

QUARTERLY REPORT 4th Quarter 2015

Mer tilgjengelig enn noen gang.

Dagens Næringslivs lesere er i større grad enn andre opptatt av å holde seg informert, og de gjør det stadig oftere via digitale flater! Derfor opphever vi skillet mellom digitalt og papir – alle våre abonnenter har nå tilgang til DN digitalt. Det gjør det enkelt å holde seg oppdatert på de stoffområdene og sakene som interesserer deg. Vi ønsker alle våre lesere et godt og innholdsrikt nytt år.

Gå inn på dn.no/logginn

DN Dagens Næringsliv



Merete Bø Vigsmøst
Sverre Strandhagen Journalist
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In November, DN gave all its print subscribers access to DN's digital products

Highlights

- Total revenues increased by 1 % to MNOK 332 in the quarter and with accumulated revenue growth of 3 % to MNOK 1 272 for the full year.
- In the fourth quarter, circulation revenue was stable, advertising revenue was down 8 %, while other media service revenue increased by 19 %.
- The EBITDA for the quarter was a profit of MNOK 5, which is MNOK 10 down on last year. For the year as a whole, the EBITDA ended with a profit of MNOK 54 against a profit of MNOK 34 last year. The Board will not propose any dividend for 2015.
- The fourth quarter saw improvements in the operating result of Global and Direct Relations. There was a significant decrease in DN due to declining single-copy sales and advertising revenue as well as higher marketing costs. In addition, there was a marginal decrease in operating result in Nautical.
- The Group increased its digital revenue by 17 % in the quarter compared with last year. On an accumulated basis, digital revenue constituted 31 % of total revenues in 2015. The Group is engaged in extensive digital product development, and improvements or expansions are continuously being launched.
- The weakening of the Norwegian Krone results in increases in both revenues and costs denominated in NOK for the Group. This has had more marginal impact on the overall consolidated operating result for the Group, but it is an important explanatory factor for the development in several of the subsidiaries.
- DN has changed its subscriptions and included digital products in all its subscription products from December 2015. The change has been well received and the use of the digital products is increasing. All the Group's publications now offer an "all inclusive" choice.

FOURTH QUARTER 2015

Figures in MNOK	Q4 2015	Q4 2014	%change	YTD Q4 2015	YTD Q4 2014	%change
Revenues	332,1	327,4	1 %	1271,9	1235,4	3 %
Operating expense	337,8	323,1	5 %	1258,8	1245,7	1 %
EBITDA	4,8	15,2	-68 %	54,3	34,2	59 %
Operating profit/loss(-)	-5,7	4,2	N/A	13,1	-10,3	N/A
Net finance	-2,8	0,9		-5,1	-4,4	
Profit/loss (-) before tax	-8,5	5,2		8,0	-14,7	

The fourth quarter was characterised by a challenging Norwegian media market, which had a particularly negative effect on DN. There was good improvement in the operating result and revenue growth in Global. This was however not sufficient to compensate for the decrease in revenues and result in DN. The development in revenues for the Group's publications consequently pointed in different directions, but the difference was less if adjustments are made for exchange rate movements. On an underlying basis, the media market was still facing great challenges both nationally and internationally, but there were large and increasing fluctuations between the months in the fourth quarter. Direct Relations had a very strong fourth quarter with revenue growth of 49 %. Nautical also continued its top-line growth in the fourth quarter. The Group's operating result decreased by MNOK 10, compared with the same quarter in 2014. The underlying cause was a decrease in operating profit of MNOK 18 in DN, while the other companies either saw improvements in their operating result or achieved the same profitability as the previous year. Based on profitability, the fourth quarter was a weak end to the year, reflecting the challenges that the Group is facing on several of its markets.

