tmg 24 7

Annual Report 2015

De Telegraaf

7 million
via print and digital[1]

18.5 milion
video views
every month[6]

VROUW

2.4 million
via print and digital[1]

DFT DE FINANCIËLE TELEGRAAF

49 million
page views
every month[2]

telesport

94.2 million
page views
every month[2]

PRIVÉ

3.6 million
via print and digital[1]

autovisie

1.2 million
via print and digital[1]

metro

6.2 million
via print and digital[1]

Noordhollands Dagblad

925,000
via print and digital[1]

Leidsch Dagblad

266,000
via print and digital[1]

De Gooi- en Eemlander

246,000
via print and digital[1]

Haarlems Dagblad

281,000
via print and digital[1]
(incl. IJmuider Courant)

GEENSTIJL

2.1 million
users every month[3]

DUMPERT

108 million
video views
every month[2]

6.5 million
users every month[3]

UPCOMING

2.4 million
users every month[3]

gaspedaal.nl

0.9 million
users every month[3]

JAAP.NL

0.6 million
users every month[3]

groupdeal.nl powered by Telegraaf Media Groep

1.7 million
subscribers[4]

De Telegraaf Aanbiedingen

0.8 million
subscribers[4]

SkyRadio

3.4 million
listeners every week[5]

RADIO VERONICA

1.4 million
listeners every week[5]

CLASSIC fM

0.7 million
listeners every week[5]

tmg 24 7

Sources:
[1] NOM Mediamerken 2015-I (2014-II until 2015-II), 13+
[2] Google Analytics, period: December 2015
[3] Google Analytics, period: December 2015, relates to unique browsers
[4] Internal reporting by TMG Digital
[5] NLO/GfK, Mon-Sun 6am-12am / 2015 annual average / 10 years and older
[5] NLO/GfK, Mon-Sun 6am-12am / 2015 annual average / 10 years and older
[6] Streamone, period: December 2015
[7] Google Analytics, period: December 2015, relates to daily paper websites and news apps

Who we are

Telegraaf Media Groep N.V. (TMG) is one of the largest media companies in the Netherlands, with strong brands such as De Telegraaf, DFT, Telesport, Metro, Autovisie, Privé, VROUW, regional dailies such as De Gooi- en Eemlander, Haarlems Dagblad, Leidsch Dagblad and Noordhollands Dagblad, and the national radio stations Sky Radio, Radio Veronica and Classic FM.

In addition, we have dozens of other brands and titles that focus on the provision of news, entertainment, video productions, e-commerce and supply and demand in the private market, with well-known names such as Upcoming, Dumpert, Relatieplanet, Gaspedaal and Groupdeal. Through Keesing Media Group, we publish puzzle magazines and digital puzzles in the Netherlands, Belgium, Germany, France, Denmark, Sweden, Spain, the United Kingdom, Italy and Norway.

It is our mission to provide consumers with personalised, relevant content in the fields of news, sports and entertainment, 24 hours a day, 7 days a week. We do this via the internet, mobile applications, videos, sound, print and across media. Consumers' wishes and needs are at the heart of the choices we make.

With strong brands and strong positions in our content domains, we are an attractive partner for advertisers, marketers, content creators and distribution partners. Together with them, we create added value in the entire chain, with the aim of achieving a sustainable result for everyone involved.

In 2015, TMG's revenue amounted to € 482 million. The Group, which has its head offices in Amsterdam, has 2,049 employees (fte).

In 2015, TMG launched its new 24/7 strategy. Consumers are at the heart of everything we do. What content do they want to watch or listen to, via which channel and at what time? Fast online, live via radio, and background stories, context and interpretation in print – 24 hours a day, 7 days a week.

That's why we have also put consumers at the centre of this annual report. We asked eight consumers about their use of media. Some of their stories can be read on the theme pages in this report; the videos can be found in the online version of the annual report. In this way, we want to show that we really listen to those for whom we make our content.

Facts and figures 2015

In thousands of euros	**2015**	2014
Total income	**482,332**	517,712
Operating result	**-21,000**	-31,420
Financial income and expense	**-1,798**	-7,158
Result before tax	**-22,798**	-38,578
Income tax	**841**	-491
Net result for the year	**-23,639**	-38,087
Minority interest	**-879**	-4,281
Result attributable to shareholders of Telegraaf Media Groep N.V.	**-22,760**	-33,806
EBITDA, excluding restructuring costs	**41,621**	46,269
EBITDA margin	**8.6%**	8.9%
Per share in €		
Result	**-0.49**	-0.73
Cash flow from operating activities	**0.35**	0.52
Employees (fte) at period end	**2,049**	2,269

€ 482.3 million
revenue

€ 41.6 million
EBITDA

2,230
employees at year-end 2015

38%
female employees

44.7 jaar
average age of permanent staff

€ 1.5 million
spent on employee development

13%
digital revenue as % of total revenue

74%
print revenue as % of total revenue

6%
radio revenue as % of total revenue

7%
other revenues as % of total revenue

100%
CO_2-neutral electricity used in our offices and printing plants

15%
absolute CO_2-emission reduction relating to our own activities (Scope 1 and 2)

93%
of our direct waste materials are recycled

98%
of the paper used for our production is certified as sustainable

100%
use of green electricity in the external data centres hosting our online products

Reach in 2015

De Telegraaf
total reach of 7 million via print and digital[1]
1 billion page views every month (71% mobile)[2]
18.5 million video views every month[6]

VROUW
total reach of 2.4 million via print and digital[1]
17.3 million page views every month[2]

DFT
DE FINANCIËLE TELEGRAAF
49 million page views every month[2]

telesport
94.2 million page views every month[2]

PRIVÉ
total reach of 3.6 million via print and digital[1]
163 million page views every month[2]

autovisie
total reach of 1.2 million via print and digital[1]
3 million page views every month[2]

metro
total reach of 6.2 million via print and digital[1]
16.3 million page views every month[2]

Noordhollands Dagblad
total reach of 925,000 via print and digital[1]
6.4 million page views every month[7]

Leidsch Dagblad
total reach of 266,000 via print and digital[1]
1.1 million page views every month[7]

De Gooi- en Eemlander
total reach of 246,000 via print and digital[1]
1.2 million page views every month[7]

Haarlems Dagblad
Oprechte Haerlemse Courant 1656
(incl. IJmuider Courant)
total reach of 281,000 via print and digital[1]
2.1 million page views every month[7]

GEENSTIJL
2.1 million users every month[3]

DUMPERT
142 million page views every month[2]
108 million video views every month[2]
6.5 million users every month[3]

UPCOMING
2.4 million users every month[3]

gaspedaal.nl
0.9 million users every month[3]

JAAP.NL
0.6 million users every month[3]

groupdeal.nl
powered by Telegraaf Media Groep
1.7 million subscribers[4]

De Telegraaf Aanbiedingen
0.8 million subscribers[4]

Sky Radio
total of 3.4 million listeners every week[5]

RADIO VERONICA
total of 1.4 million listeners every week[5]

CLASSIC FM
total of 0.7 million listeners every week[5]

Sources:
[1] NOM Mediamerken 2015-I (2014-II until 2015-II), 13+
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[7] Google Analytics, period: December 2015, relates to daily paper websites and news apps

The 2015 and 2014 annual accounts have been prepared in accordance with the IFRS-EU guidelines applicable in 2015. The significant accounting policies are included in the consolidated financial statements. The consolidated statement of profit and loss is presented on the basis of continued operations.

The result of discontinued activities or those held for sale is presented separately in 2015. In 2015, Relatieplanet was reclassified from held for sale into continued operations.

Annual report 2015

Foreword

Gearing up

For a media company like ours, there is always something rather unnatural about looking back. Here we are, already deep in 2016, looking back on 2015. It was a year in which, as we announced, we radically restructured our organisation. This took its toll on our employees. But it was something we had to do so that, both now and especially in the future, we can do even better what we do best: creating relevant content and distributing it with the speed, intensity, volume and dynamics that consumers expect.

The world is getting smaller all the time. The speed at which we make and distribute content is unprecedented. New forms of distribution continue to arise in the wake of rapidly developing technologies. At the same time, consumers are being flooded with offers. Social, political and economic issues are more complex than ever. All of this has implications for our position as a media company: where and how can we add value?

Back to the core

We believe we can add value by returning to the core, i.e., creating and distributing content in which news plays an important part. We add value for journalism that not only reports, but that also serves as a guide or navigator for consumers. More than ever, consumers need help in selecting and interpreting what is happening around them. In the volatile, hectic pace of life today, people increasingly feel the need for accurate information and for overview – boiled down to the essence and fast. And this is a trend that will only gain in momentum.

Along with all our other strong brands, De Telegraaf, which is the daily newspaper with the largest reach in the Netherlands, is singularly well-placed to fulfil this function as a guide. We aim to take this role upon ourselves even more prominently than before, to offer people what they need, 7 days a week, 24 hours a day. It is a mission in which we can confidently lead the way.

In 2015, we had to implement a large number of restructuring measures to prepare us for this role. Inevitably, they cut deep into the organisation, but they were necessary to help us anticipate and sharpen our focus. Already, we have taken steps to improve our liquidity position, raising sustainable cost awareness within the organisation and rationalising our product portfolio. We have also invested heavily in IT, particularly to enhance the dynamics of our data, and develop more data-driven propositions. We have bundled and unified our back-office support activities. And above all, we have taken an approach to developing our people. We recognise that we can only make media that matters if we have the right knowledge and skills, coupled with a healthy dose of entrepreneurship and courage. That is why we have set up a group-wide talent development and leadership programme. We also took steps to ensure that everyone understands our new direction and is fully engaged. During several rounds of internal and external knowledge transfer sessions, we explained to employees and business partners why we are taking this course: to make sure consumers can decide themselves what they want to watch or listen to, where and when they want it. That is why the consumer is always in the spotlight, also in this Annual Report.

Increased collaboration

The past year was also marked by increased collaboration, both internally and externally. Internally, we have set up shared editorial and customer management systems, as well as coordinated cross-selling activities. We have also improved our internal communication infrastructures, which has included the launch of a social intranet. By working more closely together, we can offer readers, listeners and viewers even more quality content. Together, we can create innovative revenue models for our content and marketing partners. In today's market, the need for such collaboration is urgent.

Where possible, we are also entering into new and innovative external partnerships, with the aim of developing cross-media projects that consumers will find surprising and attractive. We find that many external parties who want to reach specific target groups are interested in joining forces with us. We believe such links will enable both sides to innovate and reinforce their activities in a creative, mutually beneficial manner.

Online boost

Finally, we have also accelerated the development and expansion of our online propositions (such as VROUW.nl, Relatieplanet and the Sky Radio Group channels) with even faster, richer and more customised content, and supported by solid IT backbones. We can already be proud of the huge quantity of high-quality content we have in the digital field (including excellent reach figures). The bundling of non-title-related online activities in TMG Digital as of 1 January 2016 will enable us to draw on this strength even more extensively throughout TMG.

In short, in 2015, TMG definitely got into a higher gear. For consumers, we made better, more surprising and more accessible content. For employees, we created an inspiring work environment, with room for entrepreneurship and new ideas. For shareholders, by innovating and rationalising our operations, which leads to sustainable profit. For content partners and advertisers, we seized joint opportunities and developed new formulas. And for society, we carefully monitored our production and editorial formulas, while raising awareness of our social impact in both thought and action. For us, this goes far beyond LED bulbs and fair-trade coffee. We have an impact on people, society and the environment. We see sustainability, in the widest sense of the word, as an integral part of our business strategy. As a media company, we can – and will – play a leading role here. In this Annual Report, we are therefore taking our next step towards integrated reporting.

Consumers at the heart

In 2016, we will continue to develop new propositions, in which consumers will be in the spotlight. Do they want a newspaper six days a week? Or only on Saturday, and online during the week? Do they want to stream pop or just classical music? We will be presenting a tailor-made offer, based on our extensive in-house knowledge about what consumers want to hear, read and see – for example, through combined subscriptions of various TMG media. Our recently announced partnership with Talpa will also give a powerful impetus to our propositions. We will also be fine-tuning our commercial processes and back-office support to align with this drive. Consumers will be at the heart.

For advertisers and media agencies, we will be introducing new marketing models, replacing traditional advertising rates. We already took an important first step in this direction in 2015, when we tightened our commercial and pricing policies. We will continue to accelerate implementation of these initiatives, and expect tangible results in 2016.

