advertisement market developed positively, particularly in H2 2010.

In 2010, EBIT for the Print segment was DKK 170.2 million, which is DKK 99.2 million up on last year. This is considered very satisfactory. This increase was achieved by a combination of enhanced sales and continued gains from improved efficiency mainly within the distribution activities. At Søndagsavisen, it proved possible to mitigate the effects of the massive decline in the lucrative job turnover via growth in the non-job segment and cost reductions. However, Søndagsavisen's total performance remains unsatisfactory.

The newspapers of Helsingør Dagblad and Lokalavisen Nordsjælland experienced a modest increase in revenue, but their results are much better and more positive than in previous years.

Outlook for 2011

For FK Distribution, the intense focus on prices in the market for distribution of printed matters is expected to continue, and FK Distribution expects unchanged market shares in 2011. The primary focus will remain on a tight cost control and efficiency improvements. Concurrent efforts are also made to develop the market for unaddressed printing matters for advertisers who have not historically used this highly effective media and to develop further the market for segmented printed matters. Distribution of printed matters to the individual households is the most efficient means for retail chains to generate revenue in their businesses. The vast majority of Danish households use the weekly printed matters actively to optimise and plan their weekly shopping.

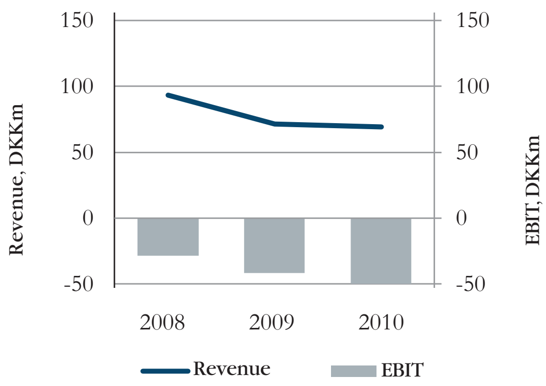
The adverse market conditions for especially the printed job advertisement market are expected to continue in 2011. Particularly in H2 2010, Søndagsavisen gained market shares in the non-job segment, and this trend is expected to continue in 2011. Moreover, Søndagsavisen is also expected to benefit from the upcoming general election, which is expected to contribute positively to the newspaper's revenue growth.

BEKEY

Helsingør Dagblad

SØNDAGSAVISEN

ONLINE



Positive development for BoligPortal and substantial cost reductions for Søndagsavisen.dk In Q1 2011, Ofir launched a new strategy for the job market.

The Group's Online segment consists of Ofir.dk, MatchWork.com, Søndagsavisen.dk, BoligPortal.dk, MinReklame.dk, Væksthuset and the newly established Lokalia.dk.

The Group's online business experienced an unsatisfactory development in 2010 involving loss of customers and market shares in especially the job-related services. BoligPortal has maintained prior years' positive development and has in 2010 increased its market share.

Activities and initiatives in 2010

The Group's online activities were affected by the very difficult market conditions where both the public and private job markets remain deadlocked at very low levels. This reluctance has affected the revenue development of both Ofir and MatchWork.

The name "Ofir & Søndagsavisen. Two media – one job market" has laid the foundation of a new strategy for the two media's activities in the job advertisement market. The two media Ofir & Søndagsavisen supplement each other in that, being an Internet site, Ofir particularly attracts the active job seekers whereas Søndagsavisen's strength should mainly be seen in relation to the passive job seekers - the candidates who are not actively looking for a new job, but are tempted when they spot an interesting position. On this basis, a new strategy was prepared for both media. The strategy will be launched in Q2 2011.

MatchWork spent 2010 transferring a large number of customers to the new Helios platform. Also, partnership agreements were concluded with several distributors, who will be responsible for selling and supporting the Company's products.

At Søndagsavisen.dk, considerable cost-reducing measures were taken, ensuring equilibrium in terms of financial results for this activity at year-end 2010. In 2010, the Company continued developing the new concept of Lokalia.dk and signed several partnership agreements. Lokalia has not generated any sales yet.

Throughout the year, BoligPortal.dk generated high growth in terms of revenue and performance. Lokalia.dk and BoligPortal.dk both experienced a healthy increase in the number of visitors.

Since its foundation at year-end 2009, Væksthuset has primarily been responsible for developing a Swedish counterpart to BoligPortal.dk. The site, BostadsPortal.se, is still under development and has generated no revenue yet.

Financial performance in 2010

Revenue for the Online segment for 2010 is DKK 69.2 million against DKK 71.3 million in 2009, or a decline of 3%. This decline in revenue is mainly attributable to the discontinuance of a number of loss-making products and the low level of activity within the market for online job advertisements.

EBIT for the Online segment for 2010 is negative by DKK 49.7 million, corresponding to a decrease of DKK 8.1 million compared to 2009. This performance is highly unsatisfactory, yet expected, as the Company has invested heavily in several new business areas. Also, it was decided to maintain a high activity level regarding development of the Group's job-related activities.

Outlook for 2011

In 2011, Ofir will focus on the technical implementation of the new strategy and required system support as well as on developing the platform and the interface for the employer as well as the employee. The strategy will be supplemented by marketing campaigns and intensified sales efforts.

During H1 2011, the other business units in the Online segment will be examined with a view to identifying the possibilities of developing business towards more profitable business models. Efforts will also be centred around accessing the synergy potential of the Group's activities.

UNALLOCATED COSTS

Unallocated costs include group-related activities which are not allocated to the operating activities of the Print and Online segments as well as operation of the Group's properties. Operating loss for 2010 relating to unallocated costs is DKK 10.3m. Unallocated costs for 2009 came to a negative DKK 9.9 million. The performance for 2010 has been negatively influenced by net costs of DKK 10.1 million relating to changes in the Executive Board as stated in Company announcement no 15-10 of 12 November 2010.

In addition, several costs were incurred during the year as part of the legal reorganisation of the Group, which was adopted at the Annual General Meeting held on 23 April 2010. The reorganisation led to the Group changing its name from Søndagsavisen a-s to North Media A/S and to the Group's Parent Company becoming a holding company of the Group's operating companies. Accordingly, the actual activities were hived off into separate subsidiaries, and the Group's distribution company changed its name from Forbruger-Kontakt A/S to FK Distribution A/S in order to harmonise communication methods and facilitate communication in general.

PENDING LITIGATION

As stated in Company announcements no 12-09 and 13-09 of 20 May 2009, Søndagsavisen a-s (now referred to as North Media A/S) was awarded damages of DKK 75 million by the Danish Eastern High Court for the loss incurred by Forbruger-Kontakt (now referred to as FK Distribution A/S) resulting from Post Danmark A/S' abuse of its dominant position.

Søndagsavisen a-s (North Media A/S) was also awarded damages of DKK 4 million in compensation for legal costs. Post Danmark A/S has appealed against the decision to the Danish Supreme Court. It remains unknown when a final decision will be made. The damages will not be recognised in the financial results or earnings expectations until a final decision has been made, just as any costs are expensed as incurred.

THE GROUP'S EXPECTATIONS FOR 2011

For 2011, the Group expects increased earnings despite its expectations that the activity level in the job advertisement market will remain low and that the costs for the development of the Group's job-related activities will remain high.

The Group still expects fierce competition in the market for distribution of unaddressed printed matter. Expectations are that the market share for 2011 may be upheld at the 2010 level and that new customer segments may help to increase revenue and thus compensate for the gradual increase in the number of households not accepting unaddressed printed matter.

The non-job advertisement markets improved gradually in 2010. This trend is expected to continue in 2011. Expectations are that the ongoing consolidation of businesses with several small shops closing will continue in 2011. The increased concentration of fewer but larger shops is more compatible with Søndagsavisen's more regional coverage, and this will support the ongoing sales and marketing strategy.

The Group's online activities will still lead to considerable losses, and efforts will continually be made to create a better basis for future growth.
Overall, the intention is for 2011 to be the year when the numerous ongoing initiatives within the newspaper-related and online activities result in much improved and innovative products, forming the basis of future growth and earnings. The underlying operating results are only expected to improve slightly in the short term, as resources will be allocated for product development and further marketing activities to strengthen the basis for future growth.

The Group's total operating investments for 2011 are expected to come to approx DKK 20 million. These investments are mainly related to the distribution business. The investments in the online business will be expensed as and when made.

For 2011, the Group's expectations in terms of financial results are as follows:

- The Group's revenue: DKK 1,175 to 1,225 million.
- EBIT for continuing operations: DKK 120 to 150 million.
- Costs for discontinuing operations will amount to approx DKK 3 million. This amount does not include any positive or negative value adjustment of the property in relation to the amount recognised in the balance sheet at 31 December 2010.
- The Group's total operating investments will come to approx DKK 20 million, whereas ordinary depreciation is expected to amount to approx DKK 35 million.

BOARD RESOLUTIONS AND PROPOSALS TO THE ANNUAL GENERAL MEETING

The Board of Directors recommends to the Annual General Meeting to be held on 25 March 2011 that no ordinary dividend be paid. When the sale of GISAB has been completed and the selling price has been received, the plan is to pay an extraordinary dividend of approx DKK 12 to 14 per share. This corresponds to DKK 240 to 280 million in total, and payment will take place in May 2011 pending a resolution on payment.

SEGMENT REPORTING BY QUARTER

	Revenue									
	Year		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
DKKm	**2010**	**2009**	**2010**	**2010**	**2010**	**2010**	**2009**	**2009**	**2009**	**2009**
Print	1,069.5	957.2	301.6	249.0	273.1	245.8	255.2	226.9	247.3	227.8
Index cp. same period last year	*111.7*	*89.7*	*118.1*	*109.7*	*110.4*	*107.9*	*99.7*	*90.9*	*88.4*	*80.8*
Online	69.2	71.3	15.7	16.4	17.7	19.4	15.9	17.7	18.9	18.8
Index cp. same period last year	*97.1*	*76.3*	*98.7*	*92.7*	*93.7*	*103.2*	*85.9*	*78.7*	*71.1*	*72.6*
Continued operations total	**1,138.7**	**1,028.5**	**317.3**	**265.4**	**290.8**	**265.2**	**271.1**	**244.6**	**266.2**	**246.6**
Index cp. same period last year	*110.7*	*88.6*	*117.0*	*108.5*	*109.2*	*107.5*	*98.8*	*89.9*	*86.9*	*80.1*

	EBIT before special items									
	Year		Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
DKKm	**2010**	**2009**	**2010**	**2010**	**2010**	**2010**	**2009**	**2009**	**2009**	**2009**
Print	170.2	71.0	63.0	29.1	46.2	31.9	37.6	18.2	17.5	-2.3
Operating margin	*15.9%*	*7.4%*	*20.9%*	*11.7%*	*16.9%*	*13.0%*	*14.7%*	*8.0%*	*7.1%*	*-1.0%*
Online	-49.7	-41.6	-11.2	-11.6	-14.2	-12.7	-10.5	-11.4	-10.7	-9.0
Operating margin	*-71.8%*	*-58.3%*	*-71.3%*	*-70.7%*	*-80.2%*	*-65.5%*	*-66.0%*	*-64.4%*	*-56.6%*	*-47.9%*
Unallocated costs	-10.3	-9.9	-10.3	1.0	-1.0	0.0	0.1	-1.1	-2.4	-6.5
Group EBIT, continued operations	**110.2**	**19.5**	**41.5**	**18.5**	**31.0**	**19.2**	**27.2**	**5.7**	**4.4**	**-17.8**
Operating margin	*9.7%*	*1.9%*	*13.1%*	*7.0%*	*10.7%*	*7.2%*	*10.0%*	*2.3%*	*1.7%*	*-7.2%*

COMMENTS ON THE FINANCIAL STATEMENTS

INCOME STATEMENT (CONTINUED OPERATIONS)

Contribution margin
The Group's total contribution margin for 2010 was DKK 535.7 million, which is an increase of DKK 94.0 million on last year. The contribution ratio has gone up from 42.9% in 2009 to 47.0% in 2010. This increase is due to the efficiency measures, among other measures, taken in recent years, the full effect of which was seen in 2010.

Staff costs
Staff costs for 2010 are DKK 267.2 million, a decrease of DKK 5.9 million, or 2%, compared to 2009. The costs for 2010 were negatively influenced by net costs of DKK 10.1 million relating to changes in the Executive Board as stated in Company announcement no 15-10 of 12 November 2010.

Other expenses
Other expenses amount to DKK 118.9 million and are up by DKK 19.1 million. This increase is attributable to increases in marketing costs and costs relating to BeKey and Lokalia.

Share of profits/(losses) of associates
Profits/losses from associates include the results of the Group's 33.3% ownership of GISAB as well as the results of Vestsjællandske Distriktsblade. At year-end 2010, the equity investment in GISAB has been reclassified as assets held for sale.

Financials
Net financials include unrealised capital gains of DKK 8.2 million on the Company's portfolio of listed shares as well as dividend and realised capital gains of DKK 0.4 million. Financial expenses primarily include interest on the Company's mortgage loans.

Special items
Due to negative developments, primarily within the online activities, the Company decided in H1 2010 to write down all intangible assets relating to loss-making activities. Total write-downs for impairment amount to DKK 28.0 million and have been recognised under special items in the income statement.

In 2009, special items included primarily the write-down of goodwill of DKK 12.1 million relating to MatchWork.

Profit before tax
The profit before tax on continuing operations for 2010 was DKK 103.0 million. In 2009, the profit before tax was DKK 3.4 million. This profit increase is mainly attributable to the considerable improvement of ordinary operating activities.

Tax
The Group's total tax on continuing operations is DKK 15.3 million, corresponding to an effective tax rate of 14.9%. The low tax rate is due to the utilisation of deferred interest deduction and capital losses, among other factors. The tax base of the tax loss carryforwards has not previously been recognised as a tax asset. In addition, net profits/losses from associates have been recognised.

Gain/loss on sale of business
In 2010, a minor adjustment of the gain on the sale of GISAB – a loss of DKK 0.3 million – was recognised. The gain on the sale for 2009 was also adjusted for the sale of GISAB.

As mentioned earlier, the remaining 33.3% ownership interest in GISAB will be sold following the presentation of GISAB's Annual Report for 2010. The selling price is calculated on the basis of GISAB's earnings for the period 2008 to 2010, and the final price is expected to be approx SEK 250 million – approx SEK 50 million more than expected. This increase in the estimated selling price is due to a most satisfactory earnings performance, particularly in 2010. A forward contract has been made for the sale of SEK 180 million at an average selling rate of DKK/SEK 77.54. The 33.3% ownership interest has been recorded at DKK 18.8 million in the Group's Annual Report for 2010, classified as assets held for sale.

Loss for the year, discontinued operations
This year's loss for discontinuing operations is DKK 1.6 million, which is attributable to the discontinued printing activities.

Profit for the year
Profit for the year is DKK 85.8 million, an increase of DKK 76.7 million on 2009. This increase reflects the increase in operating results.

Investments
Total investments in intangible assets and property, plant and equipment amount to DKK 9.5 million. Of this, investments in property, plant and equipment account for DKK 8.8 million.

Trade receivables
Trade receivables amount to DKK 83.8 million at year-end 2010. At year-end 2009, trade receivables were DKK 64.5 million. This increase is attributable to higher earnings, among other factors, as well as a higher rate of pre-invoicing.

Other payables
At 31 December 2010, other payables amount to DKK 96.2 million, or DKK 13.9 million more than at 31 December 2009 when other payables amounted to DKK 82.3 million. This increase is mainly attributable to the increase in VAT payable relating to increased earnings.

Cash flows and interest-bearing debt
Cash flows for the year come to a negative DKK 55.9 million against DKK 145.0 million in 2009.

Cash flows from operating activities relating to continuing operations for 2010 amount to DKK 147.7 million, or DKK 106.7 million up on 2009. This increase is mainly due to the increase in operating results and the positive developments in the negative working capital.

Cash flows from investing activities relating to continuing operations for 2010 amount to a negative DKK 43.0 million against a negative DKK 53.4 million in 2009. Most of the investing activities carried out in 2010 relate to investments in securities. In addition, the level of investment continued declining in 2010.

This year's cash flows from financing activities relating to continuing operations are negative by DKK 158.7 million. These cash flows mainly include distribution of extraordinary dividend and cash payments to shareholders resulting from changes in the legal structure of the group, totalling DKK 128.5 million. In 2009, cash flows from financing activities were negative by DKK 54.1 million, primarily attributable to extraordinary dividend.

Total cash flows from continuing operations for 2010 come to a negative DKK 54.0 million – an increase of DKK 12.5 million on 2009 when such cash flows amounted to a negative DKK 66.5 million.

Total cash flows from discontinued operations for 2010 are negative by DKK 1.9 million against DKK 211.5 million in 2009. In 2009, this item was influenced considerably by the amount received from the sale of GISAB.

At 31 December 2010, the Group has cash reserves of DKK 99.4 million and long-term mortgage loans of DKK 77.3 million.

Capital structure
At 31 December 2010, the Group's positive net cash position, portfolio of securities and long-term debt amounted to DKK 99.4 million, DKK 48.8 million worth of securities and DKK 90.5 million in interest-bearing mortgage loans including fair value of interest rate swaps. The Group's total net interest-bearing debt includes a positive net cash position, including securities, of DKK 57.7 million.

At year-end 2009, the Group had a positive net cash position of DKK 155.3 million, an interest-bearing mortgage loan of DKK 85.7 million and an interest rate swap with a fair value (debt) of DKK 6.7 million. The Group's total net interest-bearing debt included a positive net cash position of DKK 62.9 million.

The Group still has strong financial resources, particularly considering the amount received from the sale of the remaining 33.3% of the shares in GISAB. The Board of Directors regularly considers the Group's liquidity and capital structure in relation to future financing requirements.

Equity and holding of treasury shares
At 31 December 2010, the Group's equity was DKK 498.2 million, a decrease of DKK 75.2 million on last year. This decrease is primarily attributable to the distribution of extraordinary dividend, cash payments to shareholders resulting from the changes to the legal structure of the Group, totalling DKK 128.5 million, as well as acquisition of treasury shares worth DKK 22.0 million. However, equity increased by this year's comprehensive income of DKK 78.5 million. At year-end 2010, the Group's holding of treasury shares included 582 thousand shares, or 2.90% of the share capital.

Ofir's redesigned website

Søndagsavisen's website with a new graphic design.

NORTH MEDIA A/S

BUSINESS MANAGEMENT

North Media's Business management is firmly based on the Group's values relating to customer focus, responsibility, quality, fairness and positive aggressiveness.

North Media mainly focuses on the customer and on developing and delivering value-adding products and services which enable us to add growth and value – for the customer and for us. We take responsibility in our relations with customers and with one another. When things go as planned but also when something unexpected suddenly happens, we act from a basic platform of ownership, honesty and care. It is only by showing responsibility in every act and at every point in time that we can make the right decisions for the benefit of our customers, employees, shareholders and other stakeholders.

North Media wishes to be known for the quality of its products and services, and we are constantly and untiringly striving to achieve this through conscientiousness, efficiency and focus on optimisation of all products, processes and dialogues. We believe that value-adding quality products supplied at the right time and at the right price provide the basis for long-term relationships. Our success is based on a passionate belief in what we are doing and in our ability and courage to be innovative.

Board of Directors and Executive Board
The Annual General Meeting is North Media A/S' supreme authority. The Annual General Meeting elects the company's Board of Directors, which is responsible for the overall management of the Company. The Board of Directors supervises the Company's activities and satisfies itself that the Company is managed properly and in accordance with the Company's Articles of Association, the Danish Companies Act and any other legislation that may be important to the Company. The Board of Directors' most important tasks are to determine the overall targets and strategies, lay down clear guidelines for the distribution of responsibility, planning and risk management, select a competent Executive Board and be an open-minded, active sparring partner for the Executive Board. The Board of Directors comprises four members with Richard Bunck, the Company's major shareholder, as chairman.

The Executive Board is responsible for the day-to-day management of the Company. In accordance with the guidelines and directions prepared by the Board of Directors, the Executive Board prepares action plans and budgets, which support the Company's strategy, and regularly reports on profit performance, risks and other significant information to the Board of Directors.

Until the end of 2010 the Executive Board was headed by Mads Dahl Andersen who was the chief executive officer of the Group. As from 1. January Lars Nymann Andersen has taken over the position as CEO of the Group.

In 2010 Mads Dahl Andersen had the overall Group Management responsibility for Ofir, MatchWork, BoligPortal, MinReklame and Helsingør Dagblad, the day-to-day management of which was handled by managers who also co-ordinated activities within specific tasks and projects directly with the Board of Directors and the rest of the Group Management. Mads Dahl Andersen also held the position as manager of the Group's distribution activities at Forbruger-Kontakt.

In addition to Mads Dahl Andersen, the Group Management was composed of Arne Ullum Laursen, the Executive Officer responsible for Søndagsavisen, Søndagsavisen.dk, HR and IT Operations, and of Kåre Stausø Wigh, who is the chief financial officer, CFO.

The Board of Directors and the CEO constitute the Company's Chief Operating Decision Makers, CODM, with focus on and responsibility for the Group's Print and Online segments. The Executive Board is responsible for the individual business areas /segments and cross-functional product and business development.

Management changes
As disclosed in Company Announcement no 15-10 of 12 November 2010, the Board of Directors has appointed Lars Nymann Andersen as the new CEO of North Media A/S with effect from 1 January 2011. Lars Nymann Andersen has assumed Mads Dahl Andersen's overall Group Executive Board responsibilities as outlined below. To begin with, his main responsibilities will be the Group's newspaper-related and online activities.

From 1 January 2011, Mads Dahl Møberg Andersen will focus his efforts on acting as the CEO of FK Distribution A/S, for which reason he left his position as CEO of North Media A/S at year-end 2010.

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

CORPORATE GOVERNANCE

The Board of Directors and the Executive Board of North Media A/S regularly discuss and consider the Company's Corporate Governance policies and procedures. NASDAQ OMX Copenhagen's "Recommendations for Corporate Governance" in listed companies form, together with current legislation and the guidelines laid down by the Board of Directors, the basis of this work.

The Board of Directors is of the opinion that the Company generally follows NASDAQ OMX Copenhagen's "Recommendations for Corporate Governance", and the Board of Directors is constantly considering how and to what extent the recommendations can contribute to ensuring maximum value addition for the Company's shareholders.

In April 2010, the Committee on Corporate Governance revised its recommendations in the light of the Danish Companies Act of 2009. North Media A/S has decided to follow most of these recommendations.

In 2010, for instance, the Board of Directors adopted an information and communication policy. Also, the Board's work is now centred on the Rules of Procedure as well as the Recommendations for Corporate Governance.

In addition, the competencies and professional skills of the Board members are considered at least once a year, and the Board evaluates itself as well as the Executive Board during a meeting which the Executive Board members do not attend. The Board's contributions and results are also evaluated during the year as a recurring activity.

Richard Bunck, the Chairman of the Board of Directors of North Media A/S, is the principal shareholder and is therefore not an independent member of the Board of Directors. Board Member Ulrik Holsted-Sandgreen is an attorney-at-law and partner at Bech-Bruun Advokatfirma, the law firm providing professional advice to the Company. Therefore, Ulrik Holsted-Sandgreen is not to be considered independent. The two other members of the Board of Directors are independent to the effect that the recommendation that at least half of the Board members should be independent is followed.

The Board members' CVs are provided in detail on North Media A/S' homepage in order to follow the recommendation regarding provision of information about the Company's Board members. Also, the terms of the individual Board members and the length of their service on the Board are disclosed. The areas for which North Media A/S has laid down guidelines and policies differing from the "Recommendations for Corporate Governance" are described below.

Composition of the Board of Directors, Rules of Procedure and definition of responsibilities

The Company has not set an age limit for Board members as the Board of Directors believes that a member's experience and qualifications and not their age is what determines whether they can add value to the work of the Board of Directors.

No specific job description has been prepared for the Chairman or the Vice-Chairman regarding their duties and responsibilities, as they are considered regularly taking into account the nature, scope and relevance of the work. The Company believes that this is the best way to ensure swift and competent action.