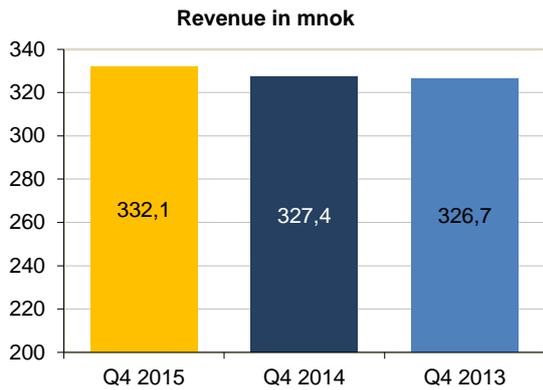
The NHST Group in the fourth quarter

Revenues amounted to MNOK 332 in the fourth quarter, which was 1 % up on the same period last year. The underlying revenue base, before foreign exchange effects and new activities, showed a marginal decrease in revenues in the fourth quarter. As in the previous quarters of the year, the top-line development was primarily supported by the Group's non-publishing operations, but in the fourth quarter, Global also contributed to the revenue growth.

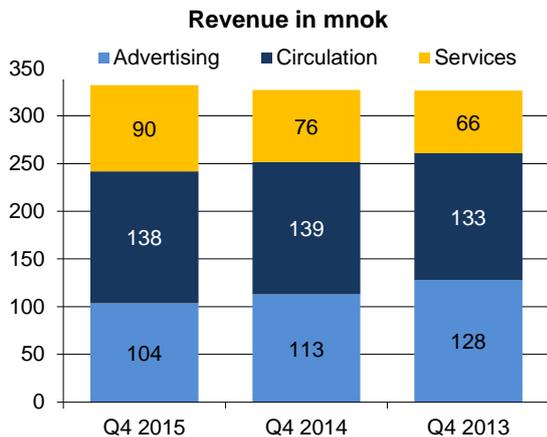
Circulation revenue, which amounted to MNOK 138, showed an overall stable development during the quarter, and this has been the case throughout the year. However,

there are large differences between the entities with a growth rate of 14 % in the global publications, while DN has seen its circulation revenue drop 7 %.

Advertising revenue continued to decrease overall, but Global turned a decline in the third quarter into growth in the fourth quarter.



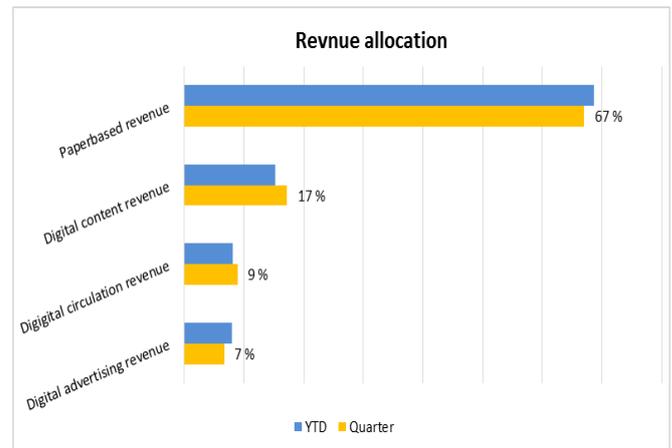
Total advertising revenue for the quarter ended at MNOK 104, which was a decrease of 8 %. Digital advertising revenue increased by 7 % against 28 % in the third quarter, thus also reflecting a generally challenging advertising market.



Total revenue from the media service segment and other minor revenue flows from conferences and other activities ended at MNOK 90 in the quarter, up 19 %. After increasing growth during the year, the growth rate decreased in the fourth quarter, first and foremost as a result of lower growth in Nautical Charts.

Total digital revenues increased in the quarter. 32 % of the Group's total revenues was "digital" in the fourth quarter. After digital revenue passed the 30 % mark at the beginning of the year, it ended at 31 % for the year as a whole. The publishing operations had an increase in digital revenue of 8 % against the same period last year. The growth

rate for digital publishing revenue was lower in the fourth quarter than earlier in the year.



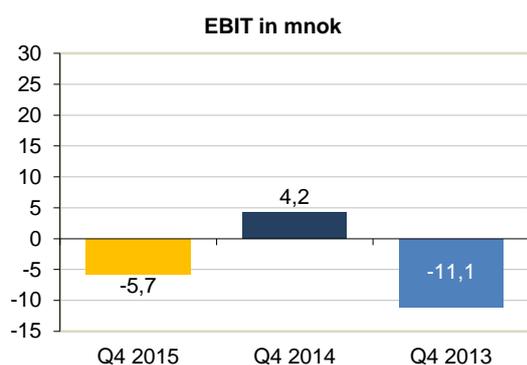
Other digital revenue in the Group increased by 30 %, with this revenue primarily being driven by Direct Relations.