Finally, we would like to thank all our employees, readers, listeners, viewers, content partners, advertisers, shareholders and other stakeholders for their dedication, commitment and trust in TMG. As a Board, we are proud of what has been achieved in 2015. In our view, the momentum that has built up within our organisation over the past year provides a promising starting point for the successful achievement of our ambitions and goals in 2016.

Geert-Jan van der Snoek and Leo Epskamp

Amsterdam, February 2016

TMG 24/7

Bahareh Borzuee (32)
English teacher

'Apart from general news, I am interested in culture, education and next generation'

1 October 2015. In the Heineken Music Hall, Amsterdam, some 600 customers and business contacts have gathered to hear about TMG's new 24/7 strategy. The plans to develop TMG's brands and domains, new concepts and platforms are proudly presented by an enthusiastic, driven team of TMG people. The editors of *Metro* make a digital magazine on the spot. The reactions are positive: 'a sparkling autumn presentation,' says one of our larger customers. Through TMG, we reach the Netherlands as a whole.

Report of the Executive Board

Annual report 2015

Composition of the Executive Board

Geert-Jan (G.J.E.) van der Snoek (1965), CEO

Business Administration University Groningen

Royal Navy officer

Vodafone

NRC Media

NDC mediagroep

TMG

Geert-Jan van der Snoek was appointed CEO effective 1 July 2014. He began his career as a naval officer, moving to the business sector in 1995. As a consultant and in his position as Director with companies such as KPMG and Merx Enterprises, he managed a large number of new businesses and change management projects in the media, financial services, retail, and entertainment sectors, among others at Schuitema and Getronics. Before he joined TMG, he was CEO of the NDC Media Group. Van der Snoek completed his MBA at Groningen University.

Leo (L.N.J.) Epskamp (1962), CFO

Economics University Amsterdam

Reed Elsevier

KPMG

ERIKS

NDC mediagroep

TMG

Leo Epskamp was appointed CFO effective 1 September 2014. He has a great deal of experience in the media world. He occupied various financial positions at Reed Elsevier, and as partner and auditor at KPMG, he managed several national and international teams in the media sector. He also worked as Investment Director at NPM Capital and as CFO at ERIKS. His last position prior to his appointment at TMG was CFO of the NDC Media Group. He studied economics at the University of Amsterdam and is qualified as a chartered accountant.

Our people

Our employees are our key assets: they make our media, they achieve sustainable results, and they enable us to meet our ambitious goals. As far as our employees were concerned, 2015 was a year of two halves. On the one hand, we had to cope with the inevitable human effects of the reorganisations that were announced and implemented. On the other hand, we paid a great deal of attention to further developing talent, promoting internal cooperation, and attracting and developing the new competencies we will need to successfully pursue our 24/7 strategy.

Focus on personal development

To implement our new strategy successfully, we will need people with the right knowledge and skills. That is why knowledge growth and personal development were high on our agenda in 2015. An important part of this drive is our People Make Media (Mensen Maken Media: M3) programme. Launched in 2015, M3 is designed to help and encourage employees to develop specific knowledge and skills that will enable them to make a direct contribution to achieving our strategic goals. M3 also serves as a tool for identifying relevant competencies, and for monitoring career growth and succession. TMG's newly formulated core values – collaboration, innovation, customer centricity and integrity – recur as themes throughout M3. The programme is open to everyone: managers, talents and other employees. In 2015, the programme started with the top 120 executives, because of the key role they play in implementing the strategy. They followed a dedicated leadership programme, with assessments (conducted by Ebbinge) and interactive leadership sessions. In addition, we also set up the TMG Executive Leadership Programme, in association with Nyenrode Business University. This is a one-year program for the top 50, which started in the year under review. In 2016, M3 will be further expanded with programmes for other executives, employees and talents.

We also invested in individual development (training and coaching). The sums spent on this in 2015 amounted to more than € 1.5 million (2014: € 1.1 million; 2013: € 0.9 million). In addition, we contributed to the training of young people: 163 trainees gained work experience within TMG.

Young talent as change agent

The managements of the various business units selected internal change agents: young, talented employees working on strategic change projects. These young talents not only gain broader experience, but they also get additional development opportunities. The reactions are positive. A number of these change agents have now become project leaders. In this way, deploying change agents can boost employability, knowledge and quality.

In the year under review, Young TMG, the network of young TMG colleagues, organised several innovation and knowledge sessions, including a field trip to London and various work-shadowing opportunities outside TMG.

Reorganisations

The rapid changes in the market forced TMG to make a number of major adjustments, based on its new 24/7 strategy. During the year, the organisational structure was fine-tuned and made more efficient. At the end of 2015, positive advice was obtained from the Works Council with regard to the announced reorganisations within the editorial staff of TMG Landelijke Media. At the end of 2015, positive advice was also obtained on the restructuring of our printing plants, which will take effect in 2016. The purpose of this is to respond to the overcapacity in the shrinking print market and make the cost structure more flexible. In addition, a large number of reorganisations were carried out within the business units, following the relevant Works Councils' positive advice. For more details, see the reports of the respective business units.

These reorganisations (partly completed in 2015 and to be fully completed in the first six months of 2016) resulted in the loss of about 450 jobs, while also creating room for some new competencies thanks to new activities based on the 24/7 strategy.

Extension of the Social Plan

TMG's Social Plan expired in mid-2015. However, given the ongoing and anticipated reorganisations, the Social Plan will be extended. This will be done in consultation with the unions. The extended plan applies to those reorganisations for which advice was requested from the competent representative body before 30 November 2015, and for which advice was received no later than 31 December 2015. In the fourth quarter of 2015, discussions started on a new Social Plan for TMG, to take effect on 1 January 2016. The new Plan will focus on encouraging and assisting people as much as possible to find other employment.

CAO developments

In mid-2015, the new Collective Labour Agreement (Dutch acronym: CAO) for the publishing sector came into effect. Besides a wage increase of 1% (effective 1 July 2015), one of the most important consequences of this agreement is the introduction of a Personal Choice Budget for employees (effective 1 January 2016). This enables employees to take advantage of a number of flexible working conditions of their own choice. The budget for this arrangement in 2016 has risen by 2%.

In 2015, agreement was also reached on the CAO for journalists working for door-to-door newspapers. Based on this agreement, a wage increase of 1% was granted as of 1 July 2015. It was also agreed that the journalists in question would be covered by the CAO for the publishing industry as of 1 January 2016. Talks on the transitional provisions were still in progress at the end of 2015.

Discussions on the CAO for the graphics and media sector ('Grafimedia') initially ran aground. Pending further developments, TMG retroactively paid its Grafimedia staff the same structural wage increase as agreed in the other collective labour agreements. At the same time, together with other newspaper publishers with their own printing plant, talks were started with the unions to transfer TMG's own Grafimedia population to the collective agreement for the publishing sector. At the end of 2015, an agreement was reached for the entire graphics sector about the Grafimedia CAO. This CAO will run for 29 months.

In total,1,515 TMG employees are covered by a CAO.

Absenteeism stable and in line with the market

Absenteeism increased from 3.9% in 2014 to 4.2% in 2015, which was mainly caused by the extensive restructurings. The number of reported accidents rose from 1 in 2014 to 2 in 2015.

At the end of 2015, we called in external assistance to improve and accelerate the process of returning to work in complex and prolonged cases of absenteeism. This will shorten the period of absence and reduce the risk of employees becoming partially incapacitated for work in the sense of the Dutch WGA Act. In addition, we received advice on improving the design and implementation of our absence management. The results of this qualitative analysis are being translated into concrete action points, which will be implemented in 2016.

Pension scheme

During 2015, the Central Works Council's Pensions Committee was consulted on changes to the company pension scheme. It was decided to maintain the current pension scheme in 2016, while consultations with the Pensions Committee about changing the scheme in 2016 continue.

COR: dialogue between TMG and employees

The Central Works Council (Dutch acronym: COR) protects the interests of employees and the company, keeping a critical eye on those interests. It understands that the continuity of the company depends crucially on innovation and profitability. In 2015, the COR conferred regularly with the Executive Board, both formally and informally. It also spoke with several members of the Supervisory Board. Topics discussed in 2015 included the restructuring and reorganisation of TMG, especially the printing plants, the pension scheme, the renewal of IT systems, and setting up the hotline for integrity and inappropriate behaviour. (See also the COR text box.)

Safety as a key focus area

In 2015, the Netherlands National Coordinator for Counterterrorism and Security judged that the country was faced with a substantial threat, partly because of events such as those in France, Belgium, Germany and the Netherlands that directly affected the media industry. TMG clearly accepted its responsibility, taking focused measures, ensuring that the level of security within and surrounding the company was in line with the situation prevailing elsewhere.

Increasing labour participation

In 2015, we started exploring the possibility of making jobs available at TMG for people who have become distanced from the labour market. This is not only in response to new legislation in the Netherlands (Participation Act), but especially due to our resolve to increase our social value. In 2015, TMG therefore joined forces with De Normaalste Zaak (a national NGO promoting inclusive employment) and its regional network (99 van Amsterdam). In November 2015, we organised a Meet & Greet at our offices in Amsterdam, preceded by an information session for employers. Recruiters and HR advisors (e.g., from Rijksmuseum, IBM, ABN AMRO and the City of Amsterdam) were able to meet dozens of potential workers with an employment disability.

Reflecting our target groups

TMG strives for a workforce that, as much as possible, reflects the people we reach with our media. This will enable us to make our content even more appropriate to them and their daily preoccupations.

Composition of the workforce

The average number of FTEs in 2015 was 2,117 (2014: 2,351). The average age of TMG employees is 44.7.

At the printing plants, the number of female employees is traditionally low. This has a significant effect on the overall male:female ratio within TMG.

Employee turnover

	2015[1]	2014[1]
Employees joining	**219**	233
Employees leaving	**455**	525

1 Excluding the foreign activities of Keesing Media Group.

COR

‘Renewal is needed’

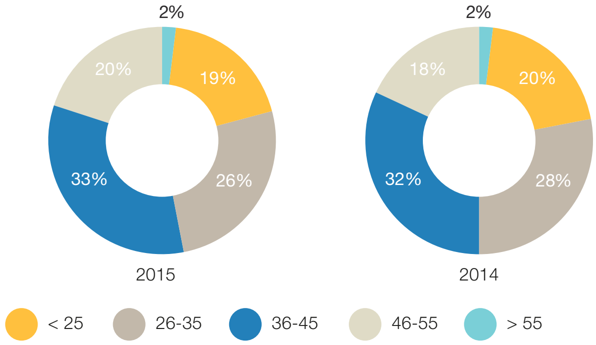
An organisation that is constantly changing – that is the reality that TMG's Central Works Council (Dutch acronym: COR) faced again in 2015. Departments were reorganised, new initiatives were developed, and a number of colleagues were made redundant.

The main topic throughout 2015 was the restructuring of the printing plants. The main topic of discussion throughout 2015 was the restructuring of our printing plants. The request for advice was dealt with by a preparatory committee of the COR, in which Rotatiedrukkerij Voorburgwal and Drukkerij Noord-Holland were represented proportionally. It was no easy task: it was time-consuming and, at times, emotional.

In 2015, the COR was also occupied with the subject of pensions, as TMG wishes to set up a new pension scheme and is considering transferring all pension matters to an insurer. This process took longer than expected. Another item on the COR’s agenda was the reorganisation and renewal of our IT systems. In addition, a Hotline for Integrity and Inappropriate Behaviour was completed in 2015. The related policies and regulations were established with the COR’s consent.

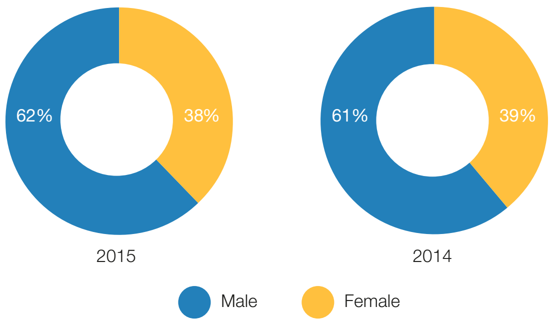
The COR liaised regularly with the Executive Board, both formally and informally. It also spoke with various members of the Supervisory Board. On a number of occasions, the Executive Board modified its decisions in the light of the COR’s views. The COR strongly believes that, in the current situation, doing nothing is not an option: innovation and profitability are essential. What is more, TMG needs to be a good and attractive employer for talented people – employees who are eager to develop and grow within our company, as well as people just starting out on their careers. That is what the COR stands for.