North Media A/S has no staff-elected directors.

Remuneration to the members of the Board of Directors and the Executive Board

Remuneration to the Board of Directors, the Executive Board and executive staff is disclosed in the Annual Report. The aim of the general remuneration policy of North Media A/S is to ensure that the Company offers competitive remuneration which is based on efforts and performance and which is on a par with remuneration offered by comparable listed companies. The remuneration policy, which is reproduced below, is intended to help attract and retain qualified members of the Company's Board of Directors, Executive Board and other executive staff. Total remuneration to the Executive Board is determined by the Board of Directors, acting as Remuneration Committee. The Board of Directors finds it more appropriate that it has the right to adjust the remuneration to management at any time without having to obtain the shareholders' prior approval.

Board members receive a fixed annual fee and do not take part in North Media A/S' share option programme, nor do they receive any bonus.

The members of the Company's Executive Board, other executives and deputy executives receive a fixed basic salary, and the Company makes competitive pension contributions. In addition, the Company offers a bonus plan, which is based on revenue growth and increases in EBIT as well as on EBIT for the year concerned. This bonus, which prioritises profitable revenue growth, is limited to a maximum of 100% of the annual basic salary. The bonus is paid once the Annual General Meeting has adopted the financial statements. The bonus payment is final. At present, North Media A/S does not intend to allot further share options. However, if the Company changes this decision, such allotment would follow the “General Guidelines for the Granting of Share Options and for Incentive Pay to the Board of Directors and the Executive Board” as adopted at the Annual General Meeting held on 4 April 2008.

In the event of the dismissal of any of the members of the Executive Board or other executive staff, the maximum term of notice is normally 12 months, and the severance pay is normally a total of 12 months’ salary. No defined benefit plans have been established.

As the Board of Directors considers information about remuneration to be a private matter, no information is normally published about the retirement benefit plans or the total remuneration to the individual members of the Board of Directors and of the Executive Board. Consequently, the Annual Report only discloses the total remuneration to the Board of Directors as well as the total remuneration and bonus to the Executive Board.

Other matters

North Media A/S has decided not to follow the recommendations regarding takeover bids as the recommendations are not deemed relevant considering the ownership structure of the Company with Richard Bunck, principal shareholder, holding more than 50% of the share capital through Baunegård ApS, a wholly owned and controlled holding company.

The Board of Directors has decided not to introduce a whistle-blower scheme at this point in time. The Board regularly evaluates the appropriateness of such scheme.

INCENTIVE SCHEMES

At the Annual General Meeting on 4 April 2008, general guidelines relating to the incentive pay for the Board of Directors and Executive Board were adopted.

The Board of Directors may grant an individually variable number of share options to members of the Executive Board and any other managerial staff. Should the Board of Directors choose in any one financial year to grant share options, the calculated theoretical market value of the share options granted at the time of grant cannot exceed 100% of the annual fixed pay. The value is calculated using the Black & Scholes model.

North Media has not granted any share options since 2008. The option programme is further described in Notes 8 and 23 to the Annual Report.

CORPORATE RESPONSIBILITY

Policy

Historically, the Group’s handling of the elements under the concept of ”Corporate Responsibility” has been a natural part of the strategic and operational everyday life of the individual business units as the management and operation of all business units are based on a strong value platform providing the foundation for the company’s policies, rules, procedures etc.

Thus, corporate and social responsibility form an integral part of our standards of value, which, as one of our fundamental principles, include showing and taking responsibility for our employees’ working conditions, situation and environment, and ensuring that employees in the same situation are treated equally. We also show fairness and adhere to sound business practice for the benefit of both the customer and North Media A/S.

North Media A/S is constantly focusing on improving conditions related to the Group’s social responsibility on an equal footing with the Group’s constant efforts to improve other processes and policies. Responsibility in all contexts forms an integral part of the Group’s values and is thus an essential element of great relevance to the Group’s vision, targets and strategy.

As a result, the Company is permanently focused on not only complying with and observing Danish and international rules and conventions, but also on exhibiting responsible behaviour through regular control, optimisation, operationalisation and reporting to enhance the financial, social and environmental performance.

Reporting is typically done in connection with other reports to the management responsible. At present, the individual elements are not reported together as part of an overall CSR report, because the elements are believed to relate more to the individual divisions. The Board of Directors has decided that the diversity existing in the Group’s segment activities renders the preparation of common policies, frameworks, objectives and procedures for the future efforts on corporate responsibilities redundant.

North Media A/S is focusing on the following significant matters within the CSR work.

Pay and working conditions for the Group's many paper boys/girls and men/women
Thanks to its distributions business, North Media A/S is one of Denmark's largest workplaces for young employees.A paper boy/girl job is often the first time that money is earned outside the home. This imposes major demands on us as a business and our organisation, systems and procedures to ensure that each of our employees has a positive and favourable perception of their first job.

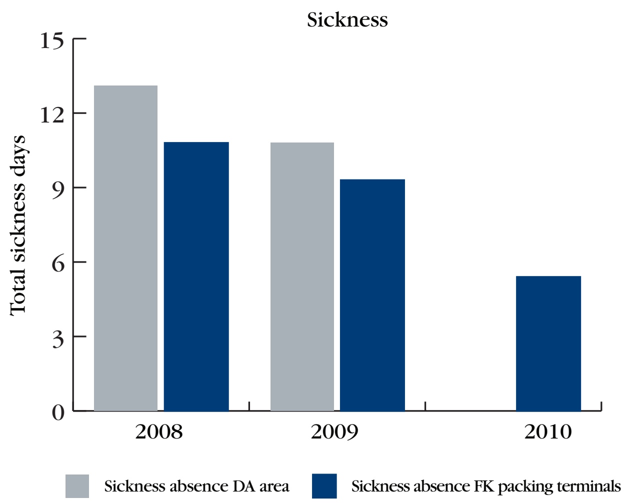
The introduction to the job is always given in dialogue with both the delivery boy or girl and his or her parents. Thorough instructions and follow-up are provided, and comprehensive instruction material has been prepared, which, based on many years' experience, is aimed at introducing the young paper boy or girl to the job before, during and after performance of the work.

To ensure that the employee always receives a pay reflecting the effort performed on the individual route, several checks are carried out, all with the aim of ensuring that we comply with the working environment rules and that the paper boys or girls receive a fair pay reflecting the work they do. The distribution business has a large number of employees who regularly provide instructions and perform evaluations and checks to ensure that we meet our ambitions.

Integration of "new Danes"
The Company's staff policy is based on it's strong standards of value, which aim at giving equal opportunities to everybody, and which require that, in principle, everybody must meet the same demands.

As a result, the 70% or so of the employees in the Group's two packing terminals are so-called new Danes who have been well integrated, and many of the jobs as supervisors are handled by new Danes. This in itself produces a cumulative effect on good integration.

Sickness absence
Throughout the last three years, sickness absence in production has been declining steadily, and has in 2010 dropped to 5.5 days a year including long-term illness. This corresponds to an absence rate of 2.65%. Below, sickness absence is displayed for the period 2008 to 2010 and compared to industry figures. Industry figures for 2010 are not available yet.The Group aims to sustain this favourable development, partly by continuing the very close staff involvement, but also by maintaining the systematic efforts to counter and prevent industrial accidents.



Consumption of newsprint and ink

North Media co-operates with a number of Denmark's largest and best printing facilities. North Media's business partners use standard paper approved by and purchased via Pressens Fællesindkøb (Procurement Association of the Danish Press). Pressens Fællesindkøb makes sure that the paper is produced in such a way that it meets the requirements of the Rio Convention of 1992. To put it in slightly simple terms, the Convention stipulates that the raw material must come from sustainable production areas and that it must be possible to produce renewable products.

To produce newsprint, wood mainly from Nordic forests, chips from sawmills, recycled paper and water are used. The water used in the production process is cleaned and recycled or returned to nature – cleaner than it was when it was pumped into production. No chlorine is used to bleach the newsprint.

Wood from tropical rain forests is not used, and for each two trees cut down for newsprint production three new trees are planted. The forest area is therefore increased year by year.

Printing ink consists of pigment. As for black printing ink, it consists of soot, binder made from resin and mineral or vegetable oil. It also contains chalk and a few other ingredients.

By far, most of the second-hand newspaper is recycled into egg cartons, kitchen rolls, toilet paper, corrugated cardboard or any other packaging material and into new newsprint.

Energy consumption

In 2010, the North Media Group started to carefully examine energy consumption at its owner-occupied property in Gladsaxe. The purpose of this examination has been to explore the possibilities of reducing energy consumption for servers and lighting as well as heating, ventilation and cooling systems.

The Group's buildings are generally new and fitted with low energy lighting, and the ventilation systems have been improved. In the past three years, the Group has focused on consolidating the considerable server farm. In doing so, it has decided to use low energy servers.

Technological developments have created new prospects, particularly within ventilation, cooling and lighting. Based on the careful examination of energy consumption made in 2010, the Group has set an ambitious goal to reduce the total energy consumption for Gladsaxe by 30% of the 2009 consumption by 2013, corresponding to a reduction of 620 MwH.

The efforts made to reduce the energy consumption for Gladsaxe have in 2010 resulted in significant changes in the management of the ventilation system. Therefore, expectations are that the energy consumption for heating and cooling of the building will be reduced by 35% from 2011, corresponding to a total reduction of 300 MwH. In addition, several other possibilities of reducing the energy consumption have been identified. The Group expects to take such measures in 2011 and 2012. As each of these measures is implemented and results can be measured by way of a reduction in actual energy consumed, the Group will apply relevant measures to both of the Group's distribution terminals.

Reports on the energy consumption for the three properties and a specification of the individual measures will be posted regularly on the Group's homepage.

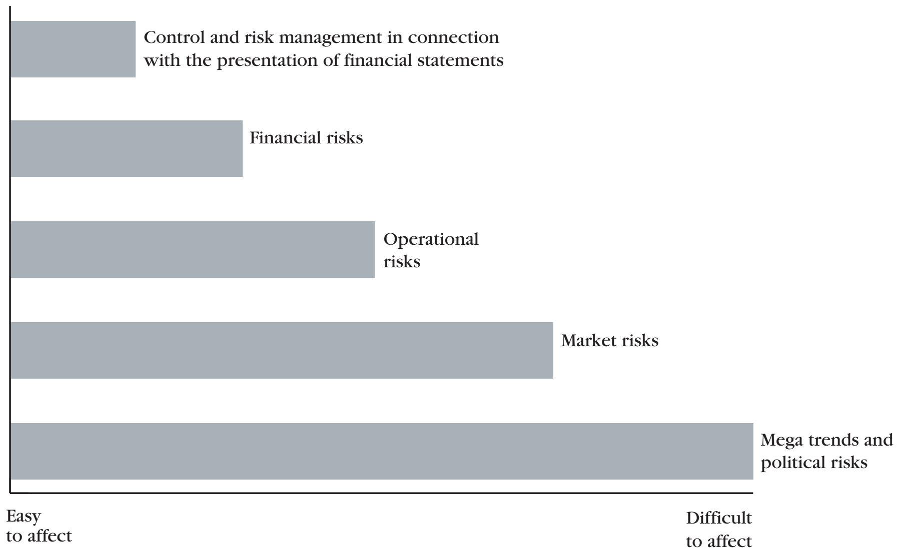
RISKS AND RISK MANAGEMENT

The Board of Directors carries out an annual review of the risk management systems, controls and policies.

The main purpose of the review is to ensure that risks which may be critical to the Group's ability to achieve the set targets are identified and uncovered.

Like the rest of the Group, the overall management of the risk area is based on the principles of the fundamental management structure, which is described in the section on Corporate Governance.The daily follow-up and management of risks are based on a structure of internal policies, concepts and procedures.

At North Media, risks are divided into five levels and illustrated as follows:



MEGATRENDS AND POLITICAL RISKS

Megatrends and political risks have a long incubation period and may materialise within a period of three years or more.

Megatrends are the trends and forces that globally set the direction for how and in what media, for example, companies advertise and communicate with their present and potential customers and how consumers can acquire the information they want at the right time and place. North Media wants to be at the forefront of this development and is therefore working actively on product development within both print and online activities and on connecting the two media in order to increase the value-in-use and the utility value for both advertisers and consumers.

Political and legislative regulation affects the segments of North Media to a greater or lesser degree. The printing activities can be sensitive to legislative amendments within elements forming part of the production and distribution of newspapers and unaddressed printed matter, such as the handling of paper waste or the employment of paper boys or girls under 18.

In Denmark, ensuring fair terms of competition in the distribution market is key to achieving satisfactory results. The future regulation of the market and the competition authorities' enforcement of such regulation are therefore essential. North Media works via the political system to ensure this.

Also, important amendments to, for example, the rent legislation may affect the Online segment.The tightening of for instance the regulations governing the operation of online portals offering rental property may prove an advantage as well as a disadvantage for North Media, which provides bona fide rental property services through Boligportal.dk.

The Management of North Media is targeting its efforts to ensure that political decision-makers have a well-documented and correct decision-making basis, and that the necessary insight into what factors affect and are of interest to North Media's stakeholders exists.

MARKET RISKS

Market risks affect all market participants in the markets in which North Media is operating. North Media defines market risk as being relevant now and within the next one or two years.

Like other companies, North Media is affected by the macroeconomic development. Due to their attachment to advertisement markets in general and recruitment advertisement markets in particular, the segments of the Group related to the recruitment market are greatly affected by economic trends. This applies to both recruitment advertisement revenue from the printed newspaper and to Ofir.dk as well as Matchwork. The other segments of the business, including the distribution of unaddressed printed matter for the retail trade in particular, are only to a limited extent affected by economic trends. The distribution of unaddressed printed matter to customers outside the retail trade is to some extent affected by economic trends.

For a great many years, the free newspaper market has been characterised by substantial excess capacity. This has led to a great pressure on prices and a reduction in average prices. This price pressure is expected to continue, for which reason investments are made in the automation of work processes to meet this price pressure. North Media is financially prepared to act in a market under pressure and to continue its product development efforts to minimise any further price erosion.

Newsprint is an essential commodity in the production of newspapers. As a result of the Group's membership of Pressens Fællesindkøb, it can buy newsprint at the same advantageous prices as other daily newspapers and free newspapers in Denmark. The market risk on newsprint prices is therefore limited.

Søndagsavisen's newspapers are printed in a narrow time window in the period from Thursday afternoon to Friday morning. To obtain satisfactory printing prices and avoid dependence on the printing facilities, the newspaper is printed by several different printing facilities. Additionally, attempts are made through long-term printing contracts to ensure that printing prices are always competitive and that any changes in printing prices can be adjusted through the advertisement prices.

The future business model is still uncertain within some areas of the online business. Continuous work is carried out on various models to ensure satisfactory earnings.

OPERATIONAL RISKS

Søndagsavisen defines operational risks as processes related to daily operations which, in the event of breakdown, may be detrimental to the Company's performance in the short or long term.

The largest risk associated with the printing activities is a breakdown of central IT systems or fire at terminals or office buildings. The most significant risks are found in connection with distribution activities, which, in the event of long-term breakdowns at the terminals, may affect the Group's performance significantly. The newspaper activities will only to a minor extent be affected by a possible IT breakdown because production can quickly be transferred to other servers. In the event of a breakdown at individual printing facilities, newspaper printing can be quickly redirected to other printing facilities because of the existence of idle capacity in the market.

In the distribution market, high quality is an important competitive parameter. North Media's distribution terminals in Taastrup and Tilst have been of great importance to the continuous quality improvement. Sorting systems pack the printed matter in household sets with a very small number of errors per thousand, and the distribution quality is ensured through training and control calls. North Media is co-operating closely with selected customers on an ongoing basis in order to continuously improve the level of quality.

The quality of the Søndagsavisen newspaper is managed via internal control procedures in the editorial and pre-press related processes, while the print quality is described in performance specifications for external printing facilities.

The IT facilities are consolidated at North Media's headquarters in Gladsaxe and have their own emergency power system, which automatically cuts in should the public power supply fail.

An emergency power system has also been established at the two distribution terminals in Taastrup and Tilst, making it possible to perform a controlled power down of the company's IT systems in the event of power failure.

All vital servers are duplicated and placed in physically separate server rooms, and backup procedures are run every night on all production servers to obtain two sets of identical data. Inergen, air conditioning and smoke, fire and humidity alarm systems have been installed.
North Media has decided to outsource the IT opera-

tions in Gladsaxe to Rambøll Informatik. The transfer of all servers and other IT equipment to Rambøll Informatik has begun. Expectations are that the transfer will be complete by mid-2011. As part of outsourcing the IT operations, North Media has decided to update the Group's processes in this area, including updating the Group's IT security policy.

All systems are protected by access controls which limit access to the functions that the individual employee needs. In addition, daily updates are performed of firewall, spam filters, anti-virus programs and scanning of mails for high-risk content.

In the insurance policy the Board of Directors has drawn up guidelines for the protection of the Group's assets and earnings as well as for risk prevention work and provided an overview of imminent financial risks and consequences.

Thus, for daily management purposes policies and manuals as well as backup procedures for the most important operational risks have been established. In addition, it is the Executive Board's and the Board of Directors' opinion that the Group is appropriately insured in terms of insurable risks and own risks.

FINANCIAL RISKS

North Media defines interest rate, liquidity, credit and currency risks as financial risks.

North Media has implemented a financial policy, which regulates the general frameworks for managing the Group's exposure to, for example, currency and interest rate movements. The policy sets out guidelines for risk hedging. Where financial instruments or other hedging is used, hedging is done for the sole purpose of reducing the future risk. North Media does not engage in speculative financial transactions.

Interest rate risks
The Group's policy is to hedge interest rate risks on the Group's long-term loans if it is found to be possible to secure the interest payments at a satisfactory level. Hedging is normally done by entering into interest rate swaps, under which floating-rate loans are converted into fixed-rate loans. For a detailed analysis of the Group's interest rate risks, see Note 40.

Liquidity risks
The Group undertakes liquidity management to ensure the availability of sufficient and flexible financial resources at any time. The risk of the liquidity situation suddenly and unexpectedly developing adversely and affecting the Group's investment and operational liquidity requirements is handled through a number of management tools. The planning of anticipated liquidity requirements and associated credit facilities is carried out in connection with the preparation of budgets and action plans. Such liquidity requirements are monitored on a monthly and a daily basis. Every month, a liquidity projection is made for a period of at least six months, and at least twice a year the projection is made for a minimum of twelve months.

The Group's aim is to have sufficient cash resources in order to be able to take appropriate action in the event of unforeseen fluctuations in liquidity.

The bank accounts of the Parent Company and the Danish subsidiaries are included in the Group's cash pool, which is monitored daily in order to optimise interest received and interest paid on the Group's total cash flows.

The Group's borrowing policy is to ensure maximum flexibility by spreading loans over the due dates/renegotiation dates having regard to their pricing.

A combination of short-term and long-term financing is arranged having regard to the anticipated liquidity requirements in the short term as well as in the long term. The Group regularly assesses the right composition having regard to future financing requirements. Efforts are made to obtain large-scale financing of the Group's properties through a long-term fixed-rate loan.

Credit risks
North Media is exposed to credit risks relating to receivables and deposits with banks. The maximum credit risk corresponds to the carrying amount.

North Media A/S' policy is to do business only with banks of a high credit rating. Loss on receivables is a business risk, and the risk of loss on a customer is weighted against the earnings potential on an ongoing basis. Loss on receivables has historically been limited in size.

Currency risks
In 2008 - 2010, the Group reduced its presence outside Denmark, having thereby reduced its total risk on transactions in foreign currency, to an entirely immaterial level.

The Group has a non-recognised receivable of approx SEK 250 million in connection with the sale of the remaining shares in GISAB that will be recognised and settled in 2011. A forward contract has been concluded on the sale of SEK 180 million at an average selling price of DKK/SEK 77.54. For further detail on the Group's currency risks and sensitivity, reference is made to note 40.

Capital management
The Group evaluates continuously the need to adapt its capital structure in order to weigh the higher equity return requirement against the increased uncertainty connected with borrowed funds.

It is the Group's policy to pay dividend to the extent it is found to be reasonable within the frameworks of the overall capital structure and cash.

CONTROL AND RISK MANAGEMENT IN CONNECTION WITH THE PRESENTATION OF FINANCIAL STATEMENTS

Detailed internal control and risk management systems have been established in connection with the process of presenting financial statements. The aim is to ensure that the internal and external financial reporting give a true and fair view free from material misstatement. Furthermore, the systems are to ensure that external interim management statements, interim reports and annual reports of the Group are presented in accordance with IFRS as adopted by the EU as well as additional Danish disclosure requirements for the presentation of financial statements of listed companies.

AUDIT COMMITTEE

The Company's Board of Directors is responsible for the overall management of the Company. The Board of Directors has set up an Audit Committee to supervise the Group's financial reporting procedures. The Audit Committee consists of two members from the Board of Directors of North Media. Members are appointed by the Board of Directors of North Media for a term of two years. The Audit Committee is composed of Peter Rasztar, Vice-Chairman of the Board of Directors, and Steen Gede. Peter Rasztar is chairman of the Audit Committee.

Members of the Committee must have an insight into accounting or auditing as well as experience of the conditions of listed companies. In addition, members of the Audit Committee must be independent, pursuant to the definition in Recommendations for Corporate Governance. The Board of Directors appoints the chairman of the Audit Committee.
The Audit Committee meets at least twice a year in connection with the external audit's preparation of audit book comments for the audit during the year and the year-end audit, respectively. Otherwise the Audit Committee meets as required.

The primary tasks of the Audit Committee are, on behalf of the Board of Directors, to monitor and supervise the financial information given in external financial reporting or any other important financial reporting and to ensure compliance with current legislation, standards and other reporting requirements. Furthermore, the Audit Committee reviews and evaluates the internal control procedures at least once a year with a view to evaluating the appropriateness of the controls and/or any weaknesses. The Audit Committee also considers the external auditor's audit plan and reviews the associated audit agreement and payment of fees as well as the auditor's management letters and audit book comments.

In 2010, four meetings were held (2009 three meetings).

DAY-TO-DAY MANAGEMENT

In recent years, the competencies of the entire financial organisation have been expanded, and departments have been centralised into fewer but larger groups to ensure enhanced efficiency, a good control environment and an appropriate segregation of functions. In addition, the use of the local financial systems of the subsidiaries and the activities has been upgraded and harmonised.

A number of different systems are used by North Media across the Group for purposes such as advertisement booking, invoicing, user payment, route planning, financial reporting and consolidation. The systems are, as far as possible, integrated to prevent data duplication and to reduce the risk of errors and enhance efficiency. Internal controls and reconciliations have been established to ensure the interrelationship of data from various sources. The control procedures include monthly reconciliations in connection with financial reporting.

Independent strategy and action plans as well as budgets have been prepared for the individual subsidiaries and activities. The plans and the budgets are checked against the monthly reporting. A detailed and standardised process is used to prepare annual strategy and action plans as well as budgets. In this process, significant risks are identified and it is decided how to handle them.
Based on instructions from the Board of Directors, including values for business management, guide-

lines for corporate governance and through co-operation with the Audit Committee, the Group Finance function has prepared systems for a detailed financial reporting process with built-in control procedures. The systems do not eliminate the risk of error and do not provide complete assurance that all errors are discovered and adjusted, but they ensure that risks are controlled and that material errors and defects are corrected. The most important processes are the following:

1 Reporting instructions and time schedule for the monthly financial reporting by subsidiaries and activities are circularised before the beginning of the financial year. In October extended instructions are circularised in connection with the preparation of the financial statements. The accounting and reporting instructions are supported by the Group's accounting policies, which for selected areas describe more detailed reporting requirements.

2 Significant accounting estimates, documentation of these and any possible accounting policy changes as a result of changed accounting rules etc. are reviewed by the Group Finance function before reporting instructions are circularised.