Operating costs in the fourth quarter ended at MNOK 338. This is an increase of 5 % against the same period last year. This is a higher growth rate than in the previous quarters due to cost growth replacing a cost reductions in DN's for the first time in 2015. Digitisation of all print subscribers, marketing and increased development activities pushed DN's costs upwards.

Before foreign exchange and cost of sales effects, the cost base developed at a stable rate after having decreased in the previous quarters. Measures were taken, especially in Global, that had an effect on costs in the quarter, but these measures were offset by cost increases elsewhere.

EBITDA ended the quarter at a profit of MNOK 5, which is MNOK 10 down on the EBITDA in the same period last year. The development in the fourth quarter was consequently precisely the opposite of that seen in the third quarter. This illustrates the large revenue fluctuations from quarter to quarter in 2015.

The fourth quarter saw an operating loss of MNOK 6, which is a decline of MNOK 10.



The net result before tax was a loss of MNOK 9 in the quarter.

The Group's total assets followed the normal development in the fourth quarter and increased as a result of advance payments. The equity ratio ended the quarter at 17 %. The Group's underlying cash flow and liquidity situation are satisfactory. The Group's total liquidity ended the quarter at MNOK 184, which constituted a net cash flow of MNOK 9 in the quarter.

Accumulated result for the year as a whole

Total operating revenues for 2015 amounted to MNOK 1 272, which is an increase of 3 % on the previous year. The development in circulation revenue was stable, advertising revenue decreased by 9 % and media service revenue increased by 26 %. Adjusted for foreign exchange effects and one-off effects, the development in revenues was flat.

DN had a decline of 5 % for the year and Global had a decline of 8 % before foreign exchange effects and one-off effects, whereas Direct Relations was up 39 % and Nautical Charts was up 18 %. Both of the latter were also boosted by foreign exchange effects, but the overall increase was primarily due to underlying growth.

The cost base ended at MNOK 1 259 in 2015, which is a cost increase of 1 %. The underlying

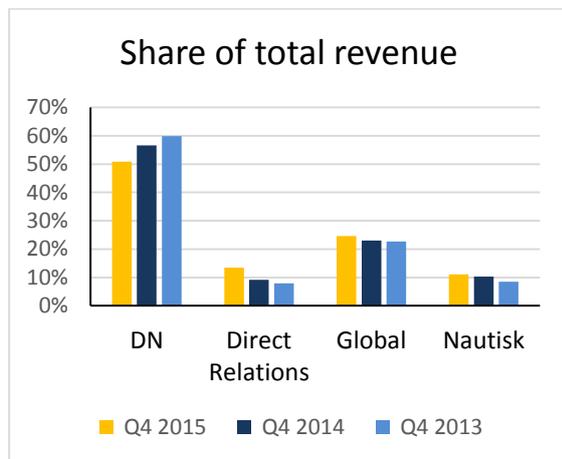
operating cost base in the Group has been reduced significantly through measures taken in Global, the Group's sale of the shares in Smartcom and continuous adjustments to the operating cost base in the other entities. Direct Relations continued to expand in 2015, with more employees and investments in new markets. Also in Nautical Charts, the higher costs were primarily due to an increase in cost of goods sold.

The operating result improvement on the previous year was MNOK 23, with one-off effects constituting MNOK 11. There was significant improvement in Global, while Nautical Charts and Direct Relations also showed progress. DN did not manage to offset the revenue loss through corresponding cost reductions, and the operating margin decreased as a result of the decline in operating result in the fourth quarter

On an annual basis, the cash flow was MNOK 17 for the year. The Group has an interest-bearing loan of MNOK 50. This is part of a renewed credit facility with DNB of up to MNOK 100.

The Group changed office premises in London in 2015. This resulted in a gain of MNOK 11 for the Group, which has been included in the media service revenue, the operating result and the cash flow for the year.