Distribution of employees by age[1]



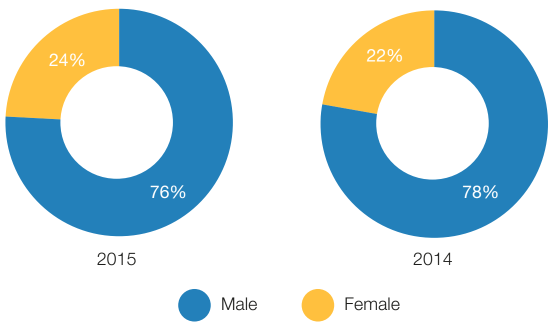
1 Excluding the foreign activities of Keesing Media Group.

Distribution of employees by gender[1]



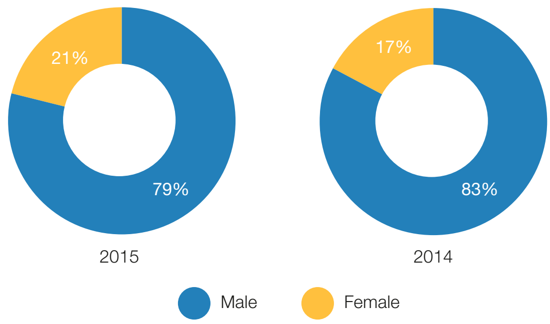
1 Excluding the foreign activities of Keesing Media Group.

Distribution of senior management positions by gender[1,2]



1 Excluding the foreign activities of Keesing Media Group.
2 Senior management positions are all positions as of Hay Scale 3.

Distribution of top-level positions by gender[1,2]



1 Excluding the foreign activities of Keesing Media Group.
2 Senior management positions are all positions as of Hay Scale 3.

In 2015, 31% of our employees worked part-time. Of these, 27% were male (with an average part-time percentage of 80%), and 73% were female (with an average part-time percentage of 72%). Part-time employees, or those with a temporary contract, enjoy the same working conditions within TMG as employees with a full-time permanent contract.

Distribution of permanent and flexible employees (year-end)

	2015	2014
Employees	**2,230**	2,506
Freelancers (editorial)[1,2]	**1,593**	1,919
Other freelancers and flex workers[2]	**321**	288

1 Active freelancers with a contract and a recent active contribution, excluding Keesing Media Group and Sky Radio Group.
2 Excluding the foreign activities of Keesing Media Group.

Using a flexible layer of freelancers fits in with TMG's HR policy, which is designed to help us achieve the objectives of our new 24/7 strategy.

Outlook for 2016

Growing our brands will be one of our main focus areas in 2016. This drive will be supported by Human Resources. Another continuing priority will be to develop the skills we need to successfully carry out our new strategy. For this purpose, the M3 programme will be continued, particularly focusing on the Executive Leadership programme and talent development. In addition, extra attention will be paid to creating an innovative and inspiring company culture.

The world around us

Information technology, with all its applications, has made our lives easier. At work, in our social life, whenever we need healthcare – in all these areas, IT removes burdens and increases efficiency. It has brought us convenience, prosperity and connectivity, in all parts of our lives. As a result, the pace of life has become faster than ever before. And the digital revolution is far from over: technology continues to develop rapidly, bringing innovative applications and opening up new opportunities. In this dynamic world, TMG is taking up the challenge to become – and remain – a successful 24/7 media company.

Thanks to global, ever faster networks, it only takes a few seconds for content to reach the consumer. With the rise of the internet and social media, the range of content has exploded. Anyone can publish information: on Twitter, YouTube, a blog or Facebook – there are no thresholds. More and more companies are convinced that 'Content is King'. Creating and distributing content is no longer restricted to media companies.

Beacon in the information society

It is precisely in this dynamic environment that we see great opportunities. With our strong brands, we can increasingly serve consumers by becoming their guide in an uncertain information society. We can convincingly claim and demonstrate this role, not only due to our years of journalistic experience, but also because we know a lot about our customers, thanks to our robust data templates and customer relationship management (CRM) systems. With our reach and our scale, we are *par excellence* able to create innovative content and deliver it to all consumers – young and old – whenever they want. In that way, we can provide them with what they want when they want it. That is the convenience consumers want – 24 hours a day, 7 days a week – and we can provide it.

At the same time, we are aware that we operate in an unruly market. Indeed, consumers decide how, where and when they hear, see or read information. The time when newspapers were the only beacon in the world of news lies far behind us. Today, consumers select the content they want *à la carte*, with a combination of print, online, video, audio and events. In addition, they are looking for 'experiences'. A piece of text alone is no longer enough. For the younger generation in particular, film and video are the norm. We want to reach these Millennials through our media and brands. And we can. That is why, in 2015, TMG initiated more activities relating to online media, OTT (Over The Top) content and video, precisely to appeal to an even wider audience.

Paul Jansen

'Through social media, rumour can fast become truth'

News in the 21st century is real-time. It can't go any faster. And the amount of news on offer is more than we have ever had. Yet this sheer volume also creates a degree of shallowness. At the same time, it gets more difficult to verify news sources. In essence, every citizen with a mobile phone with Twitter, Facebook, YouTube and Instagram has a potential platform at their disposal. Through social media, a rumour can fast become truth. The impact is not only local. With no limits on reach, any news can easily go global.

Here we see an important role for professional journalism. In this age of information chaos, the need for reliable news provision is growing, as well as for professionals who know how to judge, rank and interpret the almost inexhaustible news flow.

I'm convinced that we shall see a rise in the value of professional journalism in the coming years – not in the least because the world has become our backyard – a backyard where unrest and distrust are currently rampant. Journalism is not stronger than 'nature'. But it can make sure, by providing interpretation and context, that we retain a realistic, accurate picture of the world.

Paul Jansen, journalist and editor-in-chief at De Telegraaf

Online advertising spend on the rise

It is therefore not surprising that interest in print news and entertainment is declining. That is why we are also seeing a shift in the choices made by marketers and advertisers. Thanks to advanced CRM programs, advertisements can be targeted and distributed much more accurately. This gives advertisers an opportunity to develop a more personal offering. In addition, there are now many more touch points, with consumers always being online, on their PC, laptop, tablet or phone.

These trends emerge clearly in the market research done on advertising spend. Within the growing online segment, mobile and programmatic were the fastest growers in 2015.

Society is changing

As a large media company, we are in constant contact with society. In our content, we reflect what matters to our audiences. At the same time, through our content, we influence the social agenda. We are aware of this social role: after all, with our brands, we reach many millions of consumers and large communities. This awareness has only grown stronger over the past year, partly because of the significant developments and events that directly affect society and our sector, such as the attack on Charlie Hebdo.

In a society that is noticeably becoming less compassionate, qualities such as diligence, transparency and involvement take on even greater importance. The responsibility for these qualities lies with our editorial teams, each of which applies and monitors its own values, journalistic freedom and integrity. To support our teams, in 2015, the group integrity policy was standardised and updated, including all regulations and codes to enforce this policy. More information about this is included in the section Sustainability and materiality (see page 22).

Ambition and strategy

TMG aims to serve as many Dutch-language consumers as possible with high-quality, customised and relevant content in the fields of news, sports and entertainment. We do this 24 hours a day, 7 days a week. Consumers determine in which form, through which channel and at which time they receive our content. That is why our readers, our viewers and our listeners are at the heart of everything we do. We wish to inform, surprise, inspire and connect them, with a focus on speed, intensity and dynamics. By entering into cross-media partnerships with complementary content providers and advertisers, we aim to further expand our customised offering, increasing our added value for all links in the chain.

Our strategic objectives

To realise our ambition, we have formulated three main strategic objectives:

- To strengthen our key brands and create enhanced domain positions
- To increase consumer reach
- To generate sustainable returns.

The strongest media company in the Netherlands

To achieve these strategic objectives, we focus on several pillars:

Focus on consumers, key brands and core activities

At the heart of everything we do are the wishes and requirements of consumers, whom we reach through our strong, well-known key brands. By working together with partners, by developing new cross-media content and by applying modern 'big data' technology, we continuously learn more about our target groups, on the basis of which we strengthen our propositions. We proactively investigate potential partnerships for new distribution models (including digital) and new revenue models that we would be unable to set up independently.

Accelerated digital growth

Digital growth not only links in with consumers' changing behaviour, it also leads to an expansion of our key brands, a further expansion of our reach, and an enhancement of our consumer data. This enables us to increase our added value for both consumers and advertisers and to strengthen loyalty and retention.

Developing new payment and marketing models

Thanks to our knowledge of media consumption and consumer preferences (across all channels), we are able to develop targeted payment and marketing models, so that consumers will only pay for the content of their choice, while advertisers can perfectly match their messages to what appeals to their target group.

Increasing efficiency

By raising cost awareness, creating synergy between business units and external partners and, where possible, implementing cost reductions, we increase our effectiveness and flexibility. We continuously invest in upgrading, improving and renewing our IT systems, thus creating room for innovation and better content.

Investing in people

Our people are the crucial link in creating our content and empowering our brands. Together, we work to achieve our ambition. We encourage continuous personal development and entrepreneurship, and offer a challenging working environment in which customer focus, innovation, integrity and collaboration are key.

Doing business sustainably

Doing business in a socially relevant way contributes to our identity, ensures social embedding, makes TMG an attractive employer and warrants our credibility as a content supplier. With our fine-tuned sustainability policy ('TMG actively engaged, every day'), sustainable business has been integrated into our strategy, respecting all stakeholders. In this policy, our three main pillars are 'Showing interest in each other', 'Transparency' and 'Reducing our environmental impact'.

Progress in 2015

In 2015, TMG took big strides forward to accelerate the realisation of our strategic objectives. The activities and progress of our business units are dealt with in separate sections. The Executive Board itself maintains control over the strategic change projects, supported by a change team that has been set up specifically for this purpose.

Organisation and management

We adjusted our organisational structure and blueprint to further streamline our company. Various reorganisations were announced and set in motion. Where necessary, management was strengthened, particularly in the marketing and commerce functions. A professional leadership programme was launched for the Top 120 managers.

Internal collaboration and synergy

To drive maximum benefit from the synergies within TMG, in 2016, the non-title-related online activities will be brought together into a single department: the TMG Digital business unit. In addition, we started implementation of a single, central CRM and subscription system to enrich and make optimum use of the wealth of consumer data present within the company. A single Customer Contact Centre was set up for TMG Landelijke Media and Holland Media Combinatie, with the aim of developing more cross-sell activities and thus acquire new customers while retaining existing ones. Finally, we tightened our procurement process at central level.

External collaboration, content and commerce

Getting our house in order so that we will be even better able to provide consumers with high-quality, attractive content has meant that we not only focused on internal matters, but first and foremost on external ones. New partnerships were established to expand our content offering, particularly in the field of video and OTT. We also established partnerships with Apple and IBM. (For more information, see the sections on TMG Landelijke Media and IT.) As part of our collaboration with Talpa, which was announced in January 2016, we are preparing the launch of online television for news and sports. With these special-interest channels, we can offer our consumers more 24/7 content and provide our advertisers with more opportunities for online themed advertising. This is a growing media spend segment.

We implemented a new editorial system to speed up the management and sharing of content, particularly online. The editors of De Telegraaf, Metro and the regional dailies are already working with this system.

In addition, new revenue models and new types of subscription were prepared. These will be introduced in 2016.

Scoops De Telegraaf

Alex Risch (40)
Entrepreneur

'I usually scan the headings when I read the news'

Back to the core: a key motto for TMG. In our hearts, we are – and will remain – a news company, finding, fetching, explaining and publishing news 24 hours a day, 7 days a week. In today's information society, consumers should be able to rely on trustworthy sources – sources that can bring news fast and accurately. TMG's media and brands aim to be that reliable guide. The large number of scoops we had in 2015 show that we can claim this role. News, hot off the press: quickly available on the internet, with extra background and context in the newspaper.

Stakeholders and value creation

In our quickly changing information society, the role of a media company such as TMG is becoming increasingly important. By excelling in our core activities, we can add value – not just for consumers, but for all stakeholders in our chain and for society as a whole.

TMG attaches great importance to regular consultation with stakeholders about the direction of the company. We are aware that we exert influence on our stakeholders, and we in our turn are interested in hearing our stakeholders' views and concerns. We use this input to fine-tune our strategy where necessary, and to bring our annual plans up to date.