3 Monthly reporting is carried out in the Group's reporting system by subsidiaries and activities. The system, which is a standard reporting and consolidation system, ensures full transparency between reporting by the individual subsidiaries and the full consolidated financial statements. Reporting by the individual companies corresponds to the local bookkeeping, which in turn is in full accordance with the financial statements of subsidiaries. All differences between local bookkeeping / accounting policies and the Group's IFRS financial statements are handled at central level by Group Finance to ensure full understanding and ownership of these adjustments.

4 In connection with each monthly closing of accounts, significant balance sheet items are reconciled by the individual subsidiaries. Reconciliations and controls are made in accordance with checklists, and a specification and documentation hereof are saved. Reconciliation and controls comply with the guidelines to the effect that the risk of misstatements in each subsidiary's monthly financial statements are minimised and corrected. In 2010, an update of these guidelines has been initiated.

5 A number of controls are made at central level in Group Finance to ensure that the reported figures are correct. In addition, a number of points are checked to ensure that reporting is done in accordance with the Group's accounting policies.

6 In connection with acquisitions / divestments of companies, all relevant entries are controlled at central level. There is also a central model for the Group's allocation of purchase price by type of asset. Any value impairments of assets are also calculated at central level for all Group units.

7 In addition, a management report is prepared on the basis of the monthly financial reporting, comparing results with the action plan and the budget. Variances are explained, corrective actions proposed, the competitive situation described, an action plan status given etc. In connection with the presentation of quarterly statements, an updated estimate is prepared for the year's revenue and results.

8 The subsidiaries' and the activities' financial reporting is submitted to the central Group Finance function, which prepares consolidated, segment, subsidiary and activity financial statements as well as analyses for the Executive Board and the Board of Directors.

The contents of reporting to the Executive Board and the Board of Directors are evaluated continuously to ensure relevance in relation to focus areas and the Group's performance. Further, constant efforts are made to improve the efficiency of reporting and increase reporting speed. In this way, the Board of Directors and the Executive Board will quickly have correct and relevant information at their disposal.

SHAREHOLDER INFORMATION

The Group and NASDAQ OMX Copenhagen
In May 1996 North Media A/S was the first media group in Denmark to be listed on the NASDAQ OMX Copenhagen.

Company information

Address:	North Media A/S Gladsaxe Møllevej 28 DK - 2860 Søborg
Internet:	www.northmedia.dk
Telephone:	(+45) 39 57 70 00
Fax:	(+45) 39 66 74 15
E-mail:	investor@northmedia.dk
Reg no.:	66 59 01 19
Securities ID:	DK001027034-7
Auditors:	Deloitte
Bankers:	Nordea A/S

NORTH MEDIA A/S

Financial year
The Group's financial year follows the calendar year, and this Annual Report comprises the year ended 31 December 2010 the company's 30th financial year.

Annual General Meeting
The Annual General Meeting of shareholders will be held on Friday 25 March 2011 at 3.00 p.m. at Ingeniørforeningens Mødecenter A/S, Kalvebod Brygge 31-33, 1780 Copenhagen V, Denmark.

Share capital
The company's share capital is DKK 100.3 million, distributed on 20,055,000 shares of a nominal value of DKK 5.00 each.

Authorisation
The Board of Directors is authorised to increase the share capital one or several times by up to DKK 25.0 million.

Increases may take place through cash capital injections or otherwise. Increases may take place without any pre-emptive right for the Company's existing shareholders if the increase is effected at market price or as consideration for the Company's acquisition of an existing business or specified property values at a value corresponding to the value of the shares issued. Outside the cases described in the previous sentence, the shareholders have a pre-emptive right to subscribe for new shares. The authorisation is given for a period up to 1 May 2012.

Treasury shares
The Board of Directors is authorised to allow North Media A/S to acquire treasury shares up to an aggregate amount of 15% of the share capital in accordance with applicable law, provided that the acquisition is made at the market price in force at the time of purchase with a variance of plus or minus 5%. The authorisation has been granted for a period of five years, ending on 23 April 2015.

The Company's holding of treasury shares at 31 December 2010 amounted to 581,500 shares, corresponding to 2.90% of the shares.

Dividend
The Board of Directors recommends to the Annual General Meeting to be held on 25 March 2011 that no ordinary dividend be paid. When the sale of GISAB has been completed and the selling price has been received, the plan is to pay an extraordinary dividend of approx DKK 12 to 14 per share. This corresponds to DKK 240 to 280 million in total, and payment will take place in May 2011 pending a resolution on payment.

The Parent Company's income statement shows a profit of DKK 76.1 million. The Board of Directors recommends the following appropriation of the profit:

Appropriation of profit, DKKm	
Retained earnings at 1 January 2010	437.6
Other equity items	-6.4
Profit for the year	76.1
Dividend	-128.5
Investments in treasury shares	-22.0
Available for distribution	**356.8**

The Board of Directors submits the following appropriation of the profit for approval by the Annual General Meeting:

Retained earnings at 31 December 2010	356.8

Shareholders
The register of shareholders holding at least 5% of the share capital, which the Company keeps in accordance with the Danish Public Companies Act, included the following shareholders:

- Baunegård ApS
  Fredensborg Kongevej 49, 2980 Kokkedal

The principal shareholder is Richard Bunck, the founder of the company who privately and through a 100% owned and controlled holding company, Baunegård ApS holds 57.06% of the share capital. Most of the remaining share capital is placed with institutional investors.

The Board of Directors' and the Executive Board's share holding at 31 December 2010:

Board of Directors	**shares**
Richard Bunck	
(incl. Baunegård ApS)	11,442,816
Peter Rasztar	5,700
Steen Gede	1,170
Ulrik Holsted-Sandgreen	0
Total	**11,449,686**

Executive Board	
Lars Nymann Andersen, from 1/1 2011	0
Mads Dahl Møberg Andersen,	
up until 31/12 2010	116,418
Kåre Stausø Wigh	0
Arne Ullum Laursen	5,000
Total	**121,418**

Executive Board
At year-end 2010, the Company's Board of Directors and Executive Board, excluding Richard Bunck, controlled 128,288 shares, or 0.64% of the share capital.

In the financial year under review, the Company's Board of Directors and Executive Board, including Richard Bunck, purchased 8,800 shares net in the Company.

Share price
The market capitalisation of the Company's shares was DKK 722.0 million at the close of the financial year on 31 December 2010.

Contact with investors
North Media A/S has an open and uniform dialogue with investors and analysts so as to provide the stock market with optimum and adequate information about the Company.

Meetings with shareholders, investors, financial analysts and other stakeholders are held at regular intervals. Each year, the Company holds several large presentations.

Banks and stockbrokers monitoring North Media A/S:

Stockbroker	Name and phone No.
Nordea Markets	Dan Wejse (+45) 33 33 24 09

Corporate site
North Media A/S' corporate site www.northmedia.dk provides information about the Company, the Board of Directors, the Executive Board, shareholder information, etc.

Contact to investors
Lars Nymann Andersen, CEO
Kåre Stausø Wigh, CFO

Tel: (+45) 39 57 70 00
Fax: (+45) 39 66 74 15
E-mail: investor@northmedia.dk

Announcements 2010

21 January 2010:	Søndagsavisen a-s now expects a positive operating profit for 2009
9 March 2010:	Annual report 2009 for Søndagsavisen a-s
19 March 2010:	Notice convening the Annual General Meeting of Søndagsavisen a-s
19 March 2010:	The main point of the notice convening the Annual General Meeting of Søndagsavisen a-s
19 April 2010:	Distribution agreement with Dansk Supermarked extended until 31 December 2012
23 April 2010:	Minutes of General Meeting
23 April 2010:	Articles of Association
6 May 2010:	Q1 2010 Quarterly Announcement of North Media A/S
21 June 2010:	Major shareholder announcement
4 August 2010:	Interim Report 2010
4 August 2010:	Statement of leading management and related parties' trade with North Media A/S shares
11 August 2010:	Extraordinary dividend distribution
30 August 2010:	Statement of leading management and related parties' trade with North Media A/S shares
3 November 2010:	Interim management statement Q3 2010 of North Media A/S
12 November 2010:	Change in management
17 December 2010:	Financial calendar 2011 for North Media A/S

Announcements 2010

24 February 2011:	Notice convening the Annual General Meeting of North Media A/S

Financial calendar for 2011

3 March 2011:	Annual Report 2010
25 March 2011:	Annual General Meeting
5 May 2011:	Interim Management Statement Q1 2011
3 August 2011:	Interim Report 2011
4 November 2011:	Interim Management Statement Q3 2011

The Board of Directors' meeting calendar for 2011

Wednesday, 2 February 2011
Wednesday, 2 March 2011 / Thursday, 3 March 2011
Friday, 25 March 2011
Wednesday, 4 May 2011 / Thursday, 5 May 2011
Tuesday, 21 June 2011
Tuesday, 2 August 2011 / Wednesday, 3 August 2011
Wednesday, 7 September 2011
Thursday, 3 November 2011 /Friday, 4 November 2011
Thursday, 1 December 2011

Business Concept
To provide consumers with offers and information.

This is achieved:
- through the publication of ad-funded and household-distributed newspapers and through the distribution of printed matter, newspapers and samples to consumers
- through the offering of Internet services and advertisements targeted at users of the Internet.

Objective and strategy
Profitability being our primary objective, the Group aims to be one of the leading players within its primary areas of activity. In order to realise this objective, the Group's overall strategy is to be quality-oriented and expansive in the development of the organisation and our products.

North Media A/S operates in the financial front line, producing and selling against tough competition, where quality and personal effort make a difference.

For all our business areas, the driver of profitability is volume. It is therefore decisive that we achieve a significant share of the markets in which we operate.

Activities
The Company's activities are concentrated in two operating segments: *Print and Online.*

COMPANY DESCRIPTION

The Company was founded in 1965 with the distribution of unaddressed printer matter and newspapers as its principal activity.

In 1978, the Company expanded its activities and began to publish ad-funded newspapers that were distributed to households during weekends under the name of Søndagsavisen.

In 1996, the Internet activities commenced, becoming a new principal activity.

At the Annual General Meeting held on 23 April 2010 it was resolved to change the Company's existing legal structure to the effect that the name of the Group was changed from Søndagsavisen a-s to North Media A/S.

Under this new structure, the Group's Parent Company is the holding company of the operating companies of the group, with the exception of certain administrative group functions. Regular activities have been hived off into separate subsidiaries.

PRINT

SØNDAGSAVISEN

Søndagsavisen is distributed in approximately 1.3 million copies, roughly corresponding to 50% of the approximately 2.6 million households existing in Denmark. This makes Søndagsavisen the largest newspaper in Denmark by far, and no other Danish printed media are even close to circulation on this scale or have similarly broad readership and unique coverage.

Distribution areas and days

Søndagsavisen has undertaken comprehensive analyses to map the population's shopping, transport and relocation patterns. These behaviour patterns have formed the basis of Søndagsavisen's regional structure.

Based on these analyses, Søndagsavisen is the only example in Denmark of a national newspaper divided into 11 different regional editions and 23 sub-editions, each with its own characteristic features.

Søndagsavisen's editorial content is basically the same in all editions throughout the country, which makes the newspaper unique in comparison with local newspapers.

However, the advertisements in Søndagsavisen are adapted to regional conditions and the needs of individual readers. This makes the newspaper unique compared to daily newspapers.

By distributing Søndagsavisen at weekends, the newspaper reaches its readers when they have time to spare. The weekend has become a time of relaxation for families – a time for being together, for inspiration and for making joint decisions, be it on a new job or making a major purchase.

Editorial concept

Søndagsavisen is the most widely read newspaper in Denmark. As Søndagsavisen is intended to be the newspaper of the general public, the editorial concept focuses first and foremost on setting the Danes' agenda. For this reason, the newspaper mainly includes articles about consumption, food, personal finances, family and job life.

The newspaper focuses on providing unique news, profiles and good advice in these areas. The newspaper must provide relevant and entertaining reading matter. This is done by the Company's own permanent staff of journalists covering specialised topics as well as strategic partnerships with niche websites.

Søndagsavisen is an agenda-setting, positive and free weekly newspaper focusing on its readership. Its strong editorial staff enables it to provide its readers with entertaining and surprising journalism. The target group is modern parents in the 25 to 50 age group.

The reader

Søndagsavisen's strength lies in its large and broad circle of readers, its regionalisation and its household distribution.

Considering the approximately 1.4 million readers, the following characteristics are particularly noteworthy (Gallup 1st half of 2010):

- Just under 50% are aged between 25 and 50
- Approximately 30% have a higher education
- 81% have an influence on the purchases made by the household
- 72% live in an owner-occupied or co-operative housing unit.

A comparison of Søndagsavisen's readers with the population in general shows, among other things, that:

- Søndagsavisen has more readers aged between 25 and 50 than in the population in general. Many are families with children.
- Søndagsavisen has an overrepresentation of female readers, who typically determine most of the family's purchases. This makes Søndagsavisen a particularly attractive medium for retailers.

Value for advertisers
Søndagsavisen is known by a large portion of the Danish population and is Denmark's most widely read newspaper – with many readers among families with children. Consumers benefit from a newspaper delivered directly to their home during the weekend when they have time to read it – and with contents they look forward to reading.

By delivering the newspaper free of charge directly into the letterbox, Søndagsavisen reaches its readers in their own homes. Everybody has a letterbox or a letter slit, and everybody sees their mail. Not many media can achieve a level of penetration where potential readers pick up the newspaper, considering whether to read it or not.

Søndagsavisen's particular strength lies in the fact that the newspaper's readership is both actively and passively looking for information. Most decisions to change job or to make major purchases always take some time to mature. During this maturation period the decision-maker is receptive to influences, but is also passively looking for information. He is inspired by the information at hand without specifically looking for it. Since Søndagsavisen is distributed to households, it is at hand. This is why Søndagsavisen is such a strong medium.

HELSINGØR DAGBLAD

The company Helsingør Dagblad A/S publishes the daily newspaper Helsingør Dagblad and a free weekly newspaper in the North Zealand region called Lokalavisen Nordsjælland.

Helsingør Dagblad is a morning paper distributed to subscribers in Elsinore and its environs. The newspaper is published six days a week, Monday to Saturday, in approximately 5,400 copies. The newspaper is a politically independent publication covering news of a general nature in addition to local news. The newspaper is distributed by Helsingør Dagblad's own team of delivery men.

Lokalavisen Nordsjælland is distributed free of charge as a mid-week newspaper in Elsinore, Humlebæk, Espergærde, Snekkersten, Tikøb, Hornbæk, Ålsgårde, Hellebæk and Kvistgård. The newspaper is published in approximately 35,000 copies, 52 weeks a year. The journalistic content includes local news, entertainment and stories from many areas of interest while local advertisements from places such as the four major shopping centres in the area provide inspiration in the form of ideas and bargains.

FK DISTRIBUTION

Distributing sales messages directly to customers' homes is an extremely efficient way of marketing goods or services. The effect of unaddressed printed matter is considerably higher than when using other media channels and it is directly measurable in the sales volume of the businesses using this method of advertising.

FK Distribution is an independent subsidiary of the North Media Group, and it is Denmark's largest private company distributing weekly newspapers and unaddressed printed matter. FK Distribution is one of the most advanced and efficient companies of its kind in Europe, covering a minimum of 2.6 million households once a week. Every week, unaddressed printed matter and weekly newspapers are distributed to Danish households at the proper time and place and in proper condition.

Printed matter is packed mechanically at two distribution terminals in Taastrup and Tilst, ensuring efficient employment of resources and leading to much improved productivity. Preparation of printed matter for distribution has been automated to a great extent, and the quality control of the entire production process is among the best in Europe.

The distribution facilities are based on high-end GIS systems and a fine-meshed route network serviced by the company's numerous distributors. FK Distribution handles distribution activities via own distribution or through jointly owned companies and external collaboration partners. FK Distribution delivers unaddressed printed matter and weekly newspapers to all Danish households via a network of local depots and distributors, and is the only nationwide alternative to Post Danmark.

Products
Companies with a substantial requirement for distribution of information and advertisements often choose to have their own printed matter distributed to consumers' homes. This increases flexibil-

ity in terms of the shape and size of the material as well as the geographical distribution area. FK Distribution offers these companies a number of customer-specific distribution methods. The range of products includes unaddressed printed matter, newspapers, Chess Mail, Frontpage and analyses.

Household distribution of unaddressed printed matter and newspapers
This distribution method is directed at customers requiring distribution of unaddressed printed matter or newspapers to all households within a specific geographical area.

Chess Mail
Chess Mail is selective, unaddressed distribution of advertisements to groups of households with a uniform demographic profile. Selection according to certain criteria such as gender, age, type of housing, income, interests and purchase behaviour enables FK Distribution to identify the geographical areas where the customer's target group has the strongest presence. This will help the customer to achieve a more targeted and optimised distribution.

Frontpage
Frontpage is the cover wrapped around the unaddressed printed matter distributed to Danish households every week. The cover is a small four-page paper containing advertisements and coupons, offering quite unique exposure at a very low cost per thousand. The attention value is high and holds a great potential for advertisers to reach the consumers.

Analyses
As a separate business area, FK Distribution offers analyses of household characteristics in a given area. The analyses are designed to increase the benefits of the customer's marketing activities while supporting the distribution-oriented part of the company. Such analyses include:

- Customer analyses
- Twin analyses
- Area Analyses

FK Distribution has the most sophisticated systems and tools for target group and segment analyses. The analyses are performed by pooling data in FK Distribution's own database and information from Statistics Denmark as well as the customer's own customer database, if any. This enables FK Distribution to map the profile of a given customer segment or identify a statistically representative test area. This allows the customer to test the impact of a sales brochure before launching a major campaign.

Product development and growth strategy
In view of market developments and in order to meet its customers' future expectations of more targeted distribution, FK Distribution has developed a market strategy effective until 2015. The strategy involves expanding the market perspective from the market for unaddressed printed matter and weekly newspapers to the entire media market. FK Distribution's aim is to capture ad spending from other media channels, and a condition for this is that we move from solely distributing unaddressed printed matter and weekly newspapers to also serving as adviser in the use of printed matter.

Being a professional adviser on the use of printed matter means that FK Distribution must be able to offer impact documentation, customer and campaign analyses as well as new, more targeted products to our customers. Only in this way will we be able to capture ad spending from other media channels and change our customer relations into a closer and more valuable partnership.

BEKEY
Bekey A/S has developed an electronic key system to replace the ordinary "physical" key as we know it. The system is used for stairway entrance doors and private doors, giving users more flexible access compared to the ordinary key because it is sent from the Bekey server in encrypted form – through the telephone network – to the mobile phone (like a text message). The mobile phone may then be used to open doors equipped with a "Bekey door unit".

Besides being more flexible, the Bekey system also provides greater security for citizens, property managers and others because the keys cannot be copied easily, and their period of use may be limited, and they may be reset via the Bekey server should the mobile phone be lost.

The Bekey system is directly integrable into route planning systems and is therefore very relevant to businesses that generally experience difficulties in handling keys, for instance in connection with the distribution of advertising brochures, letter post and home care staff's access to private homes. All distributors, postmen or home care staff linked to the system via their route planning systems automatically receive electronic keys covering the period relevant to them, which makes individual management of key assignments superfluous. This will save many costs for the customers.

The Bekey system has already been installed in more than 1,200 stairway entrance doors on a test basis, and expectations are that many more will be installed in 2011, from which time the users of the system will also have to pay for using this service.

ONLINE

The North Media Group is one of Denmark's oldest providers of Internet-based services. Since the initiation of its activities in 1996, the Group has established a strong position in the market for Internet-based advertising services in Denmark.

Business areas

North Media has organised its Internet activities in seven business areas, each focusing on the specific requirements and needs of their customer group in relation to a professional provider:

- Ofir.dk
- Søndagsavisen.dk
- Lokalia.dk
- MatchWork.com
- BoligPortal.dk
- MinReklame.dk
- BostadsPortal.se

OFIR AND SØNDAGSAVISEN. TWO MEDIA – ONE JOB MARKET

For more than 30 years, Søndagsavisen has been an important medium for advertising job vacancies.

Similarly, since 1996, Ofir.dk has been a specialised Internet service where job seekers can find new jobs, and employers new staff.

The two media supplement each other in that, being an Internet site, Ofir particularly attracts the active job seekers whereas Søndagsavisen's strength mainly should be seen in relation to the passive job seekers - the candidates who are not actively looking for a new job, but are tempted when they spot an interesting position.

In 2009, the two organisations, which had until then serviced their respective media on the job advertisement market, were merged. First under the name of Kandidathuset and from 2011 as Ofir & Søndagsavisen. Two media – one job market. This organisation handles all tasks involving recruitment and job advertising for both media.

Both Ofir.dk and Søndagsavisen have developed a range of advanced IT implements for handling of employers' recruitment tasks and tools that enable employers to compose and create their own advertisements for the Internet and printed media.

Having accessed the Ofir.dk website, employers and employees can use the self-service functions to recruit new employees or find new jobs, respectively.

SØNDAGSAVISEN.DK

Søndagsavisen.dk is the family site which makes life a little bit easier and everyday life a little more fun for the user. Søndagsavisen.dk supports the printed version of Søndagsavisen with articles, food plans, etc. available online, and it brings news, lists and guides from Søndagsavisen to families.

Søndagsavisen.dk is a transparent site dealing with the lives of Danish families, getting right to the heart of their interests: personal finances, living togehter, worklife, holiday, food and health.

Søndagsavisen.dk also provides Forum services such as Mail, Chat and Dating services, which altogether meet the ambition of being the Danes' preferred place to meet online.

The primary target group of Søndagsavisen.dk matches that of the printed target group.

Søndagsavisen.dk's business is based primarily on revenue from banner advertisements and affiliate agreements, and secondarily on revenue from user payments.

LOKALIA.DK

The objective of Lokalia.dk is to become the Danes' preferred local news site because it covers hyper-local and local news better than anyone else.

In 2010, Lokalia-dk was tested by four municipalities. Following a number of serious problems with the platform, the site is now ready to be launched to a larger group of users, and the aim is for the site to be operational in 50 municipalities by the end of 2011.

The fundamental idea behind the Lokalia concept is to sort and prioritise large amounts of local news from databases, local editors and users based on the home address of each user. In other words, the user is given a site with news selected uniquely in return for providing his home address.

Lokalia.dk is based on locally rooted partners who are to build up and maintain lokalia.dk in a catchment area normally defined as a municipality. The local partner is responsible for the local production of news and stories, advertisements sold locally as well as for generating traffic to lokalia.dk in his own catchment area.

Lokalia.dk's business model must be attractive to both the local partner and North Media A/S. For the local partner, business is primarily generated through local banner advertisements and secondarily through income from user payments and advertisements on the yellow pages. For North Media A/S, business is primarily generated through geographically segmented banner advertisements and partnerships and secondarily through income from user payments and advertisements on the yellow pages.

Geographically segmented banner advertisements are considered a strong new marketing platform for all industries wishing to target a marketing message at very small regions or particular addresses.

MATCHWORK.COM
MatchWork.com develops and hosts an Internet-based "Software as a Service" platform for media enterprises that wish to carry on job portal business under their own brand.

Today, the product is being sold in the Danish, Swedish, Norwegian, German and UK markets. In 2010, MatchWork.com launched a new state-of-the-art technology platform, which supports all known earnings flows within the job portal area, and which also provides cost-effective operations and application adaptation. The customer can also participate in a shared network, creating a higher transaction volume for the benefit of customers and users alike. MatchWork signed a number of new agreements in 2010, consolidating its business in the German and UK markets.

BOLIGPORTAL.DK
BoligPortal.dk was established in 1999 to make it easier for tenants and landlords to get into touch with each other. Today, however, it is operating within both home sales and rentals. The company operates BoligPortal.dk, which has more than 150,000 hits a month.

BoligPortal.dk is Denmark's largest market place for rental housing with more than 7,000 new rental housing units being added every month, making BoligPortal.dk a clear market leader. In 2010 more than 50,000 rental housing units were rented through Boligpotal.dk. This position is ensured by providing the market's most efficient match of landlords and people seeking housing. BoligPortal.dk is based on the principle of free housing advertising for landlords and the principle of free home seeking for home seekers. However, purchasing a package of additional services will significantly optimise the home seeking process.