The business areas in the fourth quarter



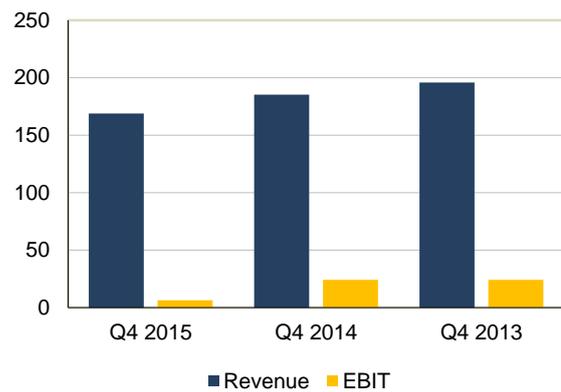
DN business area

Revenue amounted to MNOK 169 in the fourth quarter, which is a decrease of 9 % against the same period last year.

Advertising revenue decreased by 12 %, to MNOK 75, in the fourth quarter. The decrease was in line with the first half of the year, after it had been limited in the third quarter. Once again, the decrease was largest for print advertising, while there was growth in digital advertisements. The solid development with large traffic growth on DN's digital products continued in the fourth quarter.

At the end of the quarter, the subscriptions were changed in DN with all print subscribers being granted access to DN's digital products. All DN's subscribers are consequently also digital subscribers from 2016. The conversion was marketed both at the end of 2015 and into 2016, and the customer feedback has been positive. The subscribers' use of the digital products is increasing rapidly.

DN in mnok



Circulation revenue also decreased in the quarter. The decrease was 7 %, and revenue ended the quarter at MNOK 90. Single-copy sales and seasonal variations were the primary factors behind the decrease in the fourth quarter, while the number of digital subscriptions continued to increase. After the change of the subscription structure, there will, in the future, be more focus on the number and type of subscriptions than on the digital revenue part of subscriptions.

The operating profit for the fourth quarter was MNOK 6, which is a decrease of MNOK 18. The drop in revenue in the fourth quarter was the primary factor dragging down the operating profit. Operating costs were up MNOK 1.5 compared with the same period last year. Reasons for the cost increase include increased development activities and increased marketing activities connected with the change to the subscription products.

Morgenbladet is reported as an associated company in the Group and consequently does not affect the DN business area.

Morgenbladet generated revenues of MNOK 63 in 2015, which is an increase of 9 %. The operating profit was MNOK 4, which is also up on the same period last year. NHST owns 34 % of the shares in Morgenbladet.

Global business area

As from 2015, Global comprises the enterprises Tradewinds, Upstream, Intrafish Media, Recharge and Europower.

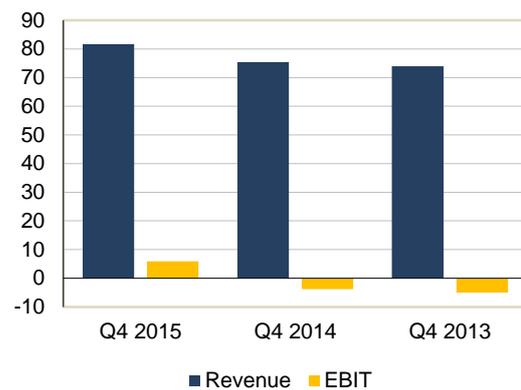
Comparative figures have been updated to reflect this.

Revenues ended the quarter at MNOK 82, which is 8 % up on the same period last year. The development in the fourth quarter was positive for all enterprises except Intrafish. Circulation revenue increased by 14 % in the quarter, while advertising revenue was up 5 %. Circulation revenue has continued to increase throughout the year supported by a weaker Norwegian Krone and the full-year effects of price adjustments. Advertising revenues on the other hand fluctuate a lot from month to month. The challenges in the oil and gas sector continued to affect Upstream in the fourth quarter, while the media market in Norway was negative for Intrafish. The underlying advertising revenue, adjusted for foreign exchange effects, is declining in Global.

The challenges in oil and gas-related markets have been met with significant cost adjustments in Upstream, which means that the publication has improved its operating result compared with 2014.

In light of the development in advertising revenues, measures have been implemented to focus even more on developing the subscription revenues in the global publications through both organisational changes and product development, not least digitally. These measures will make themselves felt during 2016.