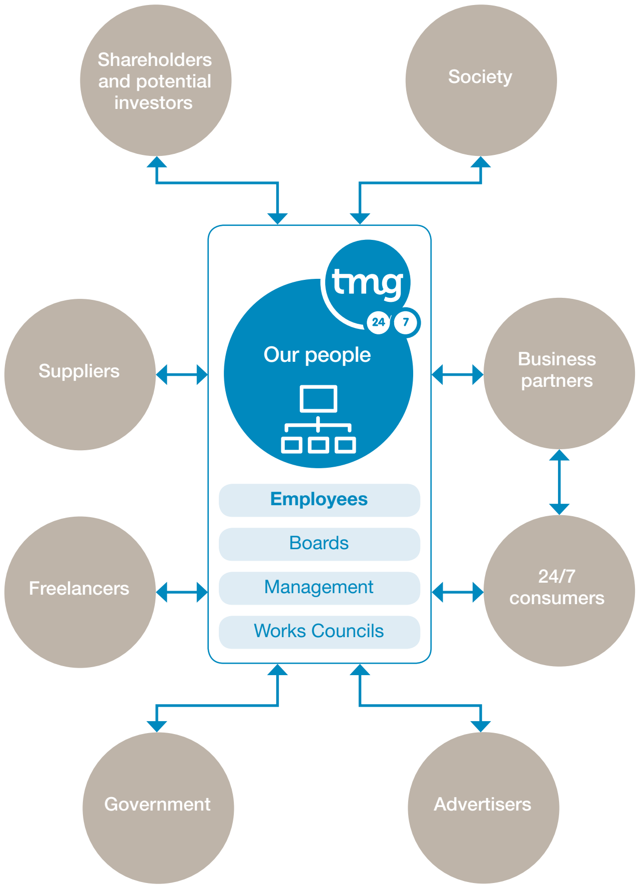
The Executive Board and the management boards of our business units are involved in this in many different ways. TMG is in daily contact with various stakeholders, such as employees, consumers and advertisers. Through social media, its own websites, publications, presentations and open days, relationships with these stakeholders are developed and maintained. For other stakeholders, there are targeted events and specific moments of contact, such as the shareholders' meetings, presentations and guided tours. TMG also maintains regular contact with the government (e.g., when the radio frequencies are distributed and with regard to the introduction of the new Media Act); contacts with local authorities are maintained by the business units themselves.

Topics discussed during the stakeholder consultations over the past year included TMG's new vision and strategy, its commercial translation, new collaboration opportunities, safety and security, journalistic freedom, employment conditions (e.g., the new pension scheme) and the Social Plan.

In 2016, we will again carry out an extensive stakeholder analysis; our aim is to do this once every three years to ensure that we are doing the right things and staying close to our stakeholders. Our main stakeholders have a large amount of influence on or a significant interest in TMG.

In the diagram 'Stakeholder dialogue', the form, frequency and topics of our dialogue with our main stakeholders have been visualised.

Our main stakeholders



Stakeholder dialogue

Stakeholders	Form of dialogue	Frequency	Topics
24/7 consumers	Bilateral conversations Customer panels Social media	Daily	Delivery, content
Advertisers and business partners	Bilateral conversations	Daily	Reach, content, messaging, objectives, possibilities, prices
Employees[1], managers, EB, SB and CWC	Town hall meetings Departmental meetings Bilateral meetings Planning and evaluation cycle Consultation with works councils Face-to-face contact	Periodical Weekly Periodical Annual Periodical Daily	New organisational structure, strategy, employment conditions, safety and security, hotline for integrity issues and inappropriate conduct
Shareholders	Shareholders' meeting	Annual	Financial health of TMG
Suppliers	Bilateral conversations	Daily	Price, quality, sustainability
Government	Bilateral conversations Meetings	Periodical	Distribution of radio frequencies, Media Act
Society	Guided tours Social media	Periodical Daily	TMG actively engaged

1 Including freelancers.

How we add value for our stakeholders

We aim to add as much value as possible for our stakeholders through our core activities. To carry out its activities, TMG needs ‘input’. This input comes from the supply chain in the form of raw materials, such as paper, ink, energy and aluminium for the printing plates. But it also comes from consumers, equity, employees, the power of our brands, and our business partners. With our core activities and brands, we add value in the chain, among other things by developing high-quality, personalised and relevant 24/7 content, and by contributing to the development of our employees. Eventually, this value has impact on our society and thus on the input that we in turn need for our core activities and brands. In the diagram below we have visualised how we create value for our stakeholders.

Factors that influence our value creation

Various ‘powers’ affect our value creation. First of all, there is the world in which we operate. Ever-growing information flows, increasing uncertainty, consumer behaviour and the possibilities of modern technologies offer opportunities for TMG. In the chapter The world around us we elaborate on this further. In the chapter Risk management we explain how we manage our strategic risks.

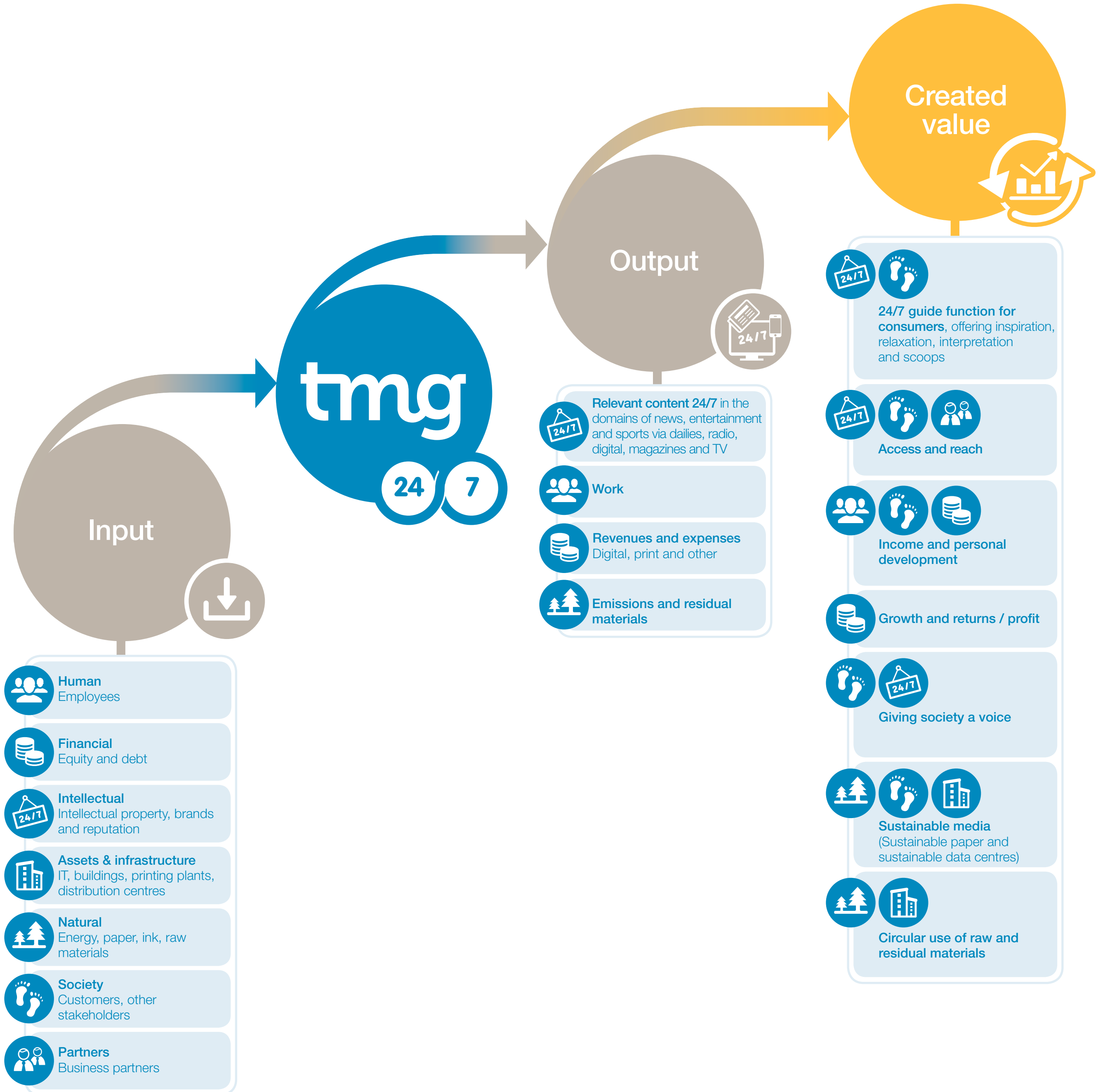
Secondly, there are our people. On the one hand, we need to monitor the continuity of our company. In the year under review, this resulted in a number of far-reaching organisational adjustments. On the other hand, we aim to invest in human capital, particularly in journalistic experience and online and commercial knowledge and skills. In the chapter Our people we explain how we dealt with these sometimes conflicting focus areas in 2015.

Thirdly, there are our shareholders. They form an important link in the chain of TMG's further development and continuity. We inform and involve our shareholders through, among other things, press releases, the annual report, the semi-annual report and our General Meeting of Shareholders.

Fourthly, we need to take account of the environment. For TMG, too, it is important that it handles natural resources carefully. Our efforts in this area are elaborated on in the chapter Sustainability and materiality.

Value creation model

As a large media company, we are continuously in touch with society. With our activities and brands, we create both financial and non-financial value for all relevant stakeholders. In our content, we reflect what our target groups are concerned with. At the same time, we use our content to influence the social agenda. Through our strategy, we commit to the development of our employees, and strive for a sustainable return on investment.



Sustainability and materiality

Sustainable return on investment is one of the three main objectives within TMG's strategy. We are faced with the challenge of a permanently shrinking print market, as a result of which our long-term returns are under pressure. The realisation of new distribution and revenue models, largely aimed at digital activities, should lead to a solid basis for TMG – now and in the future – with a maximally positive impact on people, the environment and society. Our sustainable approach contributes to our reliability and our credibility as a leading media company, our innovation power and our anchoring in society.

In TMG's new 24/7 strategy, sustainable return on investment is one of the main objectives. In line with this new strategy, TMG's sustainability policy was also fine-tuned in 2015, and laid down in a new policy document entitled 'TMG actively engaged, every day'. The themes important to our stakeholders were reprioritised (materiality). The existing (old) sustainability policy was used as the basis for the refreshed policy. In 2015, much attention and energy went to restructuring TMG's organisation. As a result, the new sustainability policy has not yet been rolled out completely. Nevertheless, we can show our 2015 performance with regard to quite a few focus areas. As of 2016, we will be able to report on a more complete range of activities.

Besides our sustainability policy, we endorse the principles of the UN Global Compact, the OESO Guidelines and the Fundamental Principles and Rights at Work as formulated by the International Labour Organization (ILO).

Materiality: TMG's most important sustainability themes

In 2015, we prioritised the themes that matter most to internal and external stakeholders and that affect TMG's business success. Through these most important themes, 'shared value' can be created for both stakeholders and TMG.

Materiality matrix

Stakeholder interest / Impact on TMG's business success	Important	Very important
Very important	- Healthy and safe employment conditions - Green data centres - Sustainable procurement - Sponsoring and charities	- Developing our people and talents - Product responsibility (privacy, interaction with consumer, etc.) - Ethics and integrity - Financial performance - Giving a voice to society - Reduction of CO_2 emissions
Important	- Sustainability benchmarks - Reduction of residual materials - Sustainable reuse of residual materials - Sustainable transport - Reduction of energy consumption	- Management of TMG and accountability - Stakeholder engagement - Reflection of our target groups - Circular use of raw materials - Awareness and behavioural change

TMG actively engaged, every day

Every day, TMG is actively engaged with all stakeholders who are important to us. This engagement is reflected in three pillars:

- Showing interest in each other
- Saying what we stand for
- Improving our environmental impact.

These three sustainability pillars are a conscious choice: through its core activities, TMG can make a substantial contribution to these areas and have a positive impact. What is more, the potential effect on our stakeholders is significant. In the table below, we summarise how we want to make this contribution.