BoligPortal.dk operates an owner-occupied housing portal where sellers may put up their homes for sale. Also, buyers and sellers are offered a range of services. All housing units currently up for sale in Denmark are listed together with the selling prices realised on units sold since 1992. In addition, users may gain greater insight into the housing market through a Negotiation Report. Based on actual selling prices of comparable housing units, the Negotiation Report makes it possible to evaluate the pricing of a housing unit.

BoligPortal.dk is among the definitely fastest growing companies in Denmark, and in 2007, 2008 and 2009 it was awarded the title of Gazelle Company by the daily newspaper Børsen.

MINREKLAME.DK
MinReklame.dk, which the Group acquired on 1 November 2007, is Denmark's leading digital distribution company for supermarket leaflets and retail catalogues. MinReklame is focused on online marketing and on helping Danish retail chains in attracting customers to their shops.

MinReklame.dk markets leaflets and catalogues for more than 60 of Denmark's largest retail chains on MinReklame.dk and Forbrugermail.dk. Digital distribution enables retail chains to have their publications shown when the consumer needs them and seeks them, and to reach a large number of the consumers under the Post Danmark "No ads, please" scheme. Furthermore, MinReklame is responsible for a large number of other online marketing products directed at Danish retail chains, including advertisements in newsletters and on websites, and traffic/visits on websites and webshops.

MinReklame.dk is among the definitely fastest growing companies in Denmark, and in 2008, 2009 and 2010 it was awarded the title of Gazelle Company by the daily newspaper Børsen.

BOSTADSPORTAL.SE
Væksthuset has via the website BostadsPortal.se started a Swedish counterpart to the Danish BoligPortal.dk. The website is still under development and has not generated any revenue yet.

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

We have today presented the Annual Report of North Media A/S for the financial year 1 January - 31 December 2010.

The consolidated financial statements are presented in accordance with International Financial Reporting Standards as adopted by the EU, and the parent financial statements are presented in accordance with the Danish Financial Statements Act. Further, the Annual Report is prepared in accordance with additional Danish disclosure requirements for listed companies.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent Company's financial position at 31 December 2010 as well as of their financial performance and their cash flows for the financial year 1 January - 31 December 2010.

We also believe that the management commentary contains a fair review of the development in the Group's and the Parent Company's business and of their financial position as a whole together with a description of the principal risks and uncertainties that they face.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Søborg, 3 March 2011

Executive Board

Lars Nymann Andersen
Chief Executive Officer

Kåre Stausø Wigh
Chief Financial Officer

Arne Ullum Laursen
Media Director

Board of Directors

Richard Bunck
Chairman

Peter Rasztar
Vice Chairman

Steen Gede

Ulrik Holsted-Sandgreen

Adoption
As presented and adopted at the Annual General Meeting of shareholders on 25 March 2011.

As chairman of the meeting:

INDEPENDENT AUDITOR'S REPORT

To the shareholders of North Media A/S

Report on the consolidated financial statements and parent financial statements
We have audited the consolidated financial statements and parent financial statements of North Media A/S for the financial year 1 January - 31 December 2010, which comprise the income statement, balance sheet, statement of changes in equity and notes, including the accounting policies, for the Group and the Parent, respectively, as well as the statement of comprehensive income and the cash flow statement of the Group. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the parent financial statements have been prepared in accordance with the Danish Financial Statements Act. Further, the consolidated financial statements and parent financial statements have been prepared in accordance with Danish disclosure requirements for listed companies.

Management's responsibility for the consolidated financial statements and parent financial statements
Management is responsible for the preparation and fair presentation of consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies as well as the preparation and fair presentation of parent financial statements in accordance with the Danish Financial Statements Act and Danish disclosure requirements for listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements and parent 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.

Auditor's responsibility and basis of opinion
Our responsibility is to express an opinion on these consolidated financial statements and parent financial statements based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements and parent 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 parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and parent financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of consolidated financial statements and parent 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements and parent 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 give a true and fair view of the Group's financial position at 31 December 2010, and of its financial performance and its cash flows for the financial year 1 January - 31 December 2010 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Further, in our opinion, the parent financial statements give a true and fair view of the Parent's financial position at 31 December 2010, and of its financial performance for the financial year 1 January - 31 December 2010 in accordance with the Danish Financial Statements Act and Danish disclosure requirements for listed companies.

Statement on the management commentary
Management is responsible for preparing a management commentary that contains a fair review in accordance with Danish disclosure requirements for listed companies.

Our audit did not include the management commentary, but we have read it pursuant to the Danish Financial Statements Act. We did not perform any procedures other than those performed during the audit of the consolidated financial statements and parent financial statements.

Based on this, we believe that the disclosures in the management commentary are consistent with the consolidated financial statements and parent financial statements.

Copenhagen, 3 March 2011

Deloitte
Statsautoriseret Revisionsaktieselskab

Kim Mücke State Authorised Public Accountant	Jens Baes State Authorised Public Accountant


SØNDAGSAVISEN
Danmarks mest læste avis
Årets politiske brøler?
Den perfekte kaffe
Se, hvilken kaffemaskine der klarer sig bedst i test
Fyringer efter julefrokost

Note		2010 DKKm	2009 DKKm
	Revenue	1,138.7	1,028.5
	Direct expenses	400.0	366.9
7	Direct staff costs	203.0	219.9
	Gross margin	**535.7**	**441.7**
7	Staff costs	267.2	273.1
9	Other costs	118.9	99.8
17, 18	Amortisations and depreciation	46.2	55.4
	Other operating income	6.8	6.1
	EBIT before special items	**110.2**	**19.5**
13	Special items, net	-28.0	-13.2
10	Share of profit in associates	16.5	1.5
11	Financial income	9.6	2.0
11	Financial expenses	-5.3	-6.4
	Profit before tax, continuing operations	**103.0**	**3.4**
14	Tax, continuing operations	15.3	6.9
	Net profit, continuing operations	**87.7**	**-3.5**
6	Profit of disposal of subsidiaries	-0.3	10.7
6,12	Net profit, discontinued operations	-1.6	1.9
	Net profit for the year	**85.8**	**9.1**
	Translation adjustments, foreign companies	1.6	1.8
	Fair value adjustment of hedging instruments	-11.9	0.0
	Tax, other comprehensive income	3.0	0.0
	Other comprehensive income	**-7.3**	**1.8**
	Comprehensive income	**78.5**	**10.9**
	Attributable, net profit:		
	Shareholders in North Media A/S	79.0	4.7
	Minority interests	6.8	4.4
		85.8	**9.1**
	Attributable, comprehensive income:		
	Shareholders in North Media A/S	71.7	6.5
	Minority interests	6.8	4.4
	Net profit for the year	**78.5**	**10.9**
15	**Earnings per share, in DKK**		
	Earnings per share (EPS) – total	4.0	0.2
	Diluted earnings per share (EPS-D) – total	4.0	0.2
	Earnings per share (EPS) – continuing operations	4.1	-0.3
	Diluted earnings per share (EPS-D) – continuing operations	4.0	-0.3

ASSETS

Note		2010 DKKm	2009 DKKm
	Goodwill	39.1	43.0
	Other intangible assets	19.5	24.2
	Completed development projects, software	3.2	31.6
	Development projects in progress	0.0	4.4
17	**Intangible assets**	**61.8**	**103.2**
	Land and buildings	308.4	315.5
	Plant and machinery	59.5	72.2
	Operating equipment, fixtures and fittings	14.6	20.0
18	**Property, plant and equipment**	**382.5**	**407.7**
20	Investments in associates	2.6	8.0
	Deferred tax asset	0.6	0.0
	Other securities and investments	3.7	3.9
	Other receivables	1.5	1.7
	Other non-current assets	**8.4**	**13.6**
	Total non-current assets	**452.7**	**524.5**
21	Trade receivables	83.8	64.5
	Receivables from associates	1.3	0.7
	Income tax receivable	5.7	0.0
	Other receivables	5.5	12.8
	Prepayments	14.2	13.1
22	Securities	48.8	0.0
34	Cash	99.4	155.3
	Total current assets	**258.7**	**246.4**
18,20	Assets held for sale	50.8	32.0
	Total current assets	**309.5**	**278.4**
	Total assets	**762.2**	**802.9**

EQUITY AND LIABILITIES

Note		2010 DKKm	2009 DKKm
	Share capital	100.3	100.3
	Treasury shares	-22.6	-0.6
	Hedging reserves	-13.9	-5.0
	Revserve, translation adjustments	-4.0	-5.6
	Retained earnings	426.7	475.4
	Parent Company's share of shareholders' equity	**486.5**	**564.5**
	Minority interests	11.7	8.9
24	**Total equity**	**498.2**	**573.4**
23	Deferred tax	0.0	1.8
25	Financial institutions	77.3	82.6
26	Fair value, interest-rate swap	9.0	6.7
	Total non-current liabilities	**86.3**	**91.1**
25	Financial institutions	4.2	3.1
	Trade payables	47.7	36.1
27	Income tax	0.0	2.6
28	Other payables	96.2	82.3
	Deferred income	20.0	14.3
29	Fair value, forward exchange contract	9.6	0.0
	Total current liabilities	**177.7**	**138.4**
	Total liabilities	**264.0**	**229.5**
	Total equity and liabilities	**762.2**	**802.9**

NORTH MEDIA A/S

DKKm 2010	Share capital	Treasury shares	Hedging reserves	Reserve, translation adjustment	Retained earnings	Parent Company's total share	Minority interests	Total equity
Equity 1 January 2010	**100.3**	**-0.6**	**-5.0**	**-5.6**	**475.4**	**564.5**	**8.9**	**573.4**
Changes in equity 2010								
Net profit for the year	0.0	0.0	0.0	0.0	85.8	79.0	6.8	85.8
Translation adjustments, foreign companies	0.0	0.0	0.0	1.6	1.6	1.6	0.0	1.6
Fair value adjustment of hedging instruments	0.0	0.0	-11.9	0.0	-11.9	-11.9	0.0	-11.9
Tax, other comprehensive income	0.0	0.0	3.0	0.0	3.0	3.0	0.0	3.0
Other comprehensive income	**0.0**	**0.0**	**-8.9**	**1.6**	**-7.3**	**-7.3**	**0.0**	**-7.3**
Total comprehensive income	**0.0**	**0.0**	**-8.9**	**1.6**	**79.0**	**71.7**	**6.8**	**78.5**
Purchase of treasury shares	0.0	-22.0	0.0	0.0	0.0	-22.0	0.0	-22.0
Dividend distributed and cash remuneration	0.0	0.0	0.0	0.0	-130.4	-130.4	-4.0	-134.4
Dividend, treasury shares	0.0	0.0	0.0	0.0	1.9	1.9	0.0	1.9
Share-based payments	0.0	0.0	0.0	0.0	0.8	0.8	0.0	0.8
Total changes in equity in 2010	**0.0**	**-22.0**	**-8.9**	**1.6**	**-48.7**	**-78.0**	**2.8**	**-75.2**
Equity at 31 December 2010	**100.3**	**-22.6**	**-13.9**	**-4.0**	**426.7**	**486.5**	**11.7**	**498.2**

2009	Share capital	Treasury shares	Hedging reserves	Reserve, translation adjustment	Retained earnings	Parent Company's total share	Minority interests	Total equity
Equity 1 January 2009	**111.4**	**-72.7**	**-5.0**	**-7.4**	**579.6**	**605.9**	**55.5**	**661.4**
Changes in equity 2009								
Net profit for the year	0.0	0.0	0.0	0.0	9.1	4.7	4.4	9.1
Translation adjustments, foreign companies	0.0	0.0	0.0	1.8	1.8	1.8	0.0	1.8
Other comprehensive income	**0.0**	**0.0**	**0.0**	**1.8**	**1.8**	**1.8**	**0.0**	**1.8**
Total comprehensive income	**0.0**	**0.0**	**0.0**	**1.8**	**10.9**	**6.5**	**4.4**	**10.9**
Addition of minority interests, net	0.0	0.0	0.0	0.0	0.0	0.0	-51.0	-51.0
Capital reduction	-11.1	72.7	0.0	0.0	-61.6	0.0	0.0	0.0
Purchase of treasury shares	0.0	-0.6	0.0	0.0	0.0	-0.6	0.0	-0.6
Dividend distributed	0.0	0.0	0.0	0.0	-50.1	-50.1	0.0	-50.1
Share-based payments	0.0	0.0	0.0	0.0	2.8	2.8	0.0	2.8
Total changes in equity in 2009	**-11.1**	**72.1**	**0.0**	**1.8**	**-104.2**	**-41.4**	**-46.6**	**-88.0**
Equity at 31 December 2009	**100.3**	**-0.6**	**-5.0**	**-5.6**	**475.4**	**564.5**	**8.9**	**573.4**

Note		2010 DKKm	2009 DKKm
	Net profit, continuing operations	**87.7**	**-3.5**
30	Adjustments for non-cash operating items	69.1	81.8
31	Changes in working capital	18.2	-28.5
	Cash flow from operating activities before net financials	**175.0**	**49.8**
	Interest received	0.4	0.2
	Interest paid	-4.6	-5.1
	Cash flow from ordinary activities before tax	**170.8**	**44.9**
14	Income tax paid	-23.1	-3.9
	Cash flow from operating activities, continuing operations	**147.7**	**41.0**
	Cash flow from operating activities, discontinued operations	-1.6	34.1
	Cash flow from operating activities, total	**146.1**	**75.1**
32	Investments in intangible assets and property, plant and equipment	-9.5	-24.5
	Disposals of intangible assets and property, plant and equipment	1.8	2.8
20	Dividend from associates	4.5	9.2
	Investment in other non-current assets	0.4	0.2
	Investment in securities	-40.6	0.0
	Dividend from securities	0.4	0.0
	Purchase of minority interest, Helsingør Dagblad A/S	0.0	-36.6
20	Investment's in associates	0.0	-4.5
	Cash flow from investing activities, continuing operations	**-43.0**	**-53.4**
33	Cash flow from investing activities, discontinued operations	-0.3	177.4
	Cash flow from investing activities, total	**-43.3**	**124.0**
	Repayment of non-current liabilities	-4.2	-3.4
	Dividend to minority shareholders	-4.0	0.0
	Investment in treasury shares	-22.0	-0.6
	Dividend to shareholders	-128.5	-50.1
	Cash flow from financing activities, continuing operations	**-158.7**	**-54.1**
	Cash flow from financing activities, discontinued operations	0.0	0.0
	Cash flow from financing activities, total	**-158.7**	**-54.1**
	Changes in cash and cash equivalents	**-55.9**	**145.0**
	Cash and cash equivalents at 1 January	**155.3**	**10.3**
34	**Cash and cash equivalents at 31 December**	**99.4**	**155.3**


Den perfekte kaffe
Se, hvilken kaffemaskine der klarer sig bedst i test
Fyringer efter juledruk
Pas på, hvad du fortæller din chef til julefrokosten
Pensionspenge er i fare
Vi lokkes til ordninger med lavt afkast og uden garanti
Lesbisk mor som 57-årig
Anne Linnet er træt af fordomme og diskrimination
SØNDAGSAVISEN
Ugens job: 80
Danmarks mest læste avis
Årets politiske brøle
Frøkjær forelsket
ALLSIZE

Notes – Accounting policies		Page
1	Accounting policies in general	42
2	Accounting policies	42
3	Ratio definitions	50
4	Significant accounting estimates	51
Notes – Consolidated income statement		
5	Segment information	52
6	Profit on disposals of subsidiaries and result of discontinued operations	54
7	Employees and staff costs	55
8	Share-based payment	56
9	Fee to the auditors app. by the Company in general meeting	57
10	Share of profit of associates after tax	57
11	Net financials	57
12	Income statement, discontinued operations	58
13	Special items	59
14	Income taxe	59
15	Earnings per share	60
16	Dividend per share	60
Notes – Consolidated balance sheet		
17	Intangible assets	61
18	Property, plant and equipment	63
19	Investments in Joint Ventures	64
20	Investments in associates	64
21	Trade receivables	65
22	Securities	65
23	Deferred tax	65
24	Equity	66
25	Debt to financial institutions etc.	68
26	Fair value, interest-rate swap	68
27	Income tax	68
28	Other payables	69
29	Fair value, forward exchange contract	69
Notes – Consolidated cash flow statement		
30	Adjustments for non-cash operating items	69
31	Changes in working capital	69
32	Investments in intangible assets and property, plant and equipment	69
33	Net cash flow from investing activities in discontinued operations	70
34	Cash and cash equivalents	70
Notes – Supplementary information		
35	Operating leases and rent obligation	70
36	Contingent assets and liabilities and guarantee obligations	71
37	Security for loan	71
38	Related parties	72
39	Subsequent events	72
40	Financial risks	73
41	Carrying amount of financial assets and liabilities	77

1 Accounting policies in general

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports for listed companies and the Danish Executive Order on Adoption of IFRSs issued in accordance with the Danish Financial Statements Act.

The income statement is presented classified by nature.

New and revised Standards and Interpretations

The following new and revised Standards and Interpretations have been implemented in the annual report for 2010:

- Revised IFRS 3, Business Combinations. The main changes relate to recognition of the goodwill of the entity acquired, recognition and subsequent accounting treatment of contingent purchase consideration as well as recognition of acquisition costs. In 2010, the Group did not carry out transactions that were influenced by the said changes.
- Revised IAS 27, Consolidated and Separate Financial Statements. The main changes relate to the accounting treatment of transactions which lead to changes in the Group's ownership interest in its subsidiaries. In 2010, the Group did not carry out such transactions.
- Amended IAS 39, Financial Instruments: Recognition and Measurement. The changes specify the provisions governing the hedging of inflation risks and the use of options as hedging instruments. This has no relevance to the Group.

The implementation of the amendments has not resulted in any changes in profit or loss, equity or balance sheet total.

Standards and Interpretations that have not yet become effective

At the time of publication of this annual report, a number of new or revised Standards and Interpretations exist that have not yet become effective, for which reason they have not been incorporated in this Annual Report. Management believes that they will not impact significantly on annual reports for the coming financial years.

Presentation currency

The Annual Report is presented in Danish kroner.

2 Accounting policies

Consolidated financial statements

The consolidated financial statements comprise the Parent Company North Media A/S and the subsidiaries in which North Media A/S has a controlling interest. Control exists where North Media A/S owns or holds, directly or indirectly, more than 50% of the voting rights or otherwise exercises control over the enterprise concerned. Enterprises, in which the Group holds between 20% and 50% of the voting rights and exercises a significant, but not controlling, influence, are considered associates. In assessing whether North Media A/S has control or significant influence, potential voting rights are taken into account.

The consolidated financial statements are prepared by consolidating the audited financial statements of the Parent Company and the relevant group enterprises, all of which are presented in accordance with the Group's accounting policies. All intra-group items, including revenue, expenses, interest, dividends, unrealised gains and losses on intra-group transactions, as well as balances and investments, are eliminated for the purpose of consolidation.

Investments in subsidiaries are offset against the proportionate share of the fair value of the subsidiary's identifiable net assets and recognised contingent liabilities at the time of acquisition.

Business combinations

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the date of acquisition or establishment. Enterprises sold or discontinued are recognised in the consolidated income statement up to the time of sale or discontinuance. Comparatives are not restated for enterprises newly acquired, sold or discontinued, unless sold or discontinued enterprises uphold the conditions under IFRS 5 to be presented as discontinued activities.Purchases of new enterprises which give the Parent Company control over the enterprise acquired, are accounted for by applying the purchase method, according to which the identifiable assets, liabilities and contingent liabilities of the acquired enterprises are measured at fair value at the time of acquisition. Identifiable intangible assets are recognised if they can be separated from or arise from a contractual right. Deferred tax is recognised on the revaluations.

In respect of business combinations that have arisen since 1 January 2004, positive differences (goodwill) between the cost of the acquisition and the fair value of the identifiable assets, liabilities and contingent liabilities acquired are recognised as goodwill under intangible assets. Goodwill is not amortised but is tested for impairment.The first impairment test is carried out before the end of the year of acquisition. On acquisition, goodwill is allocated to the cash-generating units which subsequently provide the basis for the impairment test. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the Group's presentation currency are treated as assets and liabilities of the foreign entity and are translated into the foreign entity's functional currency at the exchange rate ruling on the transaction date. Negative differences (negative goodwill) are recognised in the income statement at the time of acquisition.

Gains or losses on the disposal of group enterprises and associates are made up as the difference between the selling price and the carrying amount of net assets inclusive of goodwill at the time of sale and selling expenses.

Joint Ventures

Enterprises where joint management has been agreed with one or more other enterprises are regarded as Joint Ventures and are included by pro rata consolidation.This means that the proportionate share of the enterprise's income statement and balance sheet items is included in the corresponding items in the consolidated financial statements and that proportionate elimination of intra-group items is carried out.

Currency translation

Danish kroner is used as the functional currency.All other currencies are regarded as foreign currencies.

On initial recognition transactions in foreign currencies are translated at the exchange rate at the date of the transaction. Any exchange differences between the exchange rate at the date of the transaction and the exchange rate at the date of payment are recognised in the income statement under financial income and expenses.

Receivables, payables and other monetary items denominated in foreign currency which have not been settled at the balance sheet date are translated at the closing rate. Differences between the closing rate and the exchange rate at the time when the receivable or payable has occurred or is recognised in the latest financial statements are recognised in the income statement under financial income and expenses.

On recognition of foreign subsidiaries and associates in the consolidated financial statements using a functional currency different from the presentation currency of the Group, the income statement is translated at the average exchange rate for each month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Exchange differences arising from the translation of the opening equity of foreign group enterprises at closing rates and exchange differences from the translation of income statements from average rates to closing rates are taken directly to the comprehensive income.

Exchange adjustments of accounts with foreign enterprises which are regarded as part of the total net investment in the enterprise concerned are taken directly to the comprehensive income.

Derivative financial instruments

Derivative financial instruments are initially recognised at cost and subsequently measured at fair value. Positive and negative fair values are recognised as other receivables and other payables, respectively.

Fair value adjustments of derivative financial instruments classified as hedges of expected future cash flows are recognised in other comprehensive income and is included in equity under a separate hedging reserve until the hedge transaction is carried through.

STATEMENT OF COMPREHENSIVE INCOME

Revenue

Revenue comprises income from Print and Online for services rendered less VAT, cash and quantity discounts.

Online income comprises job and banner ads, user charges as well as sales of software for classified advertisement databases, including in particular Job & CV databases. Sales of job and banner ads are recognised when the ad is published on the Internet site. Software sales are recognised when delivery and risk have passed to the purchaser. Online income imposing future liabilities on the Group is recognised over the life of the liability.

Print income comprises newspaper ads and household-distributed newspapers and printed matter. Sales are recognised on the day of publication/distribution.

Direct expenses

Direct expenses include expenses incurred to generate revenue for the year. The expenses comprise printing, external distribution, distribution services, excluding direct staff costs, and hosting service.

Direct staff costs

Direct staff costs include costs of staff in functions performed directly to generate the year's revenue, including distribution pay and costs of warehouse and other production functions.

Staff costs

Staff costs include wages and salaries as well as social security costs, pensions etc for the Company's staff in production management, sales and administrative functions.

Other costs

Other costs include costs of sale, advertising, administration, premises, bad debts etc. Costs relating to development projects which do not satisfy the criteria for recognition in the balance sheet are recognised under other external expenses.

Amortisation and depreciation

Amortisation and depreciation comprise amortisations and depreciation of intangible assets and property, plant and machinery over the expected useful life of the individual asset. Profit from the sale of intangible assets and property, plant and equipment is calculated as the selling price less selling expenses and the carrying amount at the time of sale.

Other operating income

Other operating income includes items of a secondary nature relative to the activities of the enterprises. The item primarily includes invoicing of overhead costs for group companies consolidated on a pro rata basis. Their shares are not eliminated in the consolidated financial statements.

Share option programme

The value of options granted in relation to the Group's share option programme is measured at the fair value of the options at the time of granting.