GLOBAL in mnok



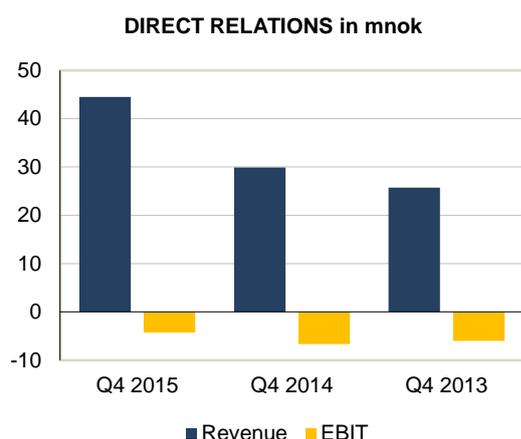
Total operating costs were MNOK 76, which is in line with the previous quarters of the year. Compared with the same period last year, costs decreased by 4 %. Measures aimed at reducing the cost base have been implemented continuously during 2015. Before foreign exchange effects, costs were down 10 % in the fourth quarter. This constitutes MNOK 32 on an annual basis.

The quarter ended with an operating profit of MNOK 6 or an increase of MNOK 10. After an operating loss in the third quarter, Global was consequently back in black with a profit in the fourth quarter. Tradewinds and Upstream drove the improvement in operating result in the quarter.

Direct Relations business area

Revenues in Direct Relations increased by 49 % in the fourth quarter after a growth rate of 46 % in the third quarter. The organic growth rate was 34 %, first and foremost driven by growth in Sweden and Norway, but there was also an increase in revenues from the newer areas. Revenues ended the quarter at MNOK 45, up from MNOK 30 in the same period last

year.

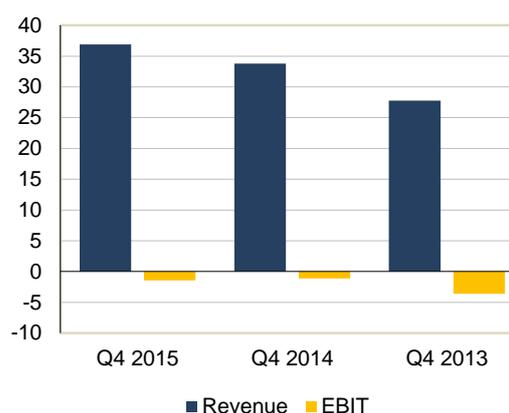


The fourth quarter saw an operating loss of MNOK 4. This is an improvement of MNOK 2.5 compared with the same period last year. The cost base increased by 33 % in the fourth quarter, which is in line with the increase in costs for the year. The underlying cost growth in the quarter, before foreign exchange effects, was somewhat lower than in the previous quarters of the year.

Nautical Charts business area

Revenues in Nautical Charts, denominated in NOK, continued to increase in the fourth quarter, but the growth rate of 9 % was lower than in previous periods. Revenues have consequently increased in nine consecutive quarters, but, adjusted for foreign exchange effects in the fourth quarter, the development was flat. There was a positive development in the UK and Asia during the quarter, whereas the decline in the Norwegian offshore industry was making itself felt. Revenue ended the quarter at MNOK 37, which was in line with the average for the year.

NAUTICAL CHARTS in mnok



Operating costs increased by MNOK 3, which is 10 % up on the fourth quarter in 2014. The increase was due to an increase in purchases of goods, foreign exchange effects and somewhat higher operating costs connected with a high sales activity level.

The gross margin in the fourth quarter was on a level with the average for the year and has stabilised at a somewhat higher level than in 2014. Continuous work is being done to adapt customer prices to the changed foreign exchange conditions, and this work has been successful in 2015. The quarter ended with an operating loss of MNOK 1.5, which is marginally weaker than in the same quarter last year. Based on the current volumes and product mix, the profitability is not satisfactory, and continuous work is being done to implement measures aimed at bringing the business into balance and creating satisfactory profitability. Higher sales volumes are, in particular, expected from sales of NaviTab, which was launched some months ago, and which has been well received.

Other business area

This business area now only consists of the activities in the parent company as well as Smartcom in comparative figures for 2014. In 2015, Smartcom is reported as an associated

company under financial items, together with Morgenbladet.