Pillars	Vision	Themes
Showing interest in each other	TMG encourages employees to develop their talents. Every day, TMG reaches millions of people. This is how we keep people engaged with society.	**Being a good employer** - Developing talents - Reflection of our target groups - Our people and employment conditions - Healthy and safe labour conditions **Engaged with society** - Stakeholder engagement - Giving society a voice - Sponsoring, supporting charities
Saying what we stand for	In an ever faster changing world, we aim to act as a guide for our customers, employees, advertisers and investors by helping them make conscious choices. This imposes requirements on our transparency and integrity: our stakeholders need to know what we stand for, and they should be able to rely and build on that.	**Transparency** - Ethics and integrity - TMG management and accountability - Financial performance - Sustainability benchmarks **Product responsibility** - Privacy - Responsible content creation - Interaction with the consumer - Distribution and accessibility **Awareness and behavioural change** - Internal and external activities to encourage behavioural change **Sustainable procurement** - Improving sustainable procurement, with respect for people and the environment
Improving our environmental impact	Our activities have impact on the environment. We take responsibility for this by organising our company as sustainably as possible. Our aim is to create a positive impact through our ecological footprint and to be a role model in our sector.	**Energy and emissions** - Reduction of energy consumption - Reduction of CO_2 emissions - Greener data centres - Sustainable transport **Raw materials and residual materials** - Circular use of raw materials - Reduction of residual materials - Sustainable reuse of residual materials **Environmental management** - Managing, monitoring and reducing our environmental impact

Our sustainability performance in 2015

Showing interest in each other

This pillar of our sustainability policy consists of:

- Being a good employer
- Engaged with society

Being a good employer

At TMG, sustainability starts with good employment practices. TMG's performance in this field is elaborated on further in the section Our people.

Engaged with society

Being engaged with society is crucial to the quality of our editorial content. In the section Stakeholders and value creation, we explain how we interpret this.

In addition, TMG actively sponsors and supports charities. For instance, in 2015, a number of employees took part in the two-day La Luz even. The theme of this event was (un)fairness in the food chain. Together with experts in the fields of marketing, sales, research, finance, journalism, sustainability and procurement from companies such as DSM, PepsiCo and Alliander, brainstorm sessions were held on how to create a more balanced food chain.

Furthermore, the Corporate Development department boarded the Climate Train to Paris to discuss with other parties their actual and potential contributions to a better environment.

In 2015, TMG implemented a circular scheme for its old mobile phones. The iPhones that were still in good working order were repaired or refurbished in a sheltered workshop, and then sold. In this way, they were given a second life. The other phones were fully recycled. A part of the proceeds was used to buy 'waste phones' from Africa (one waste phone for each used iPhone). The raw materials from these waste phones were almost completely recycled, thus preventing toxic waste. TMG will donate the major part of the proceeds to a Dutch charity that is a good fit with TMG's activities.

Through their own brands, our business units also give meaning to our engagement with society, as can be read in their separate reports included in this annual report.

Saying what we stand for

This pillar's components are:

- transparency
- product responsibility
- raising awareness and behavioural change
- sustainable procurement.

Transparency

Ethics and integrity

By acting with integrity, an organisation improves the relationship of trust with its employees, its customers and society. TMG and all of its subsidiaries and business units used to have a large number of regulations and codes of conduct.

Geert-Jan van der Snoek

‘A lot to be gained with circular processes’

TMG in Top 20 of Benchmark Circular Business Practices

A circular economy is an industrial system that is restorative and regenerative by design, and aims to keep products, components, and materials at their highest utility and value at all times. (Bron: Benchmark Circular Business Practices 2015, VBDO)

In the Benchmark Circular Business Practices 2015 of VBDO, TMG reached a very respectable eighteenth place, just behind Arcadis and above Shell. In total, the performance was measured of 52 listed Dutch companies. TNMG scored particularly high on the aspects of innovation and implementation. CEO Geert-Jan van der Snoek: ‘There is still a lot to be gained with circular processes. For TMG, this is therefore an important part of the production process, which is something our printing plants are particularly focusing on. In our entire sustainability policy, it is 'just' one of the aspects that guide our actions: we want to add value in a sustainable way for all our stakeholders. Eventually, that goes far beyond just circular business processes. That vision is reflected in our overall sustainability policy, which is an integral part of our strategy.’

In the year under review, a new integrity policy was drawn up and implemented instead; all regulations and codes relating to integrity were updated. To communicate TMG's new Integrity Policy Plan and to bring the code of conduct to the attention of all employees in an easy and effective way, an e-learning program was developed to guide them through the policy. Both permanent and flexible employees have now followed this training. In addition, a contact point for integrity and inappropriate behaviour was set up in 2015.

The Executive Board is responsible for the integrity policy and ensures that it is updated regularly through a system of monitoring, auditing and adjusting.

TMG's management, accountability and financial performance
The Executive Board of TMG is responsible for the sustainability strategy and policy. At the end of 2015, a Sustainability Steering Group was formed. This group consists of the CEO (Chair), the Head of Corporate Development, the Sustainability Manager and a professor in the field of sustainable management practices.

The accountability with regard to our organisation's management and financial performance in 2015 is discussed in the sections about the financial affairs, the business units and Corporate Governance.

Tax compliance
TMG considers it important that it correctly applies the relevant tax laws and international standards (e.g., the OECD guidelines). TMG strives to fully comply with these laws and international standards as to their object and purpose. The company's Tax Affairs division actively informs TMG's departments (e.g., Commerce and Finance) about changes in tax laws, and regularly consults about the tax issues involved in this.

TMG is committed to an open dialogue with the Dutch tax authorities, based on mutual respect and trust. In parts, covenants have been agreed to with the Dutch tax authorities, in which binding agreements have been made about TMG's methods, internal auditing and tax position. TMG has made these agreements to obtain confirmation of its views on tax-related issues based on complete openness and transparency regarding the facts and circumstances.

Sustainability benchmarks
In order to assess TMG's performance, it is important for us to participate in leading initiatives in the field of sustainability, such as the Global Reporting Initiative (see our GRI table), and benchmarks such as the Transparency Benchmark and the Carbon Disclosure Project (CDP).

The Transparency Benchmark, set up by the Dutch Ministry of Economic Affairs, assesses companies on their level of transparency in their reporting, including their CSR reporting. With 153 points, TMG achieved the 56th place in the ranking in 2015 (80th in 2014).

In 2018, we would like to score more than 170 points; the maximum score is 200 points. The Carbon Disclosure Project (CDP) is an independent non-profit organisation that strives for a global reduction of CO_2 emissions (emissions of gases, including CO_2) and a sustainable use of water by companies as well as cities. In 2015, TMG scored 91 out of the maximum 100 points, maintaining its C status. TMG's reports can be viewed on www.cdp.net under 'Reports and data'.

Product responsibility

Privacy
TMG is committed to the careful and confidential management of privacy-sensitive information, such as databases and other information relating to its customers (including subscribers) and employees. For this purpose, we developed a Personal Information Code of Conduct in 2015. Employees must act in accordance with the applicable privacy laws and this Code of Conduct. The aim is to treat personal information with care and within the legal frameworks in order to make optimal use of this information, while preventing any damage or infringement of privacy.

The Privacy Statement includes the purposes for which TMG processes the personal information of its customers, the instances in which they may provide this information to third parties, and the way in which customers may gain access to their personal information and object to the processing of their details. Where possible, a link to TMG's Privacy Statement is placed on the pages of TMG's websites. For some sites, a different privacy statement is applicable, which can be found on the relevant site. Of course, we also pay attention to the security of our systems and customer information (for more information, see the section on IT).

Responsible content creation
TMG wants to offer consumers unconditional, independent information and entertainment in various forms; information should be available and accessible anywhere, anytime. We strive to not be influenced under any circumstances by charitable or political interests, groups or lobbies. The integrity,

independence and neutrality of TMG's products and services should always be ensured. The editorial staff's own responsibility and independence have been laid down in editorial statutes. These mainly serve to guarantee the journalistic independence of the editorial staff within a commercial organisation. To TMG it is obvious that all statutes must have freedom of expression as their basic value.

Interaction with consumers

In order to serve consumers even better, TMG Landelijke Media and Holland Media Combinatie have set up a single Customer Contact Centre (CCC). The CCC falls under Facilitating Services. This will be dealt with in more detail in the relevant sections. Our business units are in direct contact with their target groups. Their reports can be found in the respective sections.

Consumer complaints: opportunity for improvement

For our national and regional dailies and magazines, customers who have a complaint can contact our customer service through various channels. All complaints are registered. Customer satisfaction surveys following the contact with the customer are one of the ways in which the quality of complaint settlement is monitored, and adjustments are made where necessary. In 2015, our customer service won the "klacht.nl award" for the highest success rate in solving complaints in the Dailies category.

Distribution and accessibility

We are there for everyone in the Netherlands, 24 hours a day, 7 days a week. We are accessible via all kinds of channels, on paper, desktop, tablets, smartphones, and radio. We also take into account people who cannot gain access to our current content in conventional ways (e.g., due to a physical disability). At year-end 2015, we were still in consultation with a potential partner who can convert our content into speech, making it accessible for the blind and visually impaired.

Raising awareness and behavioural change

In 2015, a wide variety of initiatives and activities were organised to make internal and external stakeholders more aware of our strategy and plans. Internally, employees were informed of TMG's new, more focused, direction and its consequences for the various business units.

For advertisers and marketers, we organised a '24/7 event' to inform them on TMG's new strategy and the opportunities it offers them. In addition, our brands and media continue to raise awareness among people on a daily basis by gathering, explaining and disseminating news – quickly, carefully and reliably. To effectuate our fine-tuned policy, increasing awareness on sustainability is high on the agenda for 2016.

Sustainable procurement

In the context of supply chain management and value creation, our suppliers are important stakeholders. We try to make them, too, aware of their impact on people and the environment. To this end, we have developed a supplier code of conduct, with conditions relating to, for instance, the environment, working conditions and employee rights. In 2015, TMG's Supplier Code of Conduct was updated.

For more information, see the section on Facilitating Services (p. 63). In 2014, 67% of the centrally contracted suppliers had signed the Supplier Code of Conduct or indicated that they apply a similar code. In 2015, this had risen to 74%.

Improving our environmental impact

Within this pillar, we analyse which raw materials we need and what our environmental output is, based on:

- Energy and emissions
- Raw materials and residual materials
- Environmental management.

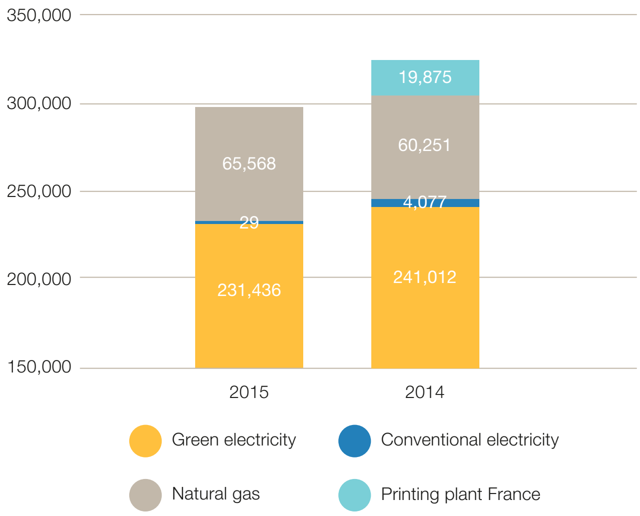
Energy and emissions

Reduction of energy consumption

As part of its energy saving policy, the Dutch government has negotiated a long-term agreement (LTA) on improving energy efficiency with a large number of sectors. At the end of 2012, the graphics sector joined LTA3. In this context, in 2013, TMG developed an Energy Efficiency Plan for the office and printing plant in Alkmaar and the headquarters and printing plant in Amsterdam. These plans describe cost-effective, energy-saving measures to be implemented in the coming years to achieve a cumulative reduction in energy consumption over the period 2013–2016 of 8% for each location.

Agreements have also been made about ways to monitor energy and implementation. Thanks to these measures, the calculated consumption declined compared to the 2012 baseline measurement: in Amsterdam a decline of 7.7% (the actual total consumption declined by 23.7%), and in Alkmaar it declined by 6.8% (the actual total consumption declined by 26.3%). TMG's total energy consumption (gas and electricity) declined by 8.7% compared to 2014.