The Group's share option programme can solely be utilised by acquiring shares in North Media A/S, and is therefore classified as an equity capital programme, whereby the determined ascertained fair value at the time of granted share options is recognised in the income statement under staff costs over the period in which the final right to the options vests. The counter-item is carried directly to equity.

On initial recognition of the share options, an estimate is made of the number of options to which the employees are expected to acquire a right, see the granting conditions described in notes 8 and 23. Subsequently, adjustments are made for changes in the estimate of the number of vested options so that the total recognition is based on the actual number of vested options.

The fair value of the options granted is estimated by using the Black Scholes pricing model. In this estimate, allowance is made for the terms and conditions that apply to the share options granted.

Special items
Special items include significant income and expenses which are not directly attributable to the Group's normal operating activities, but are related to single events. Special items also include significant amounts of a non-recurring nature such as amortisation of goodwill or other assets which are written down as a result of special conditions.

Profits or losses from investment in associates
The proportionate shares of the net profits or losses of associates are included in the consolidated income statement after elimination of the proportionate shares of unrealised intra-group gains/losses.

Financial income and expenses
Financial income and expenses include interest income and expenses, capital and exchange gains and losses, as well as impairment losses relating to securities, debt and transactions in foreign currency and surcharges and reliefs under the Danish tax prepayment scheme, etc.

The item also includes value adjustment of the Group's portfolio of securities and any proportionate share of value adjustments of hedging instruments which do not meet the requirements for hedging future cash flows.

Borrowing costs are amortised over the term of the loan.

Discontinued operations
Discontinued operations are presented separately if they represent a separate major line of business or geographical area, if activities and cash flows can be distinguished operationally and for financial reporting purposes from the rest of the Company, and the line of business has either been disposed of or classified as held for sale and the sale is highly probable and expected to be completed within one year in accordance with a single coordinated plan.

Profit after tax from discontinued operations is presented in a separate line in the income statement with restated comparatives. Revenue, expenses and taxes relating to discontinued operations are disclosed in the notes.

Cash flows from operating, investing and financing activities relating to discontinued operations are presented in separate lines in the cash flow statement with restated comparatives.

Tax on profit/loss for the year
North Media A/S is jointly taxed with all its Danish subsidiaries as well as the Parent Company. The current Danish income tax is allocated among the jointly taxed Danish companies in proportion to their taxable income (full allocation with refunds for losses). The jointly taxed companies are covered by the tax prepayment scheme.

Tax for the year, which consists of current tax and changes in the calculated deferred tax, is recognised in the income statement by the portion that relates to the net profit/loss for the year, and directly in the statement of comprehensive income by the portion that relates to other comprehensive income.

BALANCE SHEET

Intangible assets

Goodwill
Goodwill is initially recognised in the balance sheet at cost as described under 'Business combinations'. Subsequent measurements are at cost less accumulated impairment losses. Goodwill is not amortised.

The carrying amount of goodwill is allocated to the Group's cash-generating units at the time of acquisition. The definition of cash-generating units follows the management structure and the internal financial management policy.

The carrying amount of goodwill is tested for impairment if there are any indications of impairment, but at least on a yearly basis. The impairment test is carried out for all operating assets taken together in the cash-generating unit to which goodwill is allocated. Goodwill is written down to the lower of the carrying amount and the recoverable value of the cash-generating unit to which goodwill relates. Goodwill impairment is presented in the income statement under "Special items".

Development projects, software
Development costs include expenses and salaries that are directly or indirectly attributable to the Company's development activities, primarily development of software for the online activities of the Group.

Development projects that are clearly defined and identifiable and in respect of which the technological feasibility, sufficient resources and a potential future market or development potential in the enterprise can be demonstrated and where the intention is to produce, market or use the project, are recognised as intangible assets provided that cost can be determined reliably and is sufficiently certain that future earnings will be adequate to cover the production, sales and administrative expenses and actual development costs. Other development costs are expensed in the income statement as incurred.

Capitalised development projects are measured at the lower of cost less accumulated amortisation and impairment losses.

After completion of the development work, a development project is amortised on a straight-line basis over its estimated useful life. The period of amortisation is usually 3-5 years. Other intangible assets are amortised on a straight-line basis over the expected useful life which is 10 years. The basis of amortisation is reduced by any impairment losses.

Acquired intangible assets and completed development projects are tested for impairment if there are indications of impairment. Development projects in progress are also tested for impairment.

Other intangible assets
Other intangible assets include distribution rights and trademarks taken over in connection with acquisitions. For some of these assets, the Group cannot forecast a reduction in the period in which the assets are expected to generate future economic benefits to the Group. In these cases, the lives of the assets are therefore deemed indefinite, for which reason they are not amortised. Other intangible assets the lives of which are deemed definite are amortised over their expected useful lives.

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation. Cost includes cost and expenses directly related to the acquisition until the asset is ready for use. Where parts of an item of property, plant and equipment have different useful lives, they are depreciated as separate items of property, plant and equipment.

The cost of properties includes the cash cost of acquisition for land and buildings and the aggregate building and/or refurbishment expenses.

The assets are depreciated on a straight-line basis over the expected useful lives based on the following assessment of the expected useful lives of the assets:

Leasehold improvements	5 years
Owner-occupied property	50 years
Mixed land, property and buildings	35 years
Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-5 years

Land is not depreciated.

Depreciation is expensed in the income statement under "Depreciation".

The basis of depreciation is calculated with due regard for the asset's scrap value and is reduced by any impairment losses. The scrap value is fixed at the time of acquisition and is reconsidered every year. If the scrap value exceeds the asset's carrying amount, no further depreciation will be made.

If the period of depreciation or the scrap value is changed, the impact on depreciation will be recognised prospectively as a change of accounting estimates.

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

Investments in associates are measured in the balance sheet at the proportionate share of the net asset value of the associates less or plus a proportionate share of unrealised profits and losses plus the carrying amount of goodwill.

At the year-end 2010 the equity investment in GISAB is reclassified as assets held for sale.

Associates with a negative net asset value are measured at DKK 0. If the Group has a legal or constructive obligation to cover the associate's negative balance, it is included under liabilities.

Any receivables from associates are written down to the extent that the receivable is found to be irrecoverable. When investments are made in associates, the purchase method of accounting is used, see the description of business combinations.

Receivables
Receivables are measured at amortised cost which will in most cases be equivalent to nominal value net of impairment losses.

Inventory
Inventory is measured at the lower of cost and net realisable value using FIFO.

Prepayments
Prepayments include expenses related to subsequent reporting periods.

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

Impairment of assets
North Media tests goodwill for impairment if there are indications of impairment, but at least on a yearly basis. Any impairment loss is recognised in the income statement under "Special items".

Intangible assets with an indefinable useful life are tested for impairment if there are indications of impairment. The test is carried out on at least a yearly basis, the first time before the end of the year of acquisition. Development projects in progress are also tested for impairment on at least a yearly basis.

The carrying amount of intangible assets and property, plant and equipment with definite useful lives is reviewed on an annual basis to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the higher of the asset's fair value less expected selling costs and its value in use.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds the recoverable amount of the asset or the cash-generating unit. Impairment losses are recognised in the income statement as under "Special items".

An impairment loss in respect of goodwill is not reversed. In respect of other assets, an impairment loss is reversed if there has been a change in the assumptions and estimates that led to recognition of the impairment loss. An impairment loss is reversed only to the extent that the asset's new carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Equity

Dividend

Proposed dividend is recognised as a liability when a resolution approving the dividend has been adopted by the Annual General Meeting of shareholders (the time of declaration).

Treasury shares

Cost and selling prices and dividends related to treasury shares are recognised in a separate account under equity. A capital reduction through cancellation of treasury shares reduces the share capital by an amount equal to the nominal value of the investment.

Income taxes and deferred taxes

Current tax payable and current tax receivable are recognised in the balance sheet as tax calculated on the taxable income for the year, adjusted for tax on previous years' taxable income and for paid tax.

Deferred tax is measured according to the balance-sheet liability method on all temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, no deferred tax is recognised on temporary differences relating to goodwill not deductible for tax purposes, office properties, or other items where temporary differences – except in the case of acquisitions of companies – have arisen at the time of acquisition and affect neither the net profit for the year nor the taxable income. In those cases where the calculation of the tax base can be made under alternative taxation rules, deferred tax is measured on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of loss carryforwards, are recognised under other non-current assets at the values at which they are expected to be realised, either by elimination against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity and jurisdiction.

Deffred tax is adjusted for eliminations of unrealised intra-group gains and losses.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force at the balance sheet date would be applicable in the respective countries when the deferred tax liability is expected to crystallise as current tax. Changes in deferred tax as a result of changed tax rates are recognised in the income statement.

Financial liabilities

Debt to credit institutions etc is recognised at the time of borrowing at the proceeds received after deduction of transaction costs incurred. In subsequent periods the financial liabilities are measured at amortised cost using 'the effective interest method' so that the difference between the proceeds and the nominal value is recognised in the income statement under financial expenses over the loan term.

Other financial liabilities are measured at amortised cost except for the Group's interest-rate swap and forward exchange contract, which are measured at fair value.

Deferred income

Deferred income comprises payments received for recognition in subsequent reporting periods.

Fair value hierarchy for financial instruments measured at fair value in the balance sheet

Financial instruments measured at fair value are classified using the following fair value hierarchy:

- Listed prices in active markets of identical assets or liabilities (Level 1)
- Listed prices in active markets of similar assets or liabilities, or other valuation methods where all material input are based on observable market data (Level 2)
- Valuation methods under which any material input are not based on observable market data (Level 3).

CASH FLOW STATEMENT

The cash flow statement shows the consolidated cash flows for the year, broken down by cash flows from operating, investing and financing activities, respectively, the year's changes in cash and cash equivalents and the cash and cash equivalents at the beginning and end of the year. The cash flow statement is presented by the indirect method.

Funds generated from corporate acquisitions and disposals are shown separately under 'Cash flows from investing activities'. Cash flows concerning acquired enterprises are recognised in the cash flow statement from the time of acquisition, and cash flows concerning disposals are recognised until the time of sale.

Cash flows from operating activities
Cash flows from operating activities are calculated as the profit or loss before tax, adjusted for non-cash operating items, working capital changes, interest received and paid and income taxws paid.

Cash flows from investing activities
Cash flows from investing activities include payments in connection with purchases and sales of enterprises and activities, purchases and sales of intangible assets, property, plant and equipment, and other long-term assets, and purchases and sales of securities not recognised as cash and cash equivalents.

Cash flows from financing activities
Cash flows from financing activities comprise changes in the size or composition of the share capital and related costs, as well as the raising of loans, repayments on interest-bearing debt, purchases and sales of treasury shares, and payment of dividend to shareholders.

Cash and cash equivalents
Cash and cash equivalents include cash balances as well as short-term bank debt which are an integral part of the Company's financial resources.

SEGMENT INFORMATION

Due to the closure of the printing facility and the subsequent sale of the printing machines the activities remaining from the Helsingør Dagblad segment have in 201 been recognised in the Print segment.
This means that the Print segment includes the distributing activities of FK Distribution as well as the newspapers of Søndagsavisen, Helsingør Dagblad and Lokalavisen Nordsjælland.

The Online segment is not affected by these changes. Accordingly, the Group's Online segment consists of Ofir.dk, MatchWork.com, Søndagsavisen.dk, BoligPortal.dk, MinReklame.dk, Væksthuset as well as the newly established web page of Lokalia.dk.

The segment of Unallocated costs consists of group-related activities which are not allocated on the operating activities in the Print and Online segments.

As a consequence of Helsingør Dagblad now being presented under the Print segment, the comparatives provided in Note 5 have been adjusted.

Revenue in the operating segments comprises newspaper publishing, distribution and Internet services.

Segment income and expenses as well as segment assets and liabilities comprise the items that are directly attributable to the individual segment and the items that can be allocated to the individual segment on a reliable basis. Unallocated items mainly comprise assets and liabilities as well as income and expenses relating to the Group's administrative functions, investment activities, income taxes, etc. In Unallocated items also included the Group's owner-occupied property and the financing thereof.

Non-current assets in the segments include non-current assets used directly in the segment's operations, including intangible assets and property, plant and equipment, and investments in associates.

Current assets in the segments comprise current assets used directly in the segment's operations, including inventories, trade receivables, other receivables and prepayments.

Segment liabilities comprise liabilities derived from the segments' operations, including trade payables as well as other payables.

3 Ratio definitions

Gross margin	=	Gross profit x 100 Revenue
Operating profit before depreciation and amortisation	=	EBITDA
Operating profit before special items	=	EBIT
Operating margin	=	EBIT x 100 Revenue
Return on assets	=	EBIT x 100 Total assets
Equity ratio	=	Equity at the end of the period x 100 Total assets
Return on equity (ROE)	=	Net profit x 100 Average equity
Net interest-bearing debt	=	Interest-bearing debt less interest-bearing assets
Net working capital (NWC)	=	Receivables less current liabilities excl. interest-bearing debt
Capital employed	=	Equity and minority interests plus net interest-bearing debt
Return on capital employed (ROIC)	=	EBIT x 100 Average capital employed
Net interest-bearing debt as a ratio of EBITDA	=	Net interest-bearing debt EBITDA
Free cash flow	=	EBITDA minus investments adjusted for changes in operational balance sheet items excl. tax
Earnings per share (EPS)	=	Parent company's share of net profit for the year Average number of shares in circulation
Earnings per share (EPS), continuing operations	=	Profit/(loss) from continuing activities Average number of shares in circulation
Diluted earnings per share (EPS-D)	=	Parent company's share of net profit for the year Average number of diluted shares in circulation
Price/Earnings (P/E)	=	Share price EPS
Cash flow per share (CFPS)	=	Cash flow from operating activities Average number of shares

Earnings per share (EPS) and diluted earnings per share (EPS-D) are calculated in accordance with IAS 33.

Ratios have been prepared in accordance with the Danish Society of Financial Analysts' "Recommendations & Key Ratios 2010", where defined, except for EBIT which is calculated before special items.

4 Significant accounting estimates

The calculation of carrying amount of certain assets and liabilities requires an estimate of how future events affect the value of these assets and liabilities on the balance sheet date. Estimates, which are significant to the presentation of financial statements are, for example, made when calculating amortisation and impairment losses, provisions as well as contingent liabilities and assets.

The estimates are based on assumptions that Management believes are reasonable, but which are inherently uncertain and unpredictable. The assumptions can be incomplete or inaccurate, and unexpected events or circumstances may occur. Furthermore, the enterprise is subject to risks and uncertainties that may lead to actual results that differ from these estimates. Special risks that North Media A/S is exposed to are mentioned in the Management Commentary on pages 17-21.

Assumptions about the future and about other uncertain estimates on the balance sheet date are disclosed in the notes if they involve a material risk of changes that may lead to significant adjustments of the carrying amount of asssets or liabilities within the next financial year.

For North Media A/S the measurement of intangible assets, including goodwill, can be significantly affected by material changes in estimates and assumptions underlying the calculations of values. For a description of the impairment test of intangible assets, see Note 17.

Deferred tax assets are recognised to the extent that it is probable that they can be utilised in connection with future profits in the Company or elsewhere in the Group. Capitalisation of tax assets are thus based on estimates of earnings expectations.

The most significant estimates made in the presentation of the financial statements are:

- The useful life of plant and machinery, in that these assets are subject to technological development and the fact that reducing or prolonging the lifetime by 1 year will affect depreciation for the year.
- Goodwill, including the possible necessity of writing down goodwill from subsidiaries.
- The need for impairment of the intangible assets as part of an impairment test.
- Purchase price allocation on identifiable assets in connection with business combinations.

NORTH MEDIA A/S

5 Segment information
DKKm

2010	**Print**	**Online**	**Unallocated costs/elimi.**	**Total**
Internal revenue	1.4	7.3	-8.7	0.0
Revenue	1,069.5	69.2	-	1,138.7
Gross profit	471.9	66.3	-2.5	535.7
EBITDA	199.7	-43.4	0.1	156.4
Amortisations and depreciation	29.5	6.3	10.4	46.2
EBIT before special items	170.2	-49.7	-10.3	110.2
Special items	-8.4	-19.6	0.0	-28.0
Share of profit in associates	-	-	16.5	16.5
Profit before tax, continuing operations	161.8	-69.3	10.5	103.0
Profit on disposal of subsidiaries	-	-	-	-0.3
Net profit, discontinued operations	-	-	-	-1.6
Net profit for the year	-	-	-	85.8
Minority interests	-	-	-	6.8
Shareholders' share	-	-	-	79.0
Non-current assets	112.7	37.7	302.3	452.7
Current assets, excl. cash and cash equivalents	88.1	8.0	14.4	110.5
Segment assets	200.8	45.7	316.7	563.2
Cash, cash equivalents and securities	-	-	148.2	148.2
Goodwill	19.6	19.5	0.0	39.1
Intangible assets with an indefinite life	3.0	11.9	0.0	14.9
Non-current liabilities	0.5	0.0	86.4	86.9
Current liabilities	126.1	20.1	30.9	177.1
Segment liabilities	126.6	20.1	117.3	264.0
Investments in associates	-	-	-	2.6
Investments	7.6	0.6	1.3	9.5
Cash flow from operating activities	204.3	-63.5	6.9	147.7
Cash flow from investing activities	-0.5	-6.6	-35.9	-43.0
Cash flow from financing activities	0.0	0.0	-158.7	-158.7
Average number of employees	479	113	35	627
Operating margin (EBIT)	16%	-72%	-	10%
EBITDA margin	19%	-63%	-	14%
Return on assets	85%	-	-	20%
Gross margin (%)	44%	96%	-	47%

Geographic information
North Media A/S mainly operates in the Danish market, and more than 97% of the consolidated revenue is invoiced in DKK. No significant foreign assets or liabilities are recognised in the balance sheet. Non-current assets outside Denmark represent less than DKK 1 million.

5 Segment information (continued)
DKKm

2009	Print	Online	Unallocated costs/elimi.	Total
Internal revenue	0.9	11.5	-12.4	0.0
Revenue	957.6	70.9	-	1,028.5
Gross profit	375.6	74.4	-8.3	441.7
EBITDA	102.0	-27.1	0.0	74.9
Amortisations and depreciation	31.0	14.5	9.9	55.4
EBIT before special items	71.0	-41.6	-9.9	19.5
Special items	0.0	-12.1	-1.1	-13.2
Share of profit in associates	-	-	1.5	1.5
Profit before tax, continuing operations	71.0	-53.7	-13.9	3.4
Profit on disposal of subsidiaries	-	-	-	10.7
Net profit, discontinued operations	-	-	-	1.9
Net profit for the year	-	-	-	9.1
Minority interests	-	-	-	4.4
Shareholders' share	-	-	-	4.7
Non-current assets	138.9	62.4	323.2	524.5
Current assets, excl. cash and cash equivalents	77.1	7.3	6.7	91.1
Segment assets	216.0	69.7	329.9	615.6
Cash and cash equivalents	-	-	155.3	155.3
Goodwill	20.5	22.5	0.0	43.0
Intangible assets with an indefinite life	3.0	12.1	0.0	15.1
Non-current liabilities	0.6	0.0	90.5	91.1
Current liabilities	102.1	19.9	16.4	138.4
Segment liabilities	102.7	19.9	106.9	229.5
Investments in associates	-	-	8.0	8.0
Investments	16.3	9.1	-0.9	24.5
Cash flow from operating activities	110.3	-32.4	-36.9	41.0
Cash flow from investing activities	2.2	-8.3	-47.3	-53.4
Cash flow from financing activities	0.0	0.0	-54.1	-54.1
Average number of employee	503	118	51	672
Operating margin (EBIT)	7%	-59%	-	2%
EBITDA margin	11%	-38%	-	7%
Return on assets	33%	-60%	-	3%
Gross margin (%)	39%	105%	-	43%

Geographic information
North Media A/S mainly operates in the Danish market, and more than 95% of the consolidated revenue is invoiced in DKK. No significant foreign assets or liabilities were recognised in the balance sheet. Non-current assets outside Denmark represented less than DKK 1 million.

NORTH MEDIA A/S

6 Profit on disposals of subsidiaries and results of discontinued operations	2010 DKKm	2009 DKKm
Profit on disposals of subsidiaries	**-0.3**	**10.7**

For 2009, the profit from the sale of subsidiaries includes an adjustment payment relating to GISAB as well as payment for the sale of Lokalavisen Holding ApS.

	2010 DKKm	2009 DKKm
Net loss, closing down printing activities:		
Net profit on sale of printing contracts and purchase of minority interest	0.0	44.4
Impairment of assets, printing activities	0.0	-32.2
Loss on sale of printing machines	0.0	-1.0
Impairment of goodwill, printing activities	0.0	-1.4
Closing down costs, printing facility	-2.1	-15.3
Net costs, closing down printing facility	**-2.1**	**-5.5**
Profit during operating period		
Printing activities, profit before tax	-2.1	3.5
Profit before tax	**-2.1**	**3.5**
Tax, discontinued operations	-0.5	3.9
Net profit, discontinued operations	**-1.6**	**1.9**

The closing down of the printing activity, including the sale of printing contracts and the impairment loss on printing machines, as well as the result from purchase of a minority share in Helsingør Dagblad, are viewed as one transaction and are therefore shown net.

NORTH MEDIA A/S

	2010 DKKm	2009 DKKm
7 Employees and staff costs		
Average number of employees	627	672
In addition a large number of part-time employees are working in distribution.		
The numbers are only for continuing operations. Average number of employees is 628 in 2010 and 726 in 2009 inclusive of discontinued operations.		
Analysis of total salaries and remuneration for the year		
Wages and salaries, incl. compensated absence	421.8	442.6
Defined contribution plans	17.8	18.8
Other social security costs	4.5	2.2
Remuneration of the Parent Company's Board of Directors	0.9	0.9
Share-based payment	0.8	2.8
Other staff costs	24.4	25.7
Total staff costs	**470.2**	**493.0**
The total staff costs are included under the following items in the income statement:		
Direct staff costs	203.0	219.9
Staff costs	267.2	273.1
Total staff costs	**470.2**	**493.0**

Remuneration of the Board of Directors, Executive Board and managerial staff

DKKm	Board of Directors of Parent Company	The Parent's Executive Board	Other manage-rial staff	Total
2010				
Wages and salaries	0.9	12.7	12.4	26.0
Pension (defined contribution plans)	0.0	0.5	0.5	1.0
Share-based payment	0.0	0.4	0.2	0.6
Severance pay	0.0	10.1	0.0	10.1
Remuneration of Board of Dir., Exec. Board and man. staff	**0.9**	**23.7**	**13.1**	**37.7**
Number of members	**4**	**3**	**6**	**13**
2009				
Wages and salaries	0.9	8.1	6.0	15.0
Pension (defined contribution plans)	0.0	0.4	0.3	0.7
Share-based payment	0.0	1.3	0.5	1.8
Severance pay	0.0	2.7	0.0	2.7
Remuneration of Board of Dir., Exec. Board and man. staff	**0.9**	**12.5**	**6.8**	**20.2**
Number of memebers	**4**	**3**	**3**	**10**

The Board of Directors of the Parent Company in 2010 consisted of 4 members, which is unchanged compared to 2009. The Executive Board has had 3 members throughout the period. On 1 January 2011, Lars Nymann Andersen replaced Mads Dahl Andersen. In the note above, Mads Dahl Andersen forms part of the Parent Comapny's Executive Board for 2010 as well as 2009, whereas Lars Nymann Andersen is included under other managerial staff.

8 Share-based payment

In 2006-2008, North Media A/S granted share options to the Company's Executive Board and selected managerial employees. For 2009 and 2010, no share options were granted.

The total number of outstanding share options at the balance sheet date is 304,000 worth of shares, corresponding to 1.5% of the share capital.

The options can only be settled in shares. The vesting period is approximately three years for all three grants.

The estimated fair values at the date of granting were calculated using the Black Scholes model for the valuation of European call options.

During the year an amount of DKK 0.8 million (2009: DKK 2.8 million) was expensed under staff costs relating to the share option schemes.