The parent company's cost base increased by 9 % or MNOK 2.5. The negative result contribution in the quarter consequently increased compared with the same period last year, which is, to a large extent, due to various IT projects aimed at cutting costs in the future.

Prospects

Market conditions in the media industry remain challenging, especially in terms of advertising revenue. Global again showed a result improvement in the fourth quarter, whereas DN faced a challenging market. Advertising revenue fluctuates considerably from period to period, and there are challenges in the oil and gas sector as well as on the Norwegian media market.

The Group is meeting these challenges through the implementation of several measures on both the revenue side and the cost side. Continued strong growth in media service revenue will also contribute to compensating for lower advertising revenue.

NHST has an option to acquire up to 91.1 % of Morgenbladet before 1 April, 2016. Exercising this options is under consideration.

Oslo, 16.02.2016

The Board of Directors in NHST Media Group
and the Group CEO

KEY FIGURES NHST MEDIA GROUP						
(MNOK)	Q4 2015	Q4 2014	YTD Q4 2015	YTD Q4 2014	2014	2013
Revenues	332,1	327,4	1 271,9	1 235,4	1 235,4	1 236,8
Operating expenses	327,3	312,2	1 217,5	1 201,2	1 201,2	1 184,1
Ordinary depreciation	10,5	10,9	41,2	44,5	44,5	43,6
EBITDA	4,8	15,2	54,3	34,2	34,2	52,7
Operating profit / loss (***)	-5,7	4,2	13,1	-10,3	-10,3	9,1
Net financial items	-2,8	0,9	-5,1	-4,4	-4,4	-3,5
Profit/loss before tax	-8,5	5,2	8,0	-14,7	-14,7	5,6
Profit/loss after tax total (*)	-6,4	-2,4	7,5	-17,7	-17,2	-8,2
Minority interests	-0,3	0,4	0,1	1,4	1,4	1,3
Profit/loss after tax majority(*)	-6,1	-2,8	7,4	-19,0	-18,6	-9,4
Number of shares	1 287 925	1 287 925	1 287 925	1 287 925	1 287 925	1 287 925
Profit/loss per share in NOK	-5,0	-1,9	5,8	-13,7	-13,4	-6,3
Number of employees	735	752	733	749	751	736
Number of FTEs (**)	726	743	723	740	741	728
			31.12.2015	31.12.2014		
Intangible assets			141,9	134,4		
Other fixed assets			132,9	100,0		
Total fixed assets			274,7	234,4		
Inventory			25,5	24,9		
Accounts receivable			120,5	133,3		
Other short term receivables			29,7	24,8		
Cash and cash equivalents			183,5	166,3		
Total short term assets			359,2	349,3		
Total assets			633,9	583,7		
Shareholders' equity			96,6	96,7		
Minority			12,0	11,9		
Total shareholders' equity			108,7	108,6		
Long term debt			21,8	19,6		
Accounts payable			40,9	45,3		
Prepayments			277,8	237,2		
Other short term debt			184,7	173,2		
Total liabilities			525,2	475,1		
Total shareholders' equity and liabilities			633,9	583,7		
(*) A 27 % tax rate has been used in calculating the quarterly figures						
(**) Full year figures are the average for the year, quarterly figures are at quarter's end.						
The 10 largest shareholders as at December 31						
Bonheur ASA	27,00 %					
Ganger Rolf ASA	27,00 %					
Must Invest AS	21,75 %					
Fredrik Olsen AS	2,20 %					
Falck Frås A/S	1,83 %					
Sjøgress AS	1,80 %					
Pareto AS	1,67 %					
MP Pensjon	1,57 %					
Røed Gunvor Jorunn Hammer	1,18 %					
Dnb Livsforsikring	1,10 %					