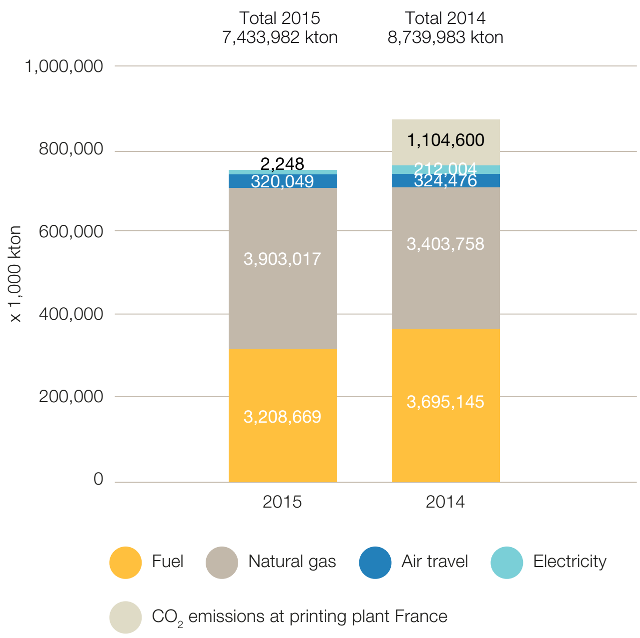
Energy consumption in GJ



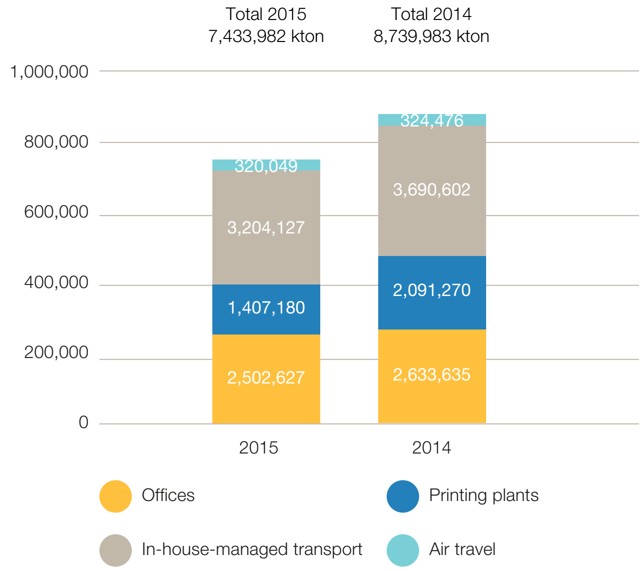
To limit the impact of TMG's energy consumption, we have been using renewable energy since 2011. We do this in the form of Guarantees of Origin (GOs) as issued by CertiQ, originating from wind energy. In 2015, virtually 100% of the total amount of electricity was certified as sustainable, compared to 96.7% in 2014.

Reduction of CO_2 emissions (Scopes 1 and 2)
TMG aims to make its CO_2 balance sheet transparent. To this end, we measure and publish the CO_2 emissions of offices,

Total direct CO_2 emission in kton



Total direct CO_2 emission per function



printing plants and in-house-managed transportation, being Scopes 1 and 2 as defined in the international Greenhouse Gas Protocol guideline and the CO_2 emissions from business flights.

In 2015, our CO_2 emissions fell by 15% compared to the previous year. This decline was mainly due to the closure of Keesing Media Group's printing plant in France in the second quarter. In addition, all our offices in the Netherlands and abroad made the move to CO_2-neutral electricity. The fact that our leased car fleet shrank by 71 cars also led to a decrease in our CO_2 emissions. In addition, TMG limits the environmental impact of its lease cars by making it obligatory for employees to choose a car with an A, B or C environmental label, and setting a CO_2 upper limit per label.

During 2015, at most locations more natural gas was used than in 2014. This was mainly due to the colder first half of 2015. This has had a limiting effect on the decrease of our CO_2 emissions. In addition, the conversion factors on www.CO_2-emissiefactoren.nl have been slightly adjusted, as a result of which the calculated CO_2 emissions relating to natural gas and electricity used in 2015 increased by 2.7%.

Greener data centres
At year-end 2015, 100% of the external hosting of our online products made use of green electricity (on the basis of CPUs). TMG aims to obtain more insight into the energy efficiency (low PUE values) and CO_2 performance of the external data centres that host our online products.

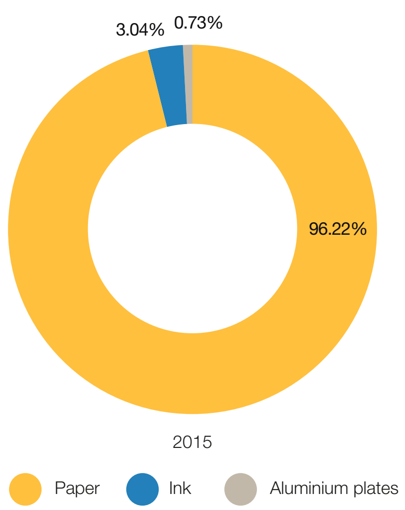
Sustainable transport

Besides energy and natural gas, TMG consumes fuel for transport. TMG's transport movements consist of the distribution of our printed media, transport of people and air travel. In 2015, preparations were started for adjusting our mobility policy in 2016. We will be offering more sustainable choices and more flexibility. Besides the leased car option, mobility budgets will be introduced.

In 2015, a small-scale pilot was run in which participating employees could make use of an electric carpooling car and/or an electric bicycle for business travel. In addition, they received a personal Dutch Railways business card, and the effectiveness of a bonus-malus system for leased cars was tested. The effectiveness of mobility budgets and their use for various facilities was also tested. The first results are positive. In 2016, our sustainable transport plans will be worked out further.

With respect to distribution, the Facilitating Services department has examined to what extent external transporters who take our printed media from the printing plants to the distribution locations are taking measures to minimise their impact on the environment. This study shows that lorries with a Euro 5 standard engine are currently the norm, while there seems to be a slight shift towards the Euro 6 standard. No use is made of alternative fuels. The majority do use A- or B-class tyres (rolling resistance) and check tyre pressure at least four times a year. Most transporters have followed training on energy-efficient driving.

Proportion of primary raw materials used



Raw materials and residual materials

Circular use of raw materials

To produce paper, wood pulp is used. The origin of the wood pulp we use is an important environmental factor in the light of responsible forestry. In 2015, 98% of all the newsprint we procured consisted of paper that was certified as sustainable. In our paper production, we still rely on wood (virgin fibre); paper can eventually be recycled six or seven times, after which it can no longer be used for printing newspapers. In 2015, we used 22% recycled paper in our production. Our aim is to use at least 40% recycled paper in our production in 2016.

In the year under review, a QI technology pilot was run on one of the printing presses. This technology reduces the use of water and ink, while ensuring a more stable printing quality and a better colour quality. The results of the pilot are positive; in the first half of 2016, the technology will also be implemented on the other three presses.

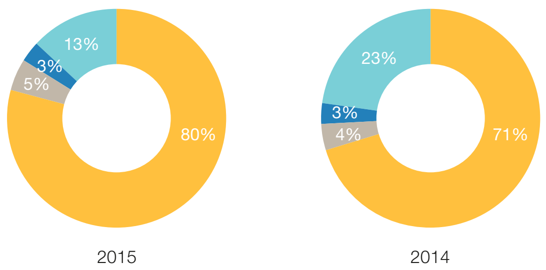
Reducing and reusing residual materials

The total volume of residual materials declined by 31%, from 7,653 kilotons in 2014 to 5,299 kilotons in 2015. This decline was mainly caused by lower paper consumption and fewer free residual flows relating to renovations. At 80%, paper continued to be the largest residual flow. This mainly concerns paper used in the set-up of the printing presses. The printing plates are manufactured such that the aluminium of the used printing plates can be fully reused by suppliers.

TMG aims to recycle as much waste as possible. Our performance in 2015:

- 93% of the residual materials were recycled (2014: 77%);
- 100% of the printing plates and 96% of the paper residual materials, which was collected separately, were recycled (the same as in 2014);
- 9% of the liquid residual materials were recycled into new high-value products (2014: 3%);
- 89% of the other residual materials were recycled by suppliers, particularly into energy pallets that replace fossil fuels in power plants (2014: at least 25%).

Overview of residual materials in kton



2015	2014
Paper 4,219 kton (96% recycled)	Paper 5,406 kton (96% recycled)
Printing plates 267 kton (100% recycled)	Printing plates 278 kton (100% recycled)
Liquid residual materials 149 kton (9% recycled)	Liquid residual materials 203 kton (3% recycled)
Other residual materials 666 kton (89% recycled)	Other residual materials 1,766 kton (25% recycled)

Environmental management

In 2015, a start was made with the implementation of an environmental management system based on ISO14001. This system covers many of TMG's activities: from product procurement to waste disposal. By working with this system, we can manage and reduce the environmental risks of our daily activities. TMG expects to obtain the ISO14001 certificate in the second quarter of 2016.

SAIL 2015

tmg 24 7

Frank Krijger (57)
Self-employed courier

‘I like watching the pictures of events like SAIL’

Every five years, during the SAIL event in Amsterdam, some 600 remarkable tall ships sail through the North Sea Canal to moor in and around the IJ harbour. SAIL is a huge experience, celebrating entrepreneurial spirit, courage, tolerance, and innovative thinking. These are values that TMG believes in, and which we like to share with our readers, listeners, business contacts and employees. During this largest-ever SAIL, TMG was the main sponsor. We were well represented by De Telegraaf, VROUW, Metro, SkyRadio, Classic FM, Radio Veronica (with the ship, of course!) and our regional HMC titles. Together, we pulled out all the stops to inspire the many visitors, providing them with wonderful stories and historical images. A unique event for Amsterdam, the Netherlands, and the world.

Financial performance

- **The EBITDA result (excluding restructuring charges) amounted to € 41.6 million, compared to € 46.3 million in 2014;**
- **Revenues decreased by € 35.4 million to € 482.3 million, due to lower revenues from advertising and subscriptions;**
- **Despite spending more than € 20 million on restructuring and more than € 10 million on investments, the liquidity position at 31 December 2015 was marginally higher than at 31 December 2014.**

The effect of increasing digitalisation can be seen in the development of revenues and results. Consumers are increasingly consuming media online, as a result of which revenues from print subscriptions are falling, and media spend is shifting from print to online, leading to a decline in advertising revenues. Revenues from digital, by contrast, increased (corrected for the decline at Dichtbij.nl). However, this increase was not sufficient to offset the decline in print and radio. As a result of these developments, revenues decreased by € 35.4 million. Thanks to significant cost savings, partly due to reorganisations, the decline in EBITDA (excluding restructuring charges) remained limited to € 4.7 million, with EBITDA amounting to € 41.6 million. The net result amounted to a loss of € 23.6 million (2014: loss of € 38.1 million) due to high restructuring charges and an impairment on printing presses and buildings.

Revenues

x € 1 million	**2015**	2014	**%**
Subscriptions	**177.2**	182.9	-3.1
Single copy sales	**92.1**	90.8	1.4
Advertisements	**116.3**	140.2	-17.0
B2B digital revenues	**33.0**	34.8	-5.2
Consumer digital revenues	**9.6**	8.1	18.5
E-commerce	**18.8**	18.4	2.2
Printing	**3.9**	3.5	11.4
Distribution	**17.5**	18.5	-5.4
Other revenues	**13.9**	20.5	-32.2
Total income	**482.3**	517.7	-6.8

Revenues from subscriptions and single-copy sales

Revenues from subscriptions and single-copy sales decreased by € 4.4 million (-1.6%) to € 269.3 million. In 2014, the decline was 2.3%. The lower decline compared to 2014 was due to an increase in revenues at Keesing Media Group, thanks to the success of the colouring books for adults. De Telegraaf showed an increase in the number of combined subscriptions (print and digital), but this could not offset the decline in print-only subscriptions. Revenues from single-copy sales of De Telegraaf also fell, reflecting the fact that people are increasingly consuming media on tablets and smartphones.

With respect to regional media, revenues from subscriptions and single copy sales fell slightly, in line with the decline in 2014.

Advertising revenues

Advertising revenues from print and radio activities amounted to € 116.3 million, a decline of 17.0% (2014: a decline of 14.7%). The shift of media spend from print to digital is clearly visible here. As part of the rationalisation process, one-third of 17% decline is attributable to the discontinuation of Sp!ts and the Sunday newspapers. The revenues from radio commercials declined by 17.1%, due especially to a decline in the listening market share of Radio Veronica in 2014. In 2015, this decline stabilised, and in the last few months of 2015, the listening market share was going up again.