The movements in outstanding share options are specified as follows:

	Number of options	
	2010 number	**2009 number**
Outstanding share options, 1 January	484,000	514,000
Granted in the financial year	0	0
Lost due to termination of employment	-80,000	-30,000
Exercised in the financial year	0	0
Expired in the financial year	-100,000	0
Outstanding share options, 31 December	**304,000**	**484,000**
Number of share options which can be exercised at the balance sheet date	**106,000**	**100,000**

Those 106,000 share options exercisable at year-end 2010 may be exercised at the price of DKK 77.90 until 31 July 2011 at the latest.

For further information, see Note 24.

	2010 DKKm	2009 DKKm
9 Fee to the auditors appointed by the Company in General Meeting		
Deloitte		
Statutory audit services	2.0	2.0
Other assurance engagements	0.1	0.1
Tax services	0.3	0.4
Other services	0.7	2.2
Total fee to the auditors	**3.1**	**4.7**

Fees for other services in 2009 include costs for advisory services relating to divested activities as well as costs in connection with the process involving a possible sale or formation of a strategic alliance for FK Distribution, which has now been stopped.

10 Share of profit of associates after tax

	2010 DKKm	2009 DKKm
Share of profit before tax	22.0	3.4
Share of tax	-5.5	-1.9
Total share of profit of associates after tax	**16.5**	**1.5**

11 Net financials

	2010 DKKm	2009 DKKm
Exchange differences	0.2	0.0
Interest income etc	0.8	2.0
Dividend	0.3	0.0
Gains realised from the sale of securities	0.1	0.0
Unrealised gains on securities	8.2	0.0
Total financial income	**9.6**	**2.0**
Exchange differences	0.0	0.6
Interest expenses etc	5.3	5.8
Total financial expenses	**5.3**	**6.4**

Interest income relates to lending and receivables, see Note 41. Financial expenses relate to financial liabilities measured amortised cost price, see Note 41.

NORTH MEDIA A/S

	2010 DKKm	2009 DKKm *6 mth. Printing*
12 Income statement, discontinued operations		
External revenue	0.0	32.6
Intra-group revenue	0.0	14.3
Revenue	**0.0**	**46.9**
Direct expenses	0.0	15.0
Direct staff costs	0.0	12.6
Gross margin	**0.0**	**19.3**
Staff costs	0.0	3.3
Other costs	0.0	6.0
Amortisation and depreciation	0.0	6.5
Closing-down cost, printing activities, see Note 6	-2.1	-5.5
EBIT before special items	**-2.1**	**-2.0**
Tax for the year	-0.5	-3.9
Net profit	**-1.6**	**1.9**
Attributable to:		
Shareholders in North Media A/S	-1.6	0.8
Minority interests	0.0	1.1
	-1.6	**1.9**
Earnings per share, in DKK		
Earnings per share (EPS) - discontinued operations	-0.1	0.1
Diluted earnings per share (EPS-D) - discontinued operations	-0.1	0.1

	2010 DKKm	2009 DKKm
13 Special items		
Impairment of software related to the Online business	12.2	0.0
Impairment of software related to the Print business, newspaper	8.4	0.0
Impairment of goodwill	3.9	12.1
Impairment of other intangible assets	3.5	0.0
Currency loss in connection with the sale of GISAB and Norsk Avisdrift AS	0.0	1.1
Total special items	**28.0**	**13.2**

Due to the continued negative developments for part of the business activities it was decided to write down all intangible assets relating to loss-making activities in connection with the presentation of the Interim Report at 30 June 2010. Total write-downs amount to DKK 28.0 million. DKK 9.3 million of total write-downs of DKK 28.0 million is attributable the Print segment, whereas DKK 18.7 million is attributable to the Online segment.

The currency gain and the cost of a currency swap to hedge payment for the sale of GISAB are shown under special items in 2009 in the same way as the currency loss was in 2008.

14 Income tax

	2010 DKKm	2009 DKKm
In the period under review, income tax was paid in the amount of (continuing operations)	**-23.1**	**-3.9**
Income tax in the income statement, continuing operations:		
Current tax charges	17.8	6.1
Change in the deferred tax charge	-2.4	0.8
Adjustments relating to prior years	-0.1	0.0
Total income tax, continued operations	**15.3**	**6.9**
Analysis of tax for the year, continuing operations:		
25% tax calculated on the profit before tax	25.8	0.9
Tax effect of:		
Adjustments relating to prior years	-0.1	-1.7
Other non-deductible expenses / non-taxable income	-1.1	2.0
Share of profit after tax of associates	-4.1	-0.4
Not included tax assets from foreign subsidiaries	0.8	3.1
Utilisation of capitalloss carryforwards from shares and interests deductions	-6.0	0.0
Impairment of goodwill from business combinations	0.0	3.0
Total income tax, continuing operations	**15.3**	**6.9**
Effective tax rate	**14.9%**	**202.9%**

Because Baunegård ApS owns more than 50% of the shares in North Media A/S, the Group's Danish activities are included in the joint taxation with Baunegård ApS, with the latter company as administration company. Tax payable is paid to the latter company.

NORTH MEDIA A/S

15 Earnings per share

	2010 DKKm	2009 DKKm
Net profit for the year - total	85.8	9.1
Minority interests' share of the consolidated profit	-6.8	-4.4
The North Media A/S Group's share of the net profit for the year	**79.0**	**4.7**
Net profit for the year - continuing operations	87.7	-3.5
Minority interests share of the consolidated profit - continuing operations	-6.8	-3.3
The North Media A/S Group's share of the net profit for the year - continuing operations	**80.9**	**-6.8**
Average number of shares (in millions)	20.1	21.4
Average number of treasury shares	0.3	1.3
Average number of shares in circulation	**19.8**	**20.1**
Average dilution effect of outstanding share options	0.2	0.0
Average number of diluted shares in circulation	**20.0**	**20.1**
Earnings per share (EPS) of DKK 5 – total	4.0	0.2
Diluted earnings per share (EPS-D) of DKK 5 – total	4.0	0.2
Earnings per share (EPS) of DKK 5 – continuing operations	4.1	-0.3
Diluted earnings per share (EPS-D) of DKK 5 – continuing operations	4.0	-0.3

The calculation of diluted earnings per share does not include 106,000 share options (2009: 484,000), which on average have been out-of-the-money, but which may potentially can dilute earnings per share in future. The share options not included expire on 31 July 2011 and may be exercised at the price of DKK 77.90.

16 Dividend per share

The Board of Directors recommends to the Annual General Meeting to be held on 25 March 2011 that no ordinary dividend be paid. When the sale of GISAB has been completed and the selling price has been received, the plan is to pay an extraordinary dividend of DKK 12 to 14 per share. This corresponds to DKK 240 to 280 million in total, and payment is expected to take place in May 2011 pending a resolution on payment.

17 Intangible assets
DKKm

2010	**Goodwill**	**Other intangible assets**	**Completed development projects, software**	**Development projects in progress**	**Total**
Cost at 1 January	56.4	36.9	135.6	4.4	233.3
Additions in the year	0.0	0.0	5.0	0.0	5.0
Disposals in the year	0.0	0.0	30.9	4.4	35.3
Cost at 31 December	**56.4**	**36.9**	**109.7**	**0.0**	**203.0**
Amortisation and impairment losses at 1 January	13.4	12.7	104.0	0.0	130.1
Amortisation in the year	0.0	1.2	12.8	0.0	14.0
Impairment losses in the year	3.9	3.5	20.6	0.0	28.0
Disposals in the year	0.0	0.0	30.9	0.0	30.9
Amortisation and impairment losses at 31 December	**17.3**	**17.4**	**106.5**	**0.0**	**141.2**
Carrying amount at 31 December	**39.1**	**19.5**	**3.2**	**0.0**	**61.8**
Amortised over (years)	**-**	**5-10**	**3-5**	**-**	**-**

Other intangible assets include assets worth DKK 14.9 million which are considered to have indefinitive lives, for which reason they are not amortised.

2009					
Cost at 1 January	56.4	52.9	118.7	11.7	239.7
Additions in the year	0.0	0.0	20.4	7.9	28.3
Disposals in the year	0.0	16.0	3.5	15.2	34.7
Cost at 31 December	**56.4**	**36.9**	**135.6**	**4.4**	**233.3**
Amortisation and impairment losses at 1 January	0.0	26.9	92.7	0.0	119.6
Amortisation in the year	0.0	1.8	14.8	0.0	16.6
Impairment in the year	13.4	0.0	0.0	0.0	13.4
Disposals in the year	0.0	16.0	3.5	0.0	19.5
Amortisation and impairment losses at 31 December	**13.4**	**12.7**	**104.0**	**0.0**	**130.1**
Carrying amount at 31 December	**43.0**	**24.2**	**31.6**	**4.4**	**103.2**
Amortised over (years)	**-**	**5-10**	**3-5**	**-**	**-**

In 2010, goodwill, software and other intangible assets were written down for the Group's loss-making activities.

In 2009, goodwill was written down, primarily related to Matchwork. The impairment loss is a result of the heavy earnings reduction.

NORTH MEDIA A/S

17 Intangible assets – continued

Assets with an indefinite life

Assets with an indefinite life are not amortised, but are instead subject to an annual impairment test.

Goodwill is by definition an asset with an indefinite life.

Other intangible assets comprise distribution rights and trademarks acquired in connection with acquisitions. For some of these assets, the Group cannot foresee a limit to the period over which the assets may be expected to generate future economic benefits for the Group. In these cases, the life of the asset is therefore deemed indefinite, for which reason it are not amortised. Other intangible assets the life of which is deemed limited are subjected to amortisation.

Impairment test

Goodwill and intangible assets were tested for impairment in connection with the preparation of the financial statements. This resulted in goodwill impairment charge of DKK 3.9 million relating to MinReklame. In addition intangible assets relating to other intangible assets as well as software have been written down. Please refer to Note 13 for a specification of the write-downs made.

The impairment test was performed by comparing the carrying amount of each Cash Generating Unit (CGU) to the discounted values of future cash flows. The following discount rates were applied:

Discount rate	Print	Online
2010 after tax	8.2%	10.3%
2010 before tax	10.9%	13.7%
2009 after tax	9.1%	11.3%
2009 before tax	12.1%	15.1%

The discount rate is composed of two elements - debt and equity. As, however, it would be difficult to obtain debt finance for the Online business that segment has only one element - equity. The equity share has been calculated on the basis of a risk-free interest rate plus a market risk premium weighted by an expected equity share. Similarly, the debt share is based on the interest rate on loan capital weighted by an expected debt share.

The discount model is based on the 2011 budget, which is projected up to four years ahead based on conservative estimates, after which the terminal value is fixed as the value of an infinite series with EBIT growing by 2% every year (2009: 2%). Tax is set at 25% in the model (2009: 25%).

Following the write-down of goodwill and other intangible assets by DKK 28.0 million at 30 June 2010 of DKK 28.0 million, a stress test was performed on the remaining intangible assets by for instance reducing earnings by 50%. This will not create a need for further write-downs. The remaining software is primarily related to development activities in the Distribution segment, which supports operations within production or distribution.

If the required discount rate is increased by 1%, there will be no need for further write-downs.

Of the Group's total goodwill of DKK 39.1 million, DKK 19.6 million is attributable to the Print segment while DKK 19.5 million is attributable to the Online segment.

18 Property, plant and equipment
DKKm

2010	Land and buildings	Plant and machinery	Fixtures and fittings	Property, plant and equipment in course of construction	Total
Cost at 1 January	372.7	123.3	185.6	0.0	681.6
Additions in the year	1.0	1.9	5.9	0.8	9.6
Disposals in the year	0.0	0.0	31.6	0.8	32.4
Cost at 31 December	**373.7**	**125.2**	**159.9**	**0.0**	**658.8**
Depreciation and impairment losses at 1 January	57.2	51.1	165.6	0.0	273.9
Depreciation in the year	8.1	14.6	8.6	0.0	31.3
Impairment losses in the year	0.0	0.0	0.0	0.0	0.0
Disposals in the year	0.0	0.0	28.9	0.0	28.9
Amortisation and impairment losses at 31 December	**65.3**	**65.7**	**145.3**	**0.0**	**276.3**
Carrying amount at 31 December	**308.4**	**59.5**	**14.6**	**0.0**	**382.5**
Depreciated over (years)	**35-50**	**5-10**	**3-5**	**-**	**-**

2009	Land and buildings	Plant and machinery	Fixtures and fittings	Property, plant and equipment in course of construction	Total
Cost at 1 January	437.5	370.2	202.9	1.9	1,012.5
Additions in the year	-1.9	13.2	3.7	9.2	24.2
Disposals in the year	0.0	13.8	21.0	11.1	45.9
Reclassified to ”assets held for sale”	-62.9	-246.3	0.0	0.0	-309.2
Cost at 31 December	**372.7**	**123.3**	**185.6**	**0.0**	**681.6**
Depreciation and impairment losses at 1 January	71.8	258.8	168.0	0.0	498.6
Depreciation in the year	8.8	20.7	16.1	0.0	45.6
Impairment losses in the year	7.5	24.8	0.0	0.0	32.3
Disposals in the year	0.0	6.9	18.5	0.0	25.4
Reclassified to ”assets held for sale”	-30.9	-246.3	0.0	0.0	-277.2
Amortisation and impairment losses at 31 December	**57.2**	**51.1**	**165.6**	**0.0**	**273.9**
Carrying amount at 31 December	**315.5**	**72.2**	**20.0**	**0.0**	**407.7**
Depreciated over (years)	**35-50**	**5-10**	**3-5**	**-**	**-**

In 2009, buildings, printing machines and other technical equipment relating to the printing facility were written down. The impairment loss is a result of the decision to close down the printing activity. At the same time, the printing building of a carrying amount of DKK 32 million was reclassified to ”assets held for sale”.

The property is up for sale at a real estate agency. The selling price exceeds the property’s carrying amount.

NORTH MEDIA A/S

19 Investments in Joint Ventures

Joint Venture companies are recognised on a pro rata consolidated basis in the income statement. The companies are classified as Joint Ventures based on an assessment of the existing owner's agreements.

Joint Ventures:	**Registered office**	**Ownership 2010**	**Ownership 2009**
Dansk Distributions Center P/S	Taastrup	50%	50%
Dansk Distributions Center Komplementar ApS	Søborg	50%	50%
Tryksagsomdelingen Fyn P/S	Svendborg	57%	57%
Tryksagsomdelingen Fyn Komplementar ApS	Søborg	60%	60%

Reference is made to the group chart on page 80.

Summary of the Group's share of the profits etc of Joint Ventures:	**2010 DKKm**	**2009 DKKm**
Revenue	99.8	130.0
Expenses	81.8	119.2
Other operating income	1.7	0.3
Net financials	0.1	0.4
Profit before tax	**19.8**	**11.5**
Non-current assets	1.1	1.6
Current assets	33.7	26.1
Total assets	**34.8**	**27.7**
Current liabilities	10.4	11.7
Total liabilities	**10.4**	**11.7**

20 Investments in associates

	2010	2009
Net asset value at 1 January	8.0	11.4
Additions in the year	0.0	4.5
Disposals in the year	0.0	-0.2
Share of profit before tax	22.0	3.4
Share of tax	-5.5	-1.9
Translation adjustment	1.4	0.0
Dividend	-4.5	-9.2
Reclassified to "assets held for sale"	-18.8	0.0
Net asset value at 31 December	**2.6**	**8.0**

The carrying amount of the investment in GISAB was DKK 18,8 million at year-end 2010 (2009: DKKm 5.3). The equity investment has been reclassified as "assets held for sale". Assets held for sale can be specified as follows:

	2010	2009
GISAB	18.8	0.0
Property, printing activity	32.0	32.0
Total	**50.8**	**32.0**

The Group has decided to sell the remaining shares in GISAB after the presentation of GISAB's financial statements for 2010. The selling price is expected to be approx SEK 250 million. A forward contract has been made for the sale of SEK 180 million at an average selling rate of DKK/SEK 77.54 for partial funding of the selling price.

NORTH MEDIA A/S

20 Investments in associates, continued

Associates	Registered office	Ownership 2010	Ownership 2009
A/S Vestsjællandske Distriktsblade	Slagelse	50%	50%
Gratistidningar i Sverige AB (GISAB), sold 1 January 2011.	Stockholm	33%	33%

Reference is made to the group chart on page 80.

Summary of the Group's share of profits etc of associates	2010 DKKm	2009 DKKm
Revenue	101.2	90.6
Profit before tax	22.0	3.4
Total assets	44.8	23.0
Total liabilities	23.4	15.0

21 Trade receivables

	2010	2009
Trade receivables	86.7	69.3
Write-downs	-2.9	-4.8
Net trade receivables	**83.8**	**64.5**

Write-downs included in the above receivables have developed as follows:

	2010	2009
Write-downs at 1 January	4.8	6.5
Expensed in the year, net	1.1	2.2
Received from previous year	-0.8	-0.4
Used in the year:		
Recorded loss	-2.2	-3.5
Write-downs at 31 December	**2.9**	**4.8**

No security has been received for trade receivables.

In the financial year under review, a total amount of DKK 0.2 million was recognised as interest income relating to receivables written down (2009: DKK 0.3 million).

22 Securities

The Group's portfolio of securities measured at fair value includes both Danish and foreign listed shares.

23 Deferred tax

	2010	2009
Deferred tax at 1 January	1.8	1.0
Deferred tax included in the net profit for the year	-0.7	0.8
Reclassified as tax payable	-1.7	0.0
Deferred tax at 31 December, net	**-0.6**	**1.8**

NORTH MEDIA A/S

23 Deferred tax, continued

Specification of deferred tax:

DKKm	2010 Assets	2010 Liabilities	2010 Total	2009 Assets	2009 Liabilities	2009 Total
Intangible assets	5.0	8.4	-3.4	5.5	13.4	-7.9
Property, plant and equipment	4.8	1.6	3.2	7.0	0.7	6.3
Current assets	0.4	0.4	0.0	1.2	0.0	1.2
Non-current liabilities	0.0	0.0	0.0	0.0	1.7	-1.7
Tax losses available for carry-forward	0.8	0.0	0.8	0.3	0.0	0.3
Total	**11.0**	**10.4**	**0.6**	**14.0**	**15.8**	**-1.8**
Set-off deferred tax assets and deferred tax liabilities within the same legal tax entities and jurisdictions	11.0	11.0	0.0	14.0	14.0	0.0
Deferred tax assets/deferred tax at 31 December	**0.0**	**-0.6**	**0.6**	**0.0**	**1.8**	**-1.8**

24 Equity

Share capital	Number in thousands **2010**	Number in thousands **2009**	Nominal value DKK'000 **2010**	Nominal value DKK'000 **2009**
At 1 January	20,055	22,280	100,275	111,400
Capital reduction, cancellation of treasury shares	0	-2,225	0	-11,125
At 31 December	**20,055**	**20,055**	**100,275**	**100,275**

The share capital consists of 20,055,000 shares of DKK 5.00 nominal value each, fully paid in. No shares carry special rights.

Treasury shares	Number in thousands **2010**	Number in thousands **2009**	Nominal value DKK'000 **2010**	Nominal value DKK'000 **2009**	% of share capital **2010**	% of share capital **2009**
At 1 January	24	2,225	120	11,125	0.12%	9.99%
Capital reduction, cancellation of treasury shares	0	-2,225	0	-11,125	0.00%	-9.99%
Additions in the year	558	24	2,785	120	2.78%	0.12%
Disposals in the year	0	0	0	0	0.00%	0.00%
At 31 December	**582**	**24**	**2,905**	**120**	**2.90%**	**0.12%**

North Media A/S is authorised to acquire a maximum nominal amount of DKK 15,041,000 of share capital. This authorisation runs until 23 April 2015.

In 2010, North Media A/S acquired a total of 557,122 treasury shares, at an average acquisition price of 39.42, equivelant to DKK 22.0 million. (2009: Acquired a total of 24,378 treasury shares, at an average acquisition price of 24.04, equivelant to 0.6 DKKm). In FY 2009, the Company cancelled 2,225,000 treasury shares pursuant to the authorisation granted by the Annual General Meeting held on 3 April 2009.

The holding of treasury shares was acquired with a view to their possible cancellation and to covering outstanding share options in whole or in part in respect of the Group's share incentive programme.

The Executive Board's and other staff's share of issued options

	Time of earliest exercise	Number of options granted	Number of employees who have been granted options	Number lapsed	Number exercised	Number of unexer-cised at 31.12.2010	Exercise price	Accumu-lated costs recognised, DKKm	Fair value at grant date DKKm
Executive Board									
Granted April 2006	2009	100,000	1	100,000	0	0	77.28	3.7	3.7
Granted June 2007	2010	100,000	3	70,000	0	30,000	77.90	2.1	2.1
Granted June 2008	2011	120,000	4	70,000	0	50,000	27.92	0.5	0.5
Other managerial staff									
Granted June 2007	2010	102,000	5	50,000	0	52,000	77.90	1.6	1.6
Granted June 2008	2011	130,000	6	30,000	0	100,000	27.92	0.9	1.0
Other staff									
Granted June 2007	2010	48,000	4	24,000	0	24,000	77.90	0.7	0.7
Granted June 2008	2011	104,000	8	56,000	0	48,000	27.92	0.5	0.5

The options are granted to promote the Company's long-term growth and earnings.

Options granted in 2006 expired in 2010 without having been exercised. Options granted in 2007 may be exercised until 31 July 2011, and options granted in 2008 may be exercised in the period 2011 to 2012.

The options can only be settled in shares. North Media A/S has a portfolio of treasury shares which may be used to cover the share option scheme.

The exercise of the options is conditional on the option holder being employed by the Group at the time of exercise.

Reserve for treasury shares, hedging reserve and reserve for foreign currency translation adjustments
The reserve for treasury shares includes the accumulated acquisition price of the Company's portfolio of treasury shares. The reserve is dissolved for the portion of the portfolio of shares that is cancelled.

The hedging reserve include the accumulated net change in the fair value of hedging transactions which meet the criteria for hedging future cash flows, with the transaction hedged not having been carried out yet.

The reserve for foreign currency translation adjustments includes all exchange rate adjustments resulting from the translation of financial statements of entities using a functional currency other than DKK as well as exchange rate adjustments relating to assets and liabilities which represent part of the Group's net investments in such entities.

NORTH MEDIA A/S

25 Debt to financial institutions etc	2010 DKKm	2009 DKKm
Mortgage debt	81.5	85.7
Carrying amount	**81.5**	**85.7**
Of which, floating rate	**81.5**	**85.7**
Debt to financial institutions is included under the following items in the balance sheet:		
Non-current liabilities	77.3	82.6
Current liabilities	4.2	3.1
Carrying amount	**81.5**	**85.7**
Nominal value	**81.5**	**85.7**

For details of interest-rate sensitivity, see Note 40.

26 Fair value, interest-rate swap		
Due after 5 years	9.0	6.7
Non-current	**9.0**	**6.7**
Fair value, interest-rate swap	**9.0**	**6.7**

The Group's mortgage loan is a floating rate CIBOR 6 loan, and it is repaid as a 20-year annuity loan. To reduce interest-rate uncertainty, the interest rate is locked in throughout the life of the loan via an interest-rate swap entered into with Nordea. The interest-rate swap is also repaid as a 20-year annuity loan, but based on a fixed interest rate inclusive of contributions of 5.28%. As a result of recent years' significantly lower CIBOR 6 interest rate, the underlying mortgage debt has been repaid slightly faster than anticipated at the inception of the interest-rate swap, for which reason the hedging at 31 December 2010 accounts for 101.8% of the debts outstanding, corresponding to DKK 1.4 million higher coverage than mortgage debt.

The interest rate on the CIBOR 6 loans, the difference in interest from the interest-rate swap and a proportionate share of the value adjustment of the interest-rate swap are recognised under financial expenses.

The interest-rate swap was measured at fair value at 31 December 2010. The value of the interest-rate swap (debt) is DKK 9.0 million (DKKm 6.7 in 2009), and revaluations are recognised through other comprehensive income.

The interest-rate sensitivity of the interest-rate swap is described in further detail in Note 40 under the section Interest-rate risks.