NHST GROUP (MNOK)	Q4 2015	Q4 2014	Diff 15/14	YTD Q4 2015	YTD Q4 2014	Diff 15/14
Total revenue	332,111	327,353	1 %	1 271,880	1 235,361	3 %
Operating expenses	334,701	319,295	5 %	1 245,952	1 228,462	1 %
Amortisation at group level	3,094	3,814	-19 %	12,828	17,214	-25 %
Operating profit/loss(-)	-5,685	4,244	N/A	13,099	-10,316	N/A
Net financial items	-2,786	0,916	N/A	-5,107	-4,355	-17 %
Profit/loss(-) before tax	-8,470	5,159	N/A	7,992	-14,671	N/A
SEGMENT DAGENS NÆRINGS LIV						
DN TOTAL (MNOK)	Q4 2015	Q4 2014	Diff 15/14	YTD Q4 2015	YTD Q4 2014	Diff 15/14
Total revenue	168,762	185,405	-9 %	646,798	681,237	-5 %
Operating expenses	162,527	161,175	1 %	597,517	624,069	-4 %
Operating profit/loss(-)	6,235	24,230	-74 %	49,281	57,168	-14 %
Net financial items	1,481	1,526	-3 %	7,099	7,526	-6 %
Profit/loss(-) before tax	7,717	25,756	-70 %	56,380	64,694	-13 %
SEGMENT GLOBAL						
CONSOLIDATED GLOBAL (MNOK)	Q4 2015	Q4 2014 **	Diff 15/14	YTD Q4 2015	YTD Q4 2014 **	Diff 15/14
Total revenue	81,642	75,429	8 %	323,349	306,624	5 %
Operating expenses	75,789	79,230	-4 %	304,724	307,499	-1 %
Operating profit/loss(-) ***	5,853	-3,801	N/A	18,625	-0,875	N/A
Net financial items	-1,065	1,514	N/A	-1,302	1,337	N/A
Profit/loss(-) before tax	4,788	-2,287	N/A	17,323	0,463	3645 %
** Including consolidated figures for NHST Asia						
*** Not including depreciation of group goodwill						
SEGMENT DIRECT RELATIONS						
CONSOLIDATED DIRECT RELATIONS (MNOK)	Q4 2015	Q4 2014	Diff 15/14	YTD Q4 2015	YTD Q4 2014	Diff 15/14
Total revenue	44,527	29,921	49 %	154,482	111,780	38 %
Operating expenses	48,779	36,569	33 %	164,925	123,624	33 %
Operating profit/loss(-) *	-4,252	-6,648	36 %	-10,443	-11,844	12 %
Net financial items	0,290	0,004	6407 %	0,243	0,196	24 %
Profit/loss(-) before tax	-3,962	-6,643	40 %	-10,201	-11,648	12 %
* Not including depreciation of group goodwill						
SEGMENT NAUTICAL CHARTS						
NAUTICAL CHARTS (MNOK)	Q4 2015	Q4 2014	Diff 15/14	YTD Q4 2015	YTD Q4 2014	Diff 15/14
Total revenue	36,896	33,809	9 %	145,606	123,146	18 %
Operating expenses	38,332	34,942	10 %	151,347	130,788	16 %
Operating profit/loss(-) *	-1,436	-1,133	-27 %	-5,741	-7,642	25 %
Net financial items	-0,748	0,040	N/A	-2,272	-2,109	-8 %
Profit/loss(-) before tax	-2,184	-1,093	-100 %	-8,013	-9,751	18 %
* Not including depreciation of group goodwill						
SEGMENT OTHER						
CONSOLIDATED OTHER (MNOK)	Q4 2015	Q4 2014	Diff 15/14	YTD Q4 2015	YTD Q4 2014	Diff 15/14
Total revenue	22,111	25,016	-12 %	88,248	98,038	-10 %
Operating expenses	31,101	29,607	5 %	114,042	127,947	-11 %
Operating profit/loss(-) *	-8,990	-4,591	-96 %	-25,794	-29,909	14 %
Net financial items	-3,878	-2,169	-79 %	-10,010	-22,015	55 %
Profit/loss(-) before tax	-12,869	-6,759	-90 %	-35,804	-51,924	31 %
* Not including depreciation of group goodwill						

Definitions

Advertising revenue	Revenue from advertisements in hard copy publications or on digital surfaces
Circulation revenue	Revenue from subscription, over-the-counter and bulk/fixed sales products in the publishing enterprises
Media service revenue	Total revenue from the Group's non-publishing enterprises and revenue that is not circulation revenue or advertising revenue generated in the publishing enterprises
Digital revenue	Revenue from digital products in both publishing and non-publishing enterprises