B2B digital revenues

B2B digital revenues, mainly consisting of online advertising revenues, decreased in the past year by 5.2% (2014: down 4.6%) to € 33.0 million. This decrease is fully attributable to the decline in revenues at Dichtbij.nl by € 4.1 million. At Dichtbij.nl, measures have now been taken (see also the explanation in the Holland Media Combinatie section). Excluding Dichtbij.nl, the B2B digital revenues would have increased by € 2.3 million (8.9%). This increase is mainly due to higher video revenues of Dumpert and higher advertising revenues at Telegraaf.nl.

Consumer digital revenues

Consumer digital revenues, mainly consisting of online advertising revenues, increased by 18.5% in 2015 (2014: down 15.3%) thanks to growth in the number of digital and combined subscriptions at De Telegraaf (up 22%) and thanks to the introduction of an extra charge on top of the regular subscription fee for digital access to products at regional media as of 1 July 2014.

E-commerce revenues

Revenues from e-commerce grew by € 0.4 million thanks to higher revenues at Groupdeal.

Revenues from production and distribution activities for third parties

Revenues from production and distribution activities for third parties decreased slightly due to declining volumes.

Other revenues

Other revenues decreased by € 6.6 million, partly due to the fact that fewer subscriptions were sold that included a free iPad mini. In 2014, we started an 'iPad mini' campaign to encourage consumers to buy a combined subscription, with the aim of familiarising consumers with premium online content and the digital newspaper. In addition, the revenues of Telegraaf Video Media were lower due to the discontinuation of Vandaag De Dag. In 2014, the other revenues included the proceeds from the sale of the intellectual property of MyRadio (€ 2.0 million). In 2015, the other revenues include a book profit of € 1.0 million from the sale of buildings.

Operating expenses

x € 1 million	**2015**	2014	%
Raw and auxiliary materials	**28.9**	38.3	-24.5
Transport and distribution costs	**70.4**	77.1	-8.7
Subcontracted work and technical production costs	**37.3**	37.1	0.5
Personnel costs	**202.0**	182.5	10.7
Sales costs	**31.1**	35.8	-13.1
Other operating expenses	**98.2**	100.8	-2.6
Operating expenses[1]	**467.9**	471.6	-0.8

1 Operating expenses before depreciation, amortisation and impairment losses

Operating expenses (excluding depreciation, amortisation and impairment charges) fell by € 3.7 million to € 467.9 million. In 2015, restructuring charges of € 27.2 million (2014: € 0.2 million) were included. Excluding restructuring charges, operating expenses decreased by € 30.7 million, partly due to the lower volumes and partly due to the cost reduction programme initiated in 2012 and 2013. This programme was virtually completed in 2015, which led to a reduction in the average number of FTEs by approximately 700 over the period 2011 untill 2015.

Raw and auxiliary materials

The costs of raw and auxiliary materials declined by € 9.4 million, due to lower paper and ink prices, as well as lower newspaper circulations, partly as a result of portfolio changes, such as the discontinuation of the free paper Sp!Ts.

Transport and distribution costs

The decline in transport and distribution costs by € 6.7 million was mainly due to lower newspaper circulations and optimisations implemented during the year.

Outsourced work and technical production

The costs of outsourced work and technical production increased by € 0.2 million, mainly due to the closure of the printing plant in France in 2014, after which the printing of all puzzle books was outsourced.

Personnel costs

Personnel costs increased in 2015 by € 19.5 million. However, excluding restructuring charges of € 27.2 million (2014: € 0.2 million) personnel costs decreased by € 7.5 million. Wages, social charges and pension costs decreased by € 12.1 million, mainly due to the decrease in the number of FTEs. The pension costs include a gain of € 2.4 million, due to the phasing out of the contribution to medical expenses of retirees. This contribution will be phased out in 2016. Other personnel costs increased by € 4.7 million, mainly due to higher costs of hiring temporary staff for miscellaneous operational and strategic projects and increased spending on training and developing staff.

The average number of FTEs decreased from 2,351 in 2014 to 2,117 in 2015. This decline was particularly visible at TMG Landelijke Media and Holland Media Combinatie, where the number of FTEs decreased by 84 and 118 respectively, as a result of the phased strategic reorganisation initiated in recent years and the associated reduction in personnel.

In 2015, reorganisations were announced at the printing plants, the editorial staff of TMG Landelijke Media and Dichtbij.nl. These reorganisations are expected to be completed in the first quarter of 2016.

Sales costs

Sales costs decreased by € 4.7 million in 2015, mainly as a result of lower sales costs at De Telegraaf. These lower costs are due to the fact that there were fewer campaigns. There were no major events in 2015 (no Olympic Games and World/ European Football Championships) and in 2014 the roll-out of the tabloid in 2014 was accompanied by a major marketing campaign.

Other operating expenses

Other operating expenses declined by € 2.6 million, with declines visible in nearly all cost categories, such as editorial, automation, housing, lease expenses and costs related to the iPad campaign. The only costs that increased were consultancy costs, which related, among other things, to the reorganisations and operational and strategic projects.

EBITDA contributed by business units

x € 1 million	**2015**	2014	**%**
TMG Landelijke Media	**53.5**	55.0	-2.7
Holland Media Combinatie	**22.0**	23.7	-7.2
Sky Radio Group	**6.5**	16.0	-59.4
Keesing Media Group	**20.6**	19.3	6.7
Facilitating services	**(47.5)**	(32.5)	46.2
Head Office / Eliminations	**(40.7)**	(35.4)	15.0
EBITDA	**14.4**	46.1	-68.8

EBITDA decreased from € 46.1 million to € 14.4 million. Excluding restructuring charges, however, the decrease amounted to € 4.7 million (from € 46.3 million to € 41.6 million). This decrease is entirely due to a decline in EBITDA at Sky Radio Group. Further details on the EBITDA development of the business units TMG Landelijke Media, Holland Media Combinatie, Sky Radio Group, Keesing Media Group and Facilitating Services have been included in separate sections per business unit. The increase in the costs of Head Office, which includes the central IT department, was due in particular to higher consultancy costs, relating to, amongst other things, the reorganisation of the printing plants, the refinancing, and the establishment of a central change management organisation to supervise the various strategic and operational improvement processes. In addition, training costs increased due to the launch of the M3 programme (see also the section Our people).

Depreciation and impairments

Depreciation and amortisation

Depreciation and amortisation were € 28.6 million, and thus almost identical to 2014. In 2015, the amortisation contains a catch-up depreciation of € 1.5 million on the intangible fixed assets of Relatieplanet, due to the reclassification of Relatieplanet from 'assets and liabilities held for sale' to 'continued operations'.

Impairments

Impairments amounted to € 6.8 million (2014: € 49.0 million) and relate to a downward revaluation of printing presses and buildings in connection with the decision to reduce printing capacity. In this context, in 2014, printing presses and buildings were depreciated by € 5.4 million. In addition, at year-end 2014, a downward revaluation of Sky Radio Group was made of € 40.9 million, due to the fact that future cash flows are expected to be structurally lower.

Financial income and expenses

Financial income and expenses in 2015 amounted to € 1.8 million negative (2014: € 7.2 million negative). The financial expenses relate mainly to long-term commitments, including the FM licence fee for Sky Radio Group.

In 2014, TMG Landelijke Media sold its activities relating to Zoom.in Nederland B.V. and Ticket Plus BV. A negative result of € 4.9 million arose on the sale of the participation.

Income tax

Income tax amounted to a debit balance of € 0.8 million (2014: debit balance of € 0.5 million). The effective tax burden was -2.6% (2014: 2.4%). The income tax includes the effect of the liquidation of foreign participations and the effect of offsetting tax-deductible losses relating to Dichtbij.nl. These two effects together led to a non-cash write-off of tax-deductible losses and a tax debit balance of € 7.0 million. Adjusted for this, there would have been a tax credit balance of € 6.2 million and an effective tax burden of 27.0%. The tax burden in 2014 was strongly influenced by the depreciation of Sky Radio Group, which is not tax deductible.

The income tax paid in 2015 amounted to € 5.0 million and relates to tax paid in France and Belgium on the profitable activities of Keesing Media Group in those countries.

Net result

The net result for 2015 amounted to a loss of € 23.6 million (2014: loss of € 38.1 million). This loss was mainly due to the aforementioned restructuring charges and impairment of printing presses and buildings.

Development of the balance sheet

The balance sheet total decreased by € 29.3 million, mainly due to depreciation and amortisation of tangible and intangible fixed assets. The solvency ratio, calculated as the percentage of the equity (attributable to shareholders of Telegraaf Media Groep N.V.) of the balance sheet total fell slightly from 54,4% to 52,7%, mainly as a result of the previously reported loss. Working capital (i.e., current assets excluding cash and assets held for sale less the short-term liabilities, excluding interest-bearing loans and borrowings and liabilities held for sale) improved from € 88.6 million negative to € 93.0 million negative. This is partly due to a reduction of stocks by € 4.8 million, thanks to a new procurement policy whereby paper is bought only on demand and the reduction of the minimum base stock of paper.

Cash flow development

Net cash flow from operating activities

Net cash flow from operating activities in 2015 was € 16.3 million positive, compared to € 24.1 million positive in 2014. This decrease was mainly due to higher restructuring charges paid (€ 9.4 million more than in 2014) and a decline in EBITDA (excluding restructuring charges) by € 4.7 million. This was partly offset by a stronger improvement in working capital in 2015 than in 2014, partly due to the reduction of stocks of raw and auxiliary materials by € 4.8 million.

Cash flow from investing activities

Cash flow from investing activities amounted to € 10.1 million negative (2014: € 10.6 million negative). The investments in intangible fixed assets mainly concerned software for business applications and IT infrastructure. Investments in tangible fixed assets related to printing press upgrades in the printing plant in Amsterdam and renovations of buildings. In 2014, cash flow from investing activities included the divestiture of Zoom.in Nederland B.V. and Ticket Plus B.V.

Cash flow from financing activities

Cash flow from financing activities amounted to € 5.6 million negative (2014: € 13.1 million negative) and mainly relates to the payment of the annual FM licence fee to the Telecom Agency by the Sky Radio Group with regard to Lot A1. Unlike 2014, in 2015, the Dutch State did not yet recover the repayment due with regard to the licence obligation relating to the period September 2015 up to and including August 2016, following the judgement of the Board of Trade and Industry Appeals in the lawsuit filed by Sky Radio Group. For more information, see the notes to the off balance sheet assets and liabilities in the financial statements. In 2014, cash flow from financing activities included the acquisition of the remaining 40% of Groupdeal shares for € 3.8 million.

On balance, the cash flow was € 0.6 million positive (2014: € 0.4 million positive), despite significant payments in restructuring charges of € 20.7 million and investments of more than € 10 million.

Financing

In July 2015, a new revolving credit facility of € 70 million was agreed with a consortium of two banks, replacing the existing credit facility, which expired on 31 October 2015. The new facility has a term of three years and is on competitive terms. No collateral has been provided for this loan. No use was made of the facility in 2015. The conditions imposed by the banks were met as at 31 December 2015.

Dividend

Based on the dividend policy as described in the section The TMG share, a dividend is proposed of € 0.16 per share.

Outlook

On 15 January 2016, TMG announced a strategic partnership with Talpa in the areas of radio, TV and Over The Top (OTT). This collaboration will further strengthen the positions of TMG and Talpa in these areas. The collaboration will be shaped through three initiatives:

- a strong Dutch commercial radio station, offering a comprehensive, high-quality range of broadcasting. TMG will acquire an interest of 22.85% in this new radio company. TMG's interest can be increased to up to 25% if certain targets are met.
- a TV company that will form an important strategic step for TMG by enabling it to take up a position in the Dutch TV landscape. TMG will acquire a 15% interest in Talpa's interest in SBS.
- a platform for the joint development of OTT offerings. This is of strategic value to TMG, given its plans to launch new OTT content for news and sports in 2016.

As part of the collaboration TMG will contribute the radio stations Sky Radio and Radio Veronica, as well as € 27 million cash.

In addition, 2016 will be dominated by a focus on core brands and further increasing the reach of our main brands. Substantial investments will be made in digital, for example by developing applications and improving the websites of our main brands. This development will be carried out both independently and with partners.

Since 1 January 2016, our non-title-related online activities have been grouped into a new business unit: TMG Digital BV. By investing in this new business unit and by working together with a focus on customers and relevant themes, we can greatly improve the combined results of those activities.