27 Income tax payable	2010 DKKm	2009 DKKm
Income tax payable at 1 January	2.6	0.4
Current tax for the year, continuing operations	17.1	2.2
Current tax for the year, discontinued operations	-0.5	0.0
Tax relating to divested activities	0.0	3.9
Adjustment related to prior years	-0.1	0.0
Transfered from deferred tax	-1.7	0.0
Income taxes paid in the year	-23.1	-3.9
Income tax receivable/payable at 31 December	**-5.7**	**2.6**
Presented as follows:		
Income tax receivables	5.7	0.0
Income tax payable	0.0	2.6
Income tax receivable/payable at 31 December	**-5.7**	**2.6**

NORTH MEDIA A/S

	2010 DKKm	2009 DKKm
28 Other payables		
A-tax (PAYE) etc payable to public authorities	6.2	8.4
VAT liability	14.9	4.3
Other debt	75.1	69.7
Total other payables	**96.2**	**82.3**

29 Fair value, forward exchange contract

With a view to reducing the foreign currency risks involved in the sale of the shares in GISAB, a forward exchange contract was concluded on the sale of SEK 180 million at an average selling rate of DKK/SEK 77.54. At 31 December 2010, the value of the concluded forward exchange contract was negative by DKK 9.6 million. The unrealised capital loss is not recognised in the income statement, but is included in other comprehensive income under the item Value adjustment of hedging instruments.

30 Adjustments for non-cash operating items

	2010 DKKm	2009 DKKm
Share of profit in associates	-16.5	-1.5
Tax for the year	15.3	6.9
Amortisation and depreciation of assets	45.1	55.6
Share based payments	0.8	2.8
Impairment losses	28.0	12.0
Loss by disposals in the year	1.1	-0.3
Net financials	3.5	4.4
Value adjustments securities	-8.2	0.0
Translation adjustments	0.0	1.8
Total adjustments	**69.1**	**81.8**

31 Changes in working capital

	2010 DKKm	2009 DKKm
Changes in receivables	-13.7	0.5
Changes in current liabilities excl. short-term bank debt	22.9	-27.3
Changes in receivables and payables	**9.2**	**-26.8**
Changes in income tax payable	8.3	-2.2
Changes in interest receivable/payable	0.7	0.5
Total changes in working capital	**18.2**	**-28.5**

32 Investments in intangible assets and property, plant and equipment

	2010 DKKm	2009 DKKm
Investment in software	-0.8	-13.0
Investment in land and buildings	-1.0	1.9
Prepayments for property, plant and equipment in progress	0.0	0.5
Investment in plant and machinery	-1.9	-10.2
Investment in operating equipment, fixtures and fittings	-5.8	-3.7
Total investments	**-9.5**	**-24.5**

33 Net cash flow from investing activities in discontinued operations

	2010 DKKm	2009 DKKm
Carrying amount in discontinued operations before disposal:		
Property, plant and equipment	0.0	71.1
Current assets	0.0	11.0
Current liabilities	0.0	-7.6
Net assets	**0.0**	**74.5**
Reclassified as "assets held for sale" / Investments in associates	0.0	-32.0
Gain on sale	0.0	14.7
Impairment of assets	0.0	-33.2
Purchase amounts not received / costs not paid	0.0	-5.6
Net cash flows from divestment	**0.0**	**18.4**
Cash flows from investing activities in discontinued operations exclusive sales value	-0.3	-1.6
Net cash flows from discontinued operations in 2008	0.0	149.7
Companies sold in 2009	0.0	10.9
Net cash flow from investing activities in discontinued operations	**-0.3**	**177.4**

34 Cash and cash equivalents

	2010 DKKm	2009 DKKm
Cash and cash equivalents at 31 December comprise:		
Cash	99.4	155.3
Short-term bank debt	0.0	0.0
Cash and cash equivalents at 31 December	**99.4**	**155.3**

35 Operating leases and rent obligations

	2010 DKKm	2009 DKKm
Operating leases		
Future minimum expenses related to operating leases:		
Due within 1 year	0.7	0.3
Due within 1 and 5 years	0.4	0.2
Due after 5 years	0.0	0.2
Total	**1.1**	**0.7**

The Group has entered into operating leases relating to operating assets. The lease term is typically a period of between 2 and 8 years, with extension as may be arranged after the end of the term. No lease contains conditional lease payments.

	2010 DKKm	2009 DKKm
For operating leases the following amounts have been recognised in the income statement:	0.5	0.4
Rent obligations		
Future minimum lease payments related to rent obligations:		
Due within 1 year	2.0	4.3
Due within 1 and 5 years	0.1	2.2
Total	**2.1**	**6.5**
For rent obligations the following amounts have been recognised in the income statement:	4.2	7.8

	2010 DKKm	2009 DKKm

36 Contingent assets and liabilities, and guarantee obligations

Contingent assets

Søndagsavisen a-s (now North Media A/S) was by the High Court for Eastern Denmark awarded a compensation in the amount of DKK 75 million as well as DKK 4 million covering legal costs. The case pertains to Forbruger-Kontakt's (now FK Distribution) claim for compensation for the loss sustained by Forbruger-Kontakt for Post Danmark A/S' abuse of dominant position. Post Danmark A/S has appealed the court's judgement to the Supreme Court. It is not known when a final judgement will be given. for which reasin awarded compensation has nok been recognised in the profit or loss for 2010, nor vill an amount be included in the Group's earnings expectations for 2011. Legal costs are recognised in the income statement as incurred.

North Media A/S has realised losses in a number of foreign subsidiaries which are not comprised by the joint taxation scheme. The tax base of these losses is not recognised in the balance sheet as it is not believed that the losses can be set off against future earnings in the near future.

	2010 DKKm	2009 DKKm
Guarantee commitments		
Other guarantees	0.0	0.1

37 Security for loan

	2010 DKKm	2009 DKKm
Carrying amount of mortgaged properties	307.9	314.7

38 Related parties

As a majority shareholder in North Media A/S' parent company, Baunegård ApS, Richard Bunck is affected by the disclosure requirements for related parties. During the financial year, there were no transactions with Richard Bunck except for the payment of remuneration to the Board of Directors..

Baunegård ApS is wholly owned and controlled by Richard Bunck. This company is an administration company in the joint taxation with North Media A/S and guarantees the payment/receipt of Danish corporation tax on behalf of the North Media Group's Danish Companies.

The group company Ofir Services A/S has entered into co-operation on Internet sales of package holidays with the company Travelmarket controlled by Richard Bunck. Ofir Services A/S has in 2010 provided customers to Travelmarket for an agent fee of DKK 0.1 million (2009: DKKm 0.2).

The lawfirm Bech Bruun has invoiced the Group DKK 3.7 million covering consultancy during 2010 (2009: DKKm 3.9).

North Media has transactions with associates and subsidiaries in the form of ordinary business activities such as buying and selling services. All related party transactions are conducted on an arm's length basis.

Transactions with subsidiaries are eliminated in the consolidated financial statements in accordance with the accounting policies.

	2010 DKKm	2009 DKKm
Transactions with associates		
LokalAvisen Holding ApS, sale	0.0	1.8
A/S Vestsjællandske Distriktsblade, sale	3.4	6.0
Total transactions	**3.4**	**7.8**
A/S Vestsjællandske Distriktsblade	1.0	0.7
Total receivables	**1.0**	**0.7**

In the year under review no transactions were made with the Board of Directors, Executive Board, managerial staff, significant shareholders or other related parties, except for salaries and remuneration set out in Note 7.

39 Subsequent events

No events other than those mentioned in the Annual Report have occurred up to the presentation of the Annual Report on 3 March 2011 which would influence the financial statement user's perception of the F.

40 Financial risks

The Group's handling of risks and risk management is described in detail in a separate section to the Annual Report. Supplementary information for understanding the Group's financial risks is given below.

Liquidity risks

The Group's cash reserves consist of cash funds in a total amount of DKK 99.4 million. (2009: DKKm 155.3). In addition, the Group has securities of DKK 48.8 million. (2009: DKKm 0.0). The Group has currently no credit facilities.

The Group financial liabilities are due as follows:

DKKm						
2010 **Financial instruments**	**Carrying amount**	**Contractual cash flow**	**Within 3 months**	**Within 1 year**	**1-5 years**	**After 5 years**
Financial institutions *)	81.5	125.0	0.0	7.4	29.7	87.9
Interest-rate swap *)	9.0	0.0	0.0	0.0	0.0	0.0
Forward exchange contract	9.6	9.6	0.0	9.6	0.0	0.0
Trade payables	47.7	47.7	47.7	0.0	0.0	0.0
Other payables	96.2	96.2	65.8	30.4	0.0	0.0
Liabilities at 31 December	**244.0**	**277.9**	**113.5**	**46.8**	**29.7**	**87.9**

2009 **Financial instruments**						
Financial institutions *)	85.7	133.5	0.0	7.6	30.0	95.9
Interest-rate swap *)	6.7	0.0	0.0	0.0	0.0	0.0
Trade payables	36.1	36.1	36.1	0.0	0.0	0.0
Income taxes	2.6	2.6	0.0	2.6	0.0	0.0
Other payables	82.3	82.3	51.7	30.6	0.0	0.0
Liabilities at 31 December	**213.4**	**254.5**	**87.8**	**40.7**	**30.0**	**95.9**

*) The contractual cash flow for the interest-rate swap has been included in figures for financial institutions.

Interest-rate risks

In connection with the debt refinancing at 31 December 2007, interest on North Media's mortgage debt, which is being repaid as a 20-year annuity loan, was locked in at a rate of 5.28% by way an interest-rate swap. The market value of the interest rate swap (debt) at 31 December 2010 was DKK 9.0 million (2009: DKKm 6.7).

The remaining term of the mortgage loans is 17 years.

The total value of mortgage loans and the associated interest-rate swap was DKK 90.5 million (2009: DKK 92.4 million).

An increase in the interest-rate level of 1% per annum will have no significant effect on the market values of the mortgage loans because their interest rates are determined every six months. However, the market value of the interest-rate swap-debt will be increased by DKK 6.7 million on an decrease in the interest-rate level of 1% per annum. Correspondingly, an increase in the interest-rate level would reduce the market value of the interest-rate swap by DKK 6.7 million. The duration has been determined at 7.7. For 2009, the interest-rate sensitivity of the interest-rate swap was also approx DKK 6.7 million in the event of an increase in the interest-rate level of 1% per year (and a decline in the interest-rate level would increase the interest-rate swap by DKK 6.7 million), equivalent to a duration of 8.1.

An increase in the interest-rate level of 1% per year compared to the existing level for 2010 would have increased interest income from the Group's deposits by DKK 1.5 million. In 2009, an increase in the interest-rate level would have increased interest income by DKK 1.0 million. In 2010, a decline in the interest-rate level by 1% would have reduced the interest income by DKK 0.4 million (2009: DKKm 0.5).

The calculation of the Group's interest-rate sensitivity is based on the following assumptions:

- The sensitivity rates specified for the fixed-rate debt have been calculated on the basis of recognised financial assets and liabilities at 31 December 2010. No adjustments of the mortgage, debt were made in 2010 in respect of repayments, borrowings and the like.
- For the cash pool deposit, and other deposits, the interest-rate sensitivity has been calculated based on the actual loan amounts/deposits on a daily basis. It is assumed that the interest rate cannot be negative.
- It is assumed that the mortgage loans are repaid in accordance with the ordinary repayment method used for a 20-year annuity loan, based on a fixed interest rate including contribution rate for a mortgage loan of 5.28%.
- All security aspects of floating-rate loans are found to be 100% effective.

The Group's cash and cash equivalents are placed at current account.

Share price risk

A portion of the Group's cash reserve is invested in securities, including Danish as well as foreign shares. A 10% change in the share price would influence performance and equity for the year by DKK 4.9 million. A 10% change in the USD exchange rate compared to the exchange rate at 31 December 2010 would influence performance and equity for the year by DKK 1.1 million.

Currency risks

More than 97% of the Group's activities are in Denmark. There are minor activities in England, Sweden and Germany, mainly related to the Group's Matchwork activities.

The Group has decided to sell the remaining shares in GISAB after the presentation of GISAB's financial statements for 2010. The selling price is expected to be approx SEK 250 million. A forward contract has been made for the sale of SEK 180 million at an average selling rate of DKK/SEK 77.54 for partial funding of the selling price.

There is no significant trading between business units in different countries, but North Media is exposed to currency risks in connection with cash flows relating to financial transactions and dividend flows. There is also a translation risk in connection with the consolidation and translation of the financial statements of foreign subsidiaries into Danish kroner and in connection with the Group's net investment in the companies, including acquisition and disposal of companies.

The Group's total currency risks are subject to ongoing assessments, and it is the Group's policy to reduce the impact of exchange rate fluctuations on results and the Group's financial position. However, the foreign currency risk of the operating results is not hedged because of the limited foreign activity.

Special currency exposures, including in connection with acquisitions and sales of companies, are always assessed individually by the Board of Directors.

It is believed that hedging of the Group's foreign investments and related items and the exposure from the translation of foreign financial statements into Danish kroner not commensurate with the associated cost. Therefore, no hedging is performed.

The effects on profits and equity of a change in the Company's primary foreign currencies relative to the average/closing exchange rate are shown below for profits and equity respectively. The stated changes of the foreign exchange rates have been chosen based on an assessment of the risk of exchange rate fluctuations:

DKKm	**Exchange rate change**	**Profit before tax 2010**	**Equity 31/12 2010**	**Profit before tax 2009**	**Equity 31/12 2009**
Exchange rate used		av. rate	closing rate	av. rate	closing rate
SEK	+/-10 %	+/-1.0	+/-0.4	+/-1.0	+/-0.1
GBP	+/-10 %	+/-0.2	+/-0.2	+/-0.4	+/-0.1

The Group had no other significant currency risks relating to receivables and payables denominated in foreign currency at 31 December 2010.

The determination of the Group's currency exposum is based on the following assumptions:

- The sensitivity rates specified for operating activities have been calculated based on continuing activities.
- It is assumed that sales, prices and interest-rate levels will remain unchanged.
- The sensitivity rates related to financial instruments have been calculated on the basis of the financial instruments recognised at 31 December.
- The calculated expected fluctuations are based on the average annual volatility rates for the underlying risks.

Credit risks

The Group is exposed to credit risks from receivables and deposits with banks.The maximum credit risk corresponds to the carrying amount.There is not believed to be any significant credit risks in connection with liquid funds, the other parties being banks with a high credit rating.The Group regularty follows up on outstanding receivables in accordance with its receivables policy. Where uncertainty arises about a customer's ability or willingness to pay a receivable and the claim is believed to entail a risk, a write-down is made to cover this risk.

The Group has no significant risks relating to a single customer or business partner. In accordance with the Group's credit risk assumption policy, all major customers and other business partners are subject to continuous credit assessment.

In the past three years the Group's bad debts have been at the level of 1.0‰ to 3.5‰ of revenue.

NORTH MEDIA A/S

The balance overdue on trade receivables is composed as follows:

DKKm

2010	**0-30 days**	**31-60 days**	**61-90 days**	**>90 days**	**Total**
Overdue trade receivables, but not decreased in value	11.6	0.9	0.3	0.0	12.8
Overdue trade receivables that are decreased in value	0.0	0.3	0.3	3.0	3.6
					16.4
Write-down					-2.9
Trade receivables, net value at 31 December 2010					**13.5**

2009	**0-30 days**	**31-60 days**	**61-90 days**	**>90 days**	**Total**
Overdue trade receivables, but not decreased in value	9.2	0.6	0.3	0.0	10.1
Overdue trade receivables that are decreased in value	0.0	0.2	0.3	5.6	6.1
					16.2
Write-down					-4.8
Trade receivables, net value at 31 December 2009					**11.4**

41 Carrying amount financial assets and liabilities

	2010 DKKm		2009 DKKm	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Trade receivables	83.8	83.8	64.5	64.5
Receivables from associates	1.3	1.3	0.7	0.7
Income tax receivable	5.7	5.7	0.0	0.0
Other receivables	7.0	7.0	14.5	14.5
Securities	48.8	48.8	0.0	0.0
Cash	99.4	99.4	155.3	155.3
Total financial assets	**246.0**	**246.0**	**235.0**	**235.0**
Financial institutions	81.5	81.7	85.7	85.8
Trade payables	47.7	47.7	36.1	36.1
Income tax	0.0	0.0	2.6	2.6
Other payables	96.2	96.2	82.3	82.3
Financial liabilities measured at amortised cost	**225.4**	**225.6**	**206.7**	**206.8**
Interest-rate swap	9.0	9.0	6.7	6.7
Forward exchange contract	9.6	9.6	0.0	0.0
Financial liabilities measured at fair value	**18.6**	**18.6**	**6.7**	**6.7**

The fair value of the interest-rate swap has been calculated on the basis of the market price from the counterparty at 31 December 2010 (level 2).

The fair value of credit institutions has been calculated on the basis of the market price of the bonds underlying the loans at 31 December 2010 (level 1).

The fair value of securities has been calculated using the market price at 31 December 2010 for each instrument (level 1).

The fair value of the forward exchange contract has been calculated using the rate quoted for the relevant currency on 31 December (level 2)

The fair value of other assets and liabilities was calculated in accordance with the accounting policies, (level 3) to which reference is made.

Executive Board
Lars Nymann Andersen
CEO, North Media A/S

Kåre Stausø Wigh
CFO, North Media A/S

Arne Ullum Laursen
Media Director, North Media A/S

Richard Bunck, born in 1940
Chairman of the Board of Directors and principal shareholder

Education: Trained in shipping at the East Asiatic Company
At the age of 23, Richard Bunck went to work at the Thule Air Base in Greenland.
1965: Acquires half of the then newly established enterprise Reklamedistributionen in Copenhagen.
1972: The name of the enterprise is changed to Forbruger-Kontakt.
1978: The first copies of Søndagsavisen are printed.
1996: Søndagsavisen A/S is listed on the Copenhagen Stock Exchange.

In 2010, the Group changed its name to North Media A/S. Richard Bunck is the Chairman of the Board of Directors of a group the business concept of which is to communicate advertisements and information to consumers.

He is also chairing the Boards of Directors of the following five subsidiaries, which are wholly owned by North Media A/S:
• BeKey ApS
• Forbruger-Kontakt A/S
• Helsingør Dagblad A/S
• North Media Ejendomme ApS
• Væksthuset ApS

Member of the Board of Directors/Executive Officer of:
• Boligportal ApS (Vice-Chairman)
• Matchwork World Wide A/S (Vice-Chairman)
• Newcosa 1 ApS
• Newcosa 2 A/S
• Ofir A/S
• Ofir Services A/S (Vice-Chairman)
• Onlineselskabet af 25.07.1988 A/S
• Søndagsavisen A/S (Vice-Chairman)
• Baunegård ApS
• Bunck Invest 1 ApS
• Bunck Invest 2 ApS
• Invest 88 A/S
• Riol Invest ApS
• RMJ Finansiel Group ApS.

Peter Rasztar, born in 1945
Vice-Chairman, Executive Officer

Education: Graduate Diploma in Business Administration (Accounting and Financial Management)

2007 to 2008: CEO of the Danpo/Kronfågel Group, Denmark and Sweden
2001 to 2005: CEO and Group Managing Director of Swedish Meats ek. för, Sweden
1997 to 2001: CEO of TULIP International Ltd., UK
1991 to 1997: CEO of companies in the Danish slaughtering and refinement sector
1988 to 1991: CEO and Group Managing Director of ESS-FOOD UK Group, UK.

Member of the Board of Directors:
• Bosarp A/S, Bosarp – Sweden
• Carnad A/S
• North Media A/S (Vice-Chairman)
• Forbruger-Kontakt A/S (Vice-Chairman).

Steen Gede, born in 1953
Wholesale Dealer

Education: MSc (Strategic Planning and Accounting Description Methodology) in 1978

Owner of Unicare Nordic A/S since 2005
2000 to 2005: CEO of Gatetrade.net
1999: CEO and Group Managing Director of FDB, Denmark
1997 to 1998: Group Managing Director of Det Berlingske Officin, Denmark
1990 to 1997: Group Managing Director of Dagrofa, Denmark
Chairman of the Board of Directors of:
• Benedicte Holding ApS
  Including one subsidiary
• Brandhouse A/S
  Including one subsidiary
• Carl F. International A/S
• Forenede A/S
  Including one subsidiary
• Panel Institute ApS
• Sgups Holding A/S
  Including six subsidiaries, one of them being Unicare Nordic A/S
• Unicare Nordic A/S (wholly owned subsidiary group of Sgups Holding)
  Including four subsidiaries
• Unicare Solar Energy ApS.

Member of the Board of Directors:
• North Media A/S
• Forbruger-Kontakt A/S
• Gumlink A/S
• Sanistål A/S
• Thiele A/S
  Including two subsidiaries.

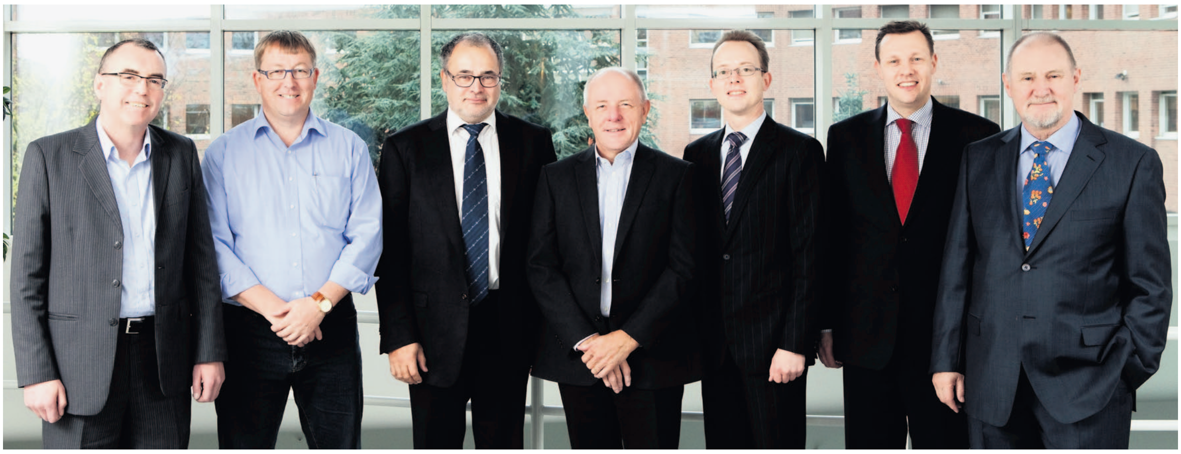
Ulrik Holsted-Sandgreen, born in 1970
Attorney-at-Law and Partner of Bech-Bruun, a Danish law firm

Education:
- Certificate of practice, 15 February 1998
- Entitled to appear before the Danish Supreme Court

Member of the Board of Directors:
- North Media A/S
- Forbruger-Kontakt A/S.

Memberships:
- Foreningen Højesteretsskranken, a Danish association of Supreme Court attorneys and attorneys entitled to appear before the Danish Supreme Court

Lars Nymann Andersen was appointed CEO of North Media A/S as from 1. januar 2011



From left to right: *Arne Ullum Laursen, Mads Dahl Møberg Andersen, Steen Gede, Peter Rasztar, Kåre Stausø Wigh, Ulrik Holsted-Sandgreen and Richard Bunck.*

At 31 December 2010

North Media A/S

Associates

- A/S Vestsjællandske Distriktsblade – 50.00%
- Gratistidningar i Sverige AB * – 33.33%

Subsidiaries and Joint Ventures
including continuing companies

- 100.00% Helsingør Dagblad A/S
- 100.00% FK-Distribution A/S
  - 50.00% Dansk Distributions Center P/S **
  - 60.00% HA Grafisk Reklame A/S
  - 60.00% Tryksagsomdelingen Fyn P/S **
  - 60.00% UA/FK Distribution A/S
  - 70.00% Distribution Syd A/S
- 100.00% Søndagsavisen A/S
- 100.00% Boligportal.dk ApS
- 100.00% BeKey ApS
- 100.00% Væksthuset ApS
- 100.00% Min Reklame ApS
- 100.00% Onlineselskabet af 25.07.1988 A/S
- 100.00% Ofir A/S
- 100.00% MatchWork World Wide A/S
  - 100.00% MatchWork Danmark A/S
  - 100.00% MatchWork Sverige AB
  - 100.00% MatchWork UK Ltd.
  - 100.00% MatchWork Deutschland GmbH
- 100.00% OFIR Services A/S
- 100.00% North Media Ejendomme A/S

* Sold at 1 January 2011
** Joint ventures (pro-rata consolidated)

North Media A/S

FINANCIAL STATEMENTS
PARENT COMPANY
2010

Financial statements 1 January to 31 December 2010 **page**

Income statement	**83**
Balance sheet	**84**
Statement of changes in equity	**86**
Notes	**87**

Note		2010 DKKm	2009 DKKm
	Revenue	**57.8**	**53.8**
44	Staff costs	44.5	33.0
47	Other costs	33.8	40.5
46	Amortisation and depreciation	2.7	2.2
	EBIT before special items	**-23.2**	**-21.9**
45	Special items, net	0.0	-1.1
	Share of profit/loss in subsidiaries	64.6	-2.1
	Share of profit/loss in associates	16.5	1.9
	Financial income	12.2	10.9
	Gain/loss from divestments	0.0	21.0
	Profit before tax	**70.1**	**8.7**
48	Tax for the year	-6.0	-1.6
	Net profit for the year	**76.1**	**10.3**

NORTH MEDIA A/S

ASSETS

Note		2010 DKKm	2009 DKKm
	Completed development projects, software	0.0	0.7
49	**Intangible assets**	**0.0**	**0.7**
	Operating equipment, fixtures and fittings	1.9	3.1
50	**Property, plant and equipment**	**1.9**	**3.1**
51	Investments in subsidiaries	514.0	345.4
52	Investments in associates	21.4	8.0
53	Deferred tax asset	0.9	0.0
	Other receivables	4.5	0.0
	Fixed asset investments	**540.8**	**353.4**
	Total non-current assets	**542.7**	**357.2**
	Trade receivables	2.9	0.0
	Receivables from subsidiaries	156.5	62.4
	Income tax receivable	5.8	0.0
	Receivables from associates	0.8	0.4
	Other receivables	0.0	0.2
	Prepayments	3.3	4.3
	Receivables	**169.3**	**67.3**
	Securities	48.8	0.0
	Cash	86.0	140.5
	Total current assets	**304.1**	**207.8**
	Total assets	**846.8**	**565.0**

EQUITY AND LIABILITIES

Note		2010 DKKm	2009 DKKm
	Share capital	100.3	100.3
	Retained earnings	356.8	437.6
	Shareholders' equity	**457.1**	**537.9**
53	Provisions for deferred tax	0.0	0.3
	Total provisions	**0.0**	**0.3**
	Fair value, forward exchange contract	9.6	0.0
	Trade payables	2.2	0.8
	Payables to subsidiaries	367.6	13.6
54	Income tax payables	0.0	2.6
55	Other payables	10.3	9.8
	Total current liabilities	**389.7**	**26.8**
	Total liabilities	**389.7**	**27.1**
	Total equity and liabilities	**846.8**	**565.0**

56 Operating leases and rent obligations
57 Contingent assets and liabilities, and guarantee obligations
58 Security for loans
59 Related parties

NORTH MEDIA A/S

DKKm 2010	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2010	**100.3**	**437.6**	**0.0**	**573.9**
Changes in equity in 2010				
Translation adjustments, foreign subsidiaries and associates	0.0	1.7	0.0	1.7
Adjustments of investments in subsidiaries and associates	0.0	-2.3	0.0	-2.3
Adjustments, forward exchange contract	0.0	-9.6	0.0	-9.6
Tax recognised directly in equity	0.0	3.0	0.0	3.0
Net profit/loss for the year	0.0	76.1	0.0	76.1
Purchase of treasury shares	0.0	-22.0	0.0	-22.0
Dividend distributed and cash remuneration	0.0	-130.4	0.0	-130.4
Dividend, treasury shares	0.0	1.9	0.0	1.9
Share-based payment	0.0	0.8	0.0	0.8
Total changes in equity in 2010	**0.0**	**-80.8**	**0.0**	**-80.8**
Equity at 31 December 2010	**100.3**	**356.8**	**0.0**	**457.1**

2009				
Equity at 1 January 2009	**111.4**	**462.4**	**0.0**	**573.8**
Changes in equity in 2009				
Translation adjustments, foreign subsidiaries and associates	0.0	1.6	0.0	1.6
Adjustments of investments in subsidiaries and associates	0.0	0.1	0.0	0.1
Fair value adjustments of hedging instruments	0.0	10.3	0.0	10.3
Tax of adjustments in equity	0.0	-0.6	0.0	-0.6
Net profit/loss for the year	-11.1	11.1	0.0	0.0
Purchase of treasury shares	0.0	-50.1	0.0	-50.1
Share-based payment	0.0	2.8	0.0	2.8
Total changes in equity in 2009	**-11.1**	**-24.8**	**0.0**	**-35.9**
Equity at 31 December 2009	**100.3**	**437.6**	**0.0**	**537.9**

NORTH MEDIA A/S

42 Accounting policies in general

The Parent Company's financial statements have been prepared in accordance with the provisions of the Danish Financial Statements Act for reporting class D companies and the financial reporting requirements of NASDAQ OMX Copenhagen for listed companies.

The Annual Report is presented in Danish kroner.

43 Accounting policies

Effective from 1 January 2010, the Group changed its legal structure in the spring of 2010 with a considarable part of the Parent Company's activities being transferred to subsidiaries. From this date, the Parent Company of the Group serves as the holding company of the Group's operating companies. The comparatives for the Parent Company have been restated in accordance with the uniting-of-interests method as this is a case of intra-group restructuring.

The Parent Company's recognition and measurement criteria are identical to the Group's accounting policies except in the following areas:

INCOME STATEMENT

Profits or losses from investments in subsidiaries

The Parent Company's profit includes the proportionate share of the net profits/losses of the individual group companies after full elimination of intra-group gains or losses plus goodwill regarding such group companies.

BALANCE SHEET

Investments

Investments in group companies are measured according to the equity method. Investments are measured in the balance sheet at the proportionate share of net asset value.

Goodwill is measured at cost less accumulated amortisation and impairment losses.

Amortisation is provided on a straight-line basis over the expected lives of the assets, which are not more than:

- Goodwill 10 years

Goodwill is amortised over the estimated economic life which is determined based on the Management's experience of the individual business areas. Goodwill is amortised on a straight-line basis over the amortisation period which is not more than 10 years and longest for strategically acquired companies with a strong market position and a long-term earnings profile. Amortisation of goodwill on consolidation is recognised in the income statement under investments in subsidiaries.

Goodwill is tested for impairment if there are any indications of impairment. The impairment test is carried out for the activity or the business area to which goodwill relates. Goodwill is written down to the higher of the value in use and net selling price for the activity or the business area to which goodwill relates (recoverable amount) if such amount is lower than the carrying amount.

Only goodwill acquired after 1 January 2002 has been capitalised.

Subsidiaries and associates with a negative net asset value are measured at nil, and any amount due from these companies is written down by the Parent Company's share of the negative net asset value to the extent that it is found to be uncollectible. Should the negative net asset value exceed the amount due, the remaining amount will be recognised under provisions to the extent that the Parent Company has a legal or constructive obligation to cover the liabilities of the company concerned.

Other investments acquired for permanent ownership are measured at cost. If the carrying amount is found to be permanently impaired, a write-down is made which will be reflected in the income statement.

Equity

Dividends expected to be paid for the year is presented as a separate item under equity.

NORTH MEDIA A/S

	2010 DKKm	2009 DKKm
44 Employees and staff costs		
Average number of employees	35	51
Analysis of total salaries and remuneration for the year		
Wages and salaries, incl compensated absence	39.0	36.4
Defined contribution pensions	1.4	2.2
Other social security costs	0.0	0.0
Remuneration of the Parent Company's Board of Directors	0.9	0.8
Other staff costs	3.2	-6.4
Total staff costs	**44.5**	**33.0**

Remuneration of the Board of Directors, Executive Board and managerial staff
DKKm

2010	**Board of Directors of Parent Company**	**Executive Board of Parent Company**	**Other managerial staff**	**Total**
Wages and salaries	0.9	12.7	0.0	13.5
Defined contribution pensionsplans	0.0	0.5	0.0	0.5
Share-based payment	0.0	0.4	0.0	0.4
Severance pay	0.0	10.1	0.0	10.1
Total remuneration	**0.9**	**23.6**	**0.0**	**24.4**
Number of members	**4**	**3**	**0**	**7**
2009				
Wages and salaries	0.9	8.1	0.0	9.0
Defined contribution pensionsplans	0.0	0.4	0.0	0.4
Share-based payment	0.0	1.3	0.0	1.3
Severance pay	0.0	2.7	0.0	2.7
Total remuneration	**0.9**	**12.5**	**0.0**	**13.4**
Number of members	**4**	**3**	**0**	**7**

Reference is made to notes 8 and 23 to the consolidated financial statements concerning share-based payments.

	2010 DKKm	2009 DKKm
45 Special items		
Currency loss in connection with the sale of GISAB and Norsk Avisdrift AS	0.0	1.1
Total special items	**0.0**	**1.1**

	2010 DKKm	2009 DKKm
46 Amortisation and depreciation		
Intangible assets, amortisation	0.7	2.1
Property, plant and equipment, depreciation	0.8	1.6
Loss by disposals in the year	2.0	0.0
Total amortisation and depreciation	**2.7**	**3.7**
47 Fee to the auditors appointed by the Company in General Meeting		
Statutory audit services	0.3	0.3
Other assurance engagements	0.2	0.1
Tax services	0.3	0.4
Other advisory services	0.4	2.0
Total fee to auditors	**1.2**	**2.8**
48 Income tax		
In the period under review income tax was paid in the amount of	**22.6**	**0.0**
Income tax in the income statement		
Current tax charge, incl surcharges/reliefs	-4.7	-1.0
Changes in deferred tax charge	-1.2	-0.2
Adjustment relating to prior years	-0.1	-0.4
Total income tax	**-6.0**	**-1.6**
Analysis of tax for the year:		
25% tax calculated on the profit before tax	17.5	2.1
Tax effect of:		
Share of profit/loss in subsidiaries	-17.7	0.2
Share of profit/loss in associates	-4.1	-0.5
Other non-deductible expenses	0.0	2.2
Share-based payment	0.2	0.0
Recovery of capital losses, carryforwards from shares	-2.1	0.0
Gain/loss divestments	0.0	-5.2
Reclassification of non deductiable assets	0.3	0.0
Adjustments relating to prior years	-0.1	-0.4
Total income tax	**-6.0**	**-2.1**

NORTH MEDIA A/S

49 Intangible assets
DKKm

2010	**Other intangible assets**	**Complet-ed devel-opment projects, software**	**Development projects in progress**	**Total**
Cost at 1 January	8.0	3.7	0.0	11.7
Cost at 31 December	**8.0**	**3.7**	**0.0**	**11.7**
Amortisation and impairment losses at 1 January	8.0	3.0	0.0	11.0
Amortisations in the year	0.0	0.7	0.0	0.7
Amortisation and impairment losses at 31 December	**8.0**	**3.7**	**0.0**	**11.7**
Carrying amount at 31 December	**0.0**	**0.0**	**0.0**	**0.0**
Amortised over (years)	**5-10**	**3-5**	**-**	**-**

2009				
Cost at 1 January	8.0	78.8	0.2	87.0
Disposals, restructuring	0.0	-75.4	-0.2	-75.6
Additions in the year	0.0	0.3	0.0	0.3
Costs at 31 December	**8.0**	**3.7**	**0.0**	**11.7**
Amortisation and impairment losses at 1 January	8.0	62.1	0.0	70.1
Disposals, restructuring	0.0	-59.8	0.0	-59.8
Disposals in the year	0.0	0.7	0.0	0.7
Amortisation and impairment losses at 31 December	**8.0**	**3.0**	**0.0**	**11.0**
Carrying amount at 31 December	**0.0**	**0.7**	**0.0**	**0.7**
Amortised over (years)	**5-10**	**3-5**	**-**	**-**

Reference is made to Note 17 to the consolidated financial statements for a description of assets with an indefinite life and the impairment test.

50 Property, plant and equipment
DKKm

2010	Land and buildings	Plant and machinery	Fixtures and fittings	Land and buildings in progress	Total
Cost at 1 January	0.0	0.0	5.7	0.0	5.7
Additions in the year	0.0	0.0	1.9	0.0	1.9
Disposals in the year	0.0	0.0	4.5	0.0	4.5
Cost at 31 December	**0.0**	**0.0**	**3.0**	**0.0**	**3.1**
Depreciation and impairment losses at 1 January	0.0	0.0	2.6	0.0	2.6
Depreciation in the year	0.0	0.0	0.8	0.0	0.8
Disposals in the year	0.0	0.0	2.2	0.0	2.2
Depreciation and impairment losses at 31 December	**0.0**	**0.0**	**1.2**	**0.0**	**1.2**
Carrying amount at 31 December	**0.0**	**0.0**	**1.9**	**0.0**	**1.9**
Depreciated over (years)	**35-50**	**5-10**	**3-5**	**-**	**-**

2009					
Cost at 1 January	369.9	113.0	153.3	0.6	636.8
Disposals, restructuring	-369.9	-113.0	-148.1	-0.6	-631.6
Additions in the year	0.0	0.0	0.8	0.0	0.8
Disposals in the year	0.0	0.0	-0.3	0.0	-0.3
Cost at 31 December	**0.0**	**0.0**	**5.7**	**0.0**	**5.7**
Depreciation and impairment losses at 1 January	48.3	36.8	128.1	0.0	213.2
Disposals, restructuring	-48.3	-36.8	-127.0	-0.0	-212.1
Depreciation and impairment losses in the year	0.0	0.0	1.6	0.0	1.6
Disposals in the year	0.0	0.0	-0.1	0.0	-0.1
Depreciation and impairment losses at 31 December	**0.0**	**0.0**	**2.6**	**0.0**	**2.6**
Carrying amount at 31 December	**0.0**	**0.0**	**3.1**	**0.0**	**3.1**
Depreciated over (years)	**35-50**	**5-10**	**3-5**	**-**	**-**

	2010 DKKm	2009 DKKm
51 Investments in subsidiaries		
Cost at 1 January	633.9	368.7
Additions, restructuring	0.0	227.8
Additions in the year	147.6	37.4
Cost at 31 December	**781.5**	**633.9**
Net revaluation according to the equity method at 1 January	-298.6	-250.6
Adjustments, restructuring	0.0	15.4
Translation adjustments	0.2	1.0
Share of profit/loss in the year	64.6	-2.1
Dividend received	-21.5	-62.4
Other adjustments	-3.1	0.1
Net revaluation according to the equity method at 31 December	**-258.4**	**-298.6**
Carrying ammount at 31 December	**514.0**	**345.4**

	2010 DKKm	2009 DKKm
52 Investments in associates		
Cost at 1 January	117.6	115.1
Additions in the year	0.0	2.5
Disposals in the year	0.0	0.0
Cost at 31 December	**117.6**	**117.6**
Net revaluation according to the equity method at 1 January	-12.3	-6.9
Translation adjustments	1.7	0.7
Share of profit/loss in the year	16.5	3.1
Dividend	-4.7	-9.2
Net revaluation according to the equity method at 31 December	**1.2**	**-12.3**
Carrying ammount at 31 December	**21.4**	**8.0**

NORTH MEDIA A/S

52 Investments in associates, continued

Associates	Registered office	Ownership 2010	Ownership 2009
A/S Vestsjællandske Distriktsblade	Slagelse	50%	50%
Gratistidningar i Sverige AB (GISAB), sold at 1 January 2011	Stockholm	33%	33%

53 Deferred tax

	2010 DKKm	2009 DKKm
Deferred tax at 1 January	0.3	-0.6
Disposals, restructuring	0.0	1.1
Deferred tax for the year included in the net profit/loss for the year	-1.2	-0.2
Deferred tax at 31 December	**-0.9**	**0.3**

Specification of deferred tax

	2010			2009		
DKKm	**Assets**	**Liabili-ties**	**Total**	**Assets**	**Liabili-ties**	**Ttal**
Intangible assets	0.1	0.0	-0.1	0.0	1.7	1.7
Property, plant and equipment	1.1	0.0	-1.1	1.4	0.0	1.4
Receivabels	0.0	0.3	0.3	0.0	0.0	0.0
Total	**1.2**	**0.3**	**0.9**	**1.4**	**1.7**	**0.3**

54 Income tax payable

	2010 DKKm	2009 DKKm
Income tax payable at 1 January	2.6	0.4
Current tax for the year recognised in profit/loss	-4.7	2.2
Current tax recognised directly in equity	-2.4	0.0
Tax payable under the joint taxation scheme	21.3	0.0
Income tax received/paid in the year	-22.6	0.0
Income tax receivable/payable at 31 December	**-5.8**	**2.6**

55 Other payables

	2010 DKKm	2009 DKKm
A-tax (PAYE) etc payable to public authorities	0.1	0.1
VAT liability	0.1	0.2
Absence pay obligation	7.7	4.2
Other debt	2.4	5.3
Other payables	**10.3**	**9.8**

NORTH MEDIA A/S

56 Operating leases and rent obligations

	2010 DKKm	2009 DKKm
Operating leases		
Future minimum expenses related to operating leases:		
Due within 1 year	0.0	0.2
Due within 1 and 5 year	0.0	0.1
Total	**0.0**	**0.3**
For operating leases the following amounts have been recognised in the income statement:	0.1	0.3
Rent obligations		
Future minimum expenses related to rent obligations:		
Due within 1 year	7.8	0.0
Due within 1 and 5 years	33.5	0.0
Due after 5 years	47.8	0.0
Total	**89.1**	**0.0**
For the rent obligations the following amounts have been recognised in the income statement:	7.8	0.0

56 Contingent assets and liabilities, and guarantee obligations

North Media A/s has submitted a letter of comfort to its subsidiary, Onlineselskabet af 25.7.1988 A/S. The total liabilities in Onlineselskabet af 25.7.1988 A/S amount to DKK 13.6 million of which DKK 13.5 million is towards other group companies.

Reference is made to Note 36 to the consolidated financial statements concerning other guarantee obligations and contingent liabilities.

	2010 DKKm	2009 DKKm
58 Security for loan		
North Media A/S has furnished security to its subsidiary Onlineselskabet af 25.07.1988 A/S, for a maximum of	20.0	20.0

In 2010 North Media A/S split off a business activity into Forbruger Kontakt A/S by way of a demerger. If an amount owed to a creditor of North Media A/S or Forbruger Kontakt A/S is not repaid, each company will be jointly and severally liable for liabilities arising at the time of publication of the demarger plan, however for no more than an amount corresponding to the added or residual net value of the individual company at this time.

Reference is made to Note 37 to the consolidated financial statements concerning other secu-ritiy provideds.

59 Related parties

	2010 DKKm	2009 DKKm
Transactions with associates		
A/S Vestsjællandske Distriktsblade, revenue	0.2	0.6
Total transactions	**0.2**	**0.6**
A/S Vestsjællandske Distriktsblade	0.8	0.4
Total receivables from associates	**0.8**	**0.4**

Reference is made to Note 38 to the consolidated financial statements for a description of related party transactions.


Den perfekte kaffe
Se, hvilken kaffemaskine der klarer sig bedst i test
Fyringer efter juledruk
Pas på, hvad du fortæller din chef til julefrokosten
Pensionspenge er i fare
Vi lokkes til ordninger med lavt afkast - og uden garanti
fordomme og diskrimination
SØNDAGSAVISEN
Ugens job: 80
Danmarks mest læste avis

Parent Cimpany

North Media A/S

Gladsaxe Møllevej 28
DK-2860 Søborg
Reg no. 66 59 01 19
Tel: +45 39 57 70 00
www.northmedia.dk

Subsidiaries

Print

Søndagsavisen A/S	Helsingør Dagblad A/S	FK Distribution A/S	FK Distribution København P/S
Gladsaxe Møllevej 28 DK-2860 Søborg Reg no. 32 88 36 99 Tel: +45 39 57 75 00 www.sondagsavisen.dk	Klostermosevej 101 DK-3000 Helsingør Reg no. 86 73 67 13 Tel: +45 49 22 21 10 www.helsingordagblad.dk	Bredebjergvej 6 DK-2630 Taastrup Reg no. 26 89 97 37 Tel: +45 43 43 99 00 www.fk.dk	Bredebjergvej 6 DK-2630 Taastrup Reg no. 28 33 46 48 Tel: +45 36 48 80 00 www.fk.dk
FK Distribution Horsens A/S	**FK Distribution Fyn P/S**	**FK Distribution Vejle A/S**	**FK Distribution Syd A/S**
Bødkervej 11-13 DK-7100 Vejle Reg no. 27 18 62 54 Tel: +45 75 85 84 11 www.fk.dk	Ryttermarken 17 B DK-5700 Svendborg Reg no. 27 16 77 80 Tel: +45 62 22 22 22 www.fk.dk	Bødkervej 11-13 DK-7100 Vejle Reg no. 26 83 56 74 Tel: +45 75 85 84 11 www.fk.dk	Energivej 8 DK- 6700 Esbjerg Reg no. 27 23 90 80 Tel: +45 75 13 34 33 www.fk.dk

Bekey ApS

Bredebjergvej 6
DK-2630 Taastrup
Reg no. 27 50 79 80
Tel:+45 43 43 99 00
www.bekey.dk

Online

Ofir A/S	Ofir Services A/S	MatchWork World Wide A/S	MatchWork Danmark A/S
Gladsaxe Møllevej 26 DK-2860 Søborg Reg no. 25 16 55 27 Tel: +45 39 57 77 66 www.ofir.dk	Gladsaxe Møllevej 26 DK-2860 Søborg Reg no. 21 59 94 09 Tel: +45 88 20 98 00 www.sondagsavisen.dk www.lokalia.dk	Gladsaxe Møllevej 26 DK-2860 Søborg Reg no. 19 42 99 03 Tel: +45 36 95 95 95 www.matchwork.com	Gladsaxe Møllevej 26 DK-2860 Søborg Reg no. 26 68 66 75 Tel: +45 36 95 95 95 www.matchwork.com
MatchWork UK Ltd	**MatchWork Deutschland GmbH**	**Boligportal.dk ApS**	**Min Reklame ApS**
8-14 Vine Hill London EC1R 5DX United Kingdom Tel: +44 (0)20 7520 1600 www.matchwork.com	Fort Malakoff Park Rheinstrasse 4E 55116 Mainz Germany Tel: +49 (0) 6131 - 9069 8125 www.matchwork.com	Helsingforsgade 27 DK-8200 Århus N Reg no. 26 72 25 35 Tel: +45 70 20 80 82 www.boligportal.dk	Gladsaxe Møllevej 28 DK-2860 Søborg Reg no. 26 54 26 93 Tel: +45 39 57 77 90 www.minreklame.dk

Væksthuset ApS

Gladsaxe Møllevej 28
DK-2860 Søborg
Reg no. 27 50 79 72
Tel: +45 39 57 70 00

Other

North Media Ejendomme ApS

Gladsaxe Møllevej 28
DK-2860 Søborg
Reg no. 32 88 37 10
Tel: +45 39 57 70 00

Associated companies

A/S Vestsjællandske Distriktsblade

Klingeberg 14
DK-4200 Slagelse
Reg no. 13 91 29 98
Tel: +45 58 53 32 22

Photographer: Kristian Brasen

2010

NORTH MEDIA A/S

Gladsaxe Møllevej 28 • DK - 2860 Søborg
Tel: +45 39 57 70 00 • Fax +45 39 66 74 15
Internet: www.northmedia.dk
E-mail: investor@northmedia.dk