In the first quarter of 2016, the reorganisation of our printing plants, TMG Landelijke Media and Dichtbij.nl will be concluded. As a result, the number of FTEs will diminish noticeably in 2016.

tmg 24 7

Vrouw.nl

Christiënne Romme (30)
Photographer

'I recognise myself in the personal stories of women'

What are the latest fashion trends? The best weekend getaways with the kids? How do other women deal with traumatic events? VROUW.nl is *the* inspiration platform for women who are living life to the full, with both feet on the ground. Women who, after a tough day at work, or during their break, could use some inspiration, advice, entertainment or an online chat. And they find all this in a dynamic environment, which – after a complete restyling in 2015 – fits even better with the lifestyle and wishes of our visitors (of either sex!).

Results of TMG Landelijke Media

TMG Landelijke Media is the largest business unit within TMG. TMG Landelijke Media's key brands are De Telegraaf, Privé, Vrouw, Autovisie, DFT, Telesport and Metro. With these strong, nationally well-known brands, TMG Landelijke Media provides content in print, online and in cross-media formats. For advertisers and marketers, we combine our high-quality and popular content to create a large multi-media reach. This also enables us to make clear distinctions within various target groups. With Telegraaf Video Media, we create video productions commissioned by internal and external parties, both editorial and commercial. At year-end, the total number of TMG Landelijke Media's employees was 711. The head office is located in Amsterdam.

Results

Revenues

x € 1 million	**2015**	2014	**%**
Subscriptions	**119.7**	123.8	-3.3
Single copy sales	**25.1**	27.9	-10.0
Advertisements	**50.7**	62.3	-18.6
B2B digital revenues	**27.3**	25.0	9.2
Consumer digital revenues	**7.1**	6.9	2.9
E-commerce	**18.3**	17.7	3.4
Other revenues	**7.5**	11.2	-33.0
Total	**255.7**	274.8	-7.0

TMG Landelijke Media's total revenues fell from € 274.8 million to € 255.7 million (-7.0%), primarily due to a fall in advertising revenues from print.

Revenues from subscriptions

Revenues from subscriptions went down by € 4.1 million (-3.3%), including a € 3.6 million decline at De Telegraaf daily paper and a € 0.4 million decline at Privé. At De Telegraaf, the average number of subscriptions was down 6.1% (2014: -6.0%).

Advertising revenues

The decline in advertising revenues in print is largely attributable to Metro/Sp!ts (-€ 6.9 million), due to the discontinuation of the free newspaper Sp!ts as of October 2014 and a volume decline at Metro of 20.5%. The advertising revenues of De Telegraaf daily paper declined by € 3.7 million, in line with the expected decline in the advertising market. This decline was partly due to the fact that there were no major sporting events in 2015.

B2B digital revenues

B2B digital revenues continued to rise in 2015, mainly thanks to increased online video revenues of Dumpert. The digital advertising revenues of Telegraaf.nl rose by 3.4% to € 17.6 million.

E-commerce revenues

E-commerce revenues grew by € 0.6 million thanks to higher revenues at Groupdeal.

Other revenues

Other revenues declined due to a larger than expected distribution of free iPads to new subscribers in 2014, and a decline in video revenues due to the discontinuation of Vandaag de Dag.

Operating expenses

x € 1 million	**2015**	2014	**%**
Raw and auxiliary materials	**42.4**	47.7	-11.1
Subcontracted work and technical production costs	**30.1**	37.0	-18.6
Personnel costs	**76.3**	69.5	9.8
Sales costs	**15.7**	22.1	-29.0
Other operating expenses	**37.7**	43.5	-13.3
Total	**202.2**	219.8	-8.0

Total operating expenses declined by € 17.6 million (-8.0%). Excluding restructuring charges of € 8.3 million, mainly relating to the reorganisation of the commercial and editorial departments, operating expenses even declined by € 28.8 million.

Transport and distribution costs and costs of subcontracted work

Transport and distribution costs and costs of subcontracted work fell by € 12.2 million, due to the smaller circulation and smaller size of Dagblad De Telegraaf, the discontinuation of the free daily newspaper Sp!ts, and the lower costs of paper and ink.

Personnel costs

Personnel costs, excluding restructuring charges, declined by € 3.8 million, due to a fall in the average number of FTEs of 75.

Sales costs

Sales costs went down by € 6.4 million. This was mainly due to the fact that there were fewer campaigns than in 2014 (when the FIFA World Cup was held and we launched our tabloid format), and less was spent on acquiring subscriptions for Dagblad De Telegraaf.

Other operating expenses
Other operating expenses declined, thanks to various cost savings and one-off costs in 2014 related to the Olympic Games and the FIFA World Cup.

EBITDA
EBITDA of TMG Landelijke Media was € 53.5 million, a decline of € 1.5 million compared to 2014. The decline in revenues was largely offset by a reduction in costs, despite the high restructuring charges. Excluding restructuring charges, EBITDA actually improved by € 9.1 million.

Reach

The combined print and online figures compiled by the national multimedia research unit (NOM) for the second half of 2014 and the first half of 2015 show that De Telegraaf has by far the biggest total reach of all dailies in the Netherlands. In the above measuring period, De Telegraaf reached 7,019,000 people (50% of the Dutch population aged 13 and over). In addition, De Telegraaf achieved one billion page views in December (source: Google Analytics, December 2015) and 18.5 million video views in the same month (source: Streamone, December 2015). A large total reach also characterised TMG Landelijke Media's other main brands in 2015. For example, VROUW reached a total of 2.4 million people in the aforementioned measuring period, while Privé reached 3.6 million and Metro reached 6.2 million people (source: NOM).

Milestones in 2015

In 2015, TMG Landelijke Media's main concern was to accelerate the development and implementation of a decisive and effective organisation focused on the brands.

Focus on consumers, key brands and core activities

On top of the news
In 2015, Dagblad De Telegraaf again enjoyed many sensational scoops. For instance, the daily revealed that the notorious Dutch criminal Willem Holleeder was hard-pressed by incriminating statements made by his own sisters and an ex-girlfriend. The newspaper also reported the remarkable discovery by Dutch detectives of long-lost treasure hidden by the Nazis, news that was picked up around world. With respect to crime and criminals, De Telegraaf gave extensive day-by-day coverage to the wave of Turkish and Moroccan gangland killings, as well as to the role played by Hells Angels in attacks on rival motorcycle gangs. The paper also exposed abuses in various prisons, including one of the country's maximum security jails (Vught). Meanwhile, the paper's parliamentary editorial staff focused on the obscurity surrounding the EU's retrospective collection of taxes, and, through a freedom-of-information request, got hold of documents that cast an entirely different light on the government's official position. To get to the bottom of the matter, De Telegraaf even took it to the European Court of Justice. In the field of finance, De Telegraaf worked closely with the German Handelsblatt newspaper to bring new revelations in the Imtech fraud affair. In addition, the paper's parliamentary reporters exposed the secret negotiations about two Rembrandt paintings; they also shed light on the public prosecutor's investigation into a leak from a secret committee of the Lower House of Parliament.

Reorganisation designed to improve consumer centricity
To increase the number of touch points with our current brands, and to attract new consumers, in 2015, TMG Landelijke Media decided to focus on several of its brands that have particular journalistic authority. Under the motto of 'From a single brand to multiple brands', TMG Landelijke Media is now working through seven main brands to respond to consumers' wishes and needs, providing informative and entertaining content, which is delivered fast, 24/7, and through all channels and devices. Because the organisational structure insufficiently supported this directional change, a reorganisation was announced, which has now largely been implemented. Each of the main brands now has its own editor-in-chief and its own publisher. The editors-in-chief are under the ultimate responsibility of the General Editor-in-Chief; the publishers report to the general manager of the business unit TMG Landelijke Media.

As of 1 January 2016, non-title-related digital activities have been part of the new business unit TMG Digital BV (see below).

TNS Nipo consumer/market research
In the third quarter of 2015, TNS Nipo commissioned a study called 'The future of TMG, based on consumer needs'. This research led to a number of need-based segmentations, on the basis of which TMG Landelijke Media will further fine-tune its propositions in 2016.

Restyling of De Telegraaf

Under the leadership of the new editorial team, De Telegraaf daily was restyled at the end of October. The newspaper now has a cleaner and fresher layout. The internal structure has been updated, and in terms of content the daily now provides more background to the news. The restyling was presented at the 40,000th edition of De Telegraaf, along with a campaign to attract more subscribers (40 days for € 0.40 per day), as well as an online subscriber campaign with free cakes for subscribers, offered exclusively via our own channels. About 55,000 subscribers collected the cakes. Around the time of the launch of the restyled newspaper, several thousand trial subscriptions were taken out, which led to many new subscribers.

Reader survey of tabloid leads to improvements

In early November 2015, the acceptance and evaluation of De Telegraaf as a tabloid was measured among members of the Telegraaf Readers Panel. The results of the study were encouraging and revealed points for further improvement. A start was made on tackling some of these improvement points in 2016.

National 8-day Car Event

On 20 June, as part of the National 8-Day Car Event in the Netherlands, Autovisie organised Cars & Coffee XXL. Some 1,500 visitors and 400 special cars got together in the parking lot of TMG in Amsterdam. Besides Autovisie, other TMG brands present at the event were De Telegraaf, Gaspedaal.nl, RTL and RTL Autowereld Autovisie (Telegraaf Video Media), Radio Veronica, Sky Radio, Classic FM, Metro, the regional dailies and Dichtbij.

270 million views for Telegraaf Video Media

In 2015, Telegraaf Video Media achieved more than 270 million video views with its editorial productions for the online TMG platforms, including De Telegraaf. In addition, various sponsored TV programmes were made for external platforms, including KampeerTV, RTL Autowereld and Dagboek Missie Mali. In addition, Telegraaf Video Media produced commercials and company videos commissioned by third parties.

VROUW Awards

In mid-June, the presentation of the annual Vrouw Awards was a great success. A good 55 advertisers were present at the ceremony in the College Hotel in Amsterdam. In total, nearly 30,000 Vrouw readers cast their votes for their favourite products and their favourite ‘power-woman’. The Award proves how TMG Landelijke Media, thanks to its platform, is able to link specific target groups with consumer brands.

Successful partnerships

For supermarket chain Jumbo, TMG Landelijke Media developed a viral advertising campaign around the start of the Tour de France in Utrecht. In a video on Dumpert, which has a monthly reach of over 108 million video views and is one of the largest video channels in the Netherlands, it was announced that Joop Zoetemelk would sell his yellow jersey. On the first day of the Tour, Jumbo handed out yellow jerseys to the public. This earned Jumbo a Sponsor Ring at the end of 2015.

To broaden the target groups, a first step was made in 2015 in joining forces with the Oerol cultural festival, held on the island of Terschelling every summer. De Telegraaf published a series of articles about Terschelling, while 10,000 free copies of Vrouw magazine were distributed during the festival.

Various campaigns were developed to attract more subscribers. In mid-October, a loyalty campaign was aimed at subscribers of De Telegraaf and Noordhollands Dagblad, with a positive response. In cooperation with the Dutch State Lottery, a lead generation campaign was set up, in which De Telegraaf readers could win great prizes by taking out a trial subscription. In late October, a collaboration was started with Peijnenburg: after buying two Peijnenburg action products, consumers could activate a gift subscription to De Telegraaf. Existing Telegraaf subscribers could apply for five issues of Privé or three issues of Autovisie.

Accelerated digital growth

One billion page views

TMG Landelijke Media saw the number of digital readers and digital subscriptions increase in 2015. The monthly number of page views of De Telegraaf exceeded the one billion mark, with more video views (18.5 million per month) and greater mobile reach. De Telegraaf continues to work on enhancing its total reach through all possible distribution channels. At the non-title-related websites, Dumpert (142 million page views and 108 million video views), GeenStijl (2,1 million users per month) and Upcoming (2,4 million users per month) were particularly noticeable. The activities of Glamorama.nl were discontinued in 2015 in order to be able to focus more on strengthening the Privé brand.

Firsts: Apple Watch and Facebook Instant Articles

TMG Landelijke Media is a leader in connecting with new content platforms and social networks. De Telegraaf and Metro, for example, are the first news brands on Facebook Instant Articles. De Telegraaf is the first Dutch news brand on the Apple Watch.

New VROUW website
A new digital environment for VROUW was prepared in 2015. With five central themes (health, education, psychology & relationships, food, and lifestyle), visitors get in-depth information about issues that concern women. Online video is given a prominent role. The soft launch of the new Vrouw.nl website took place in December 2015, while the consumer launch took place in January 2016.

Ubideo enriches Metro content
Metro has announced a collaboration with Ubideo, a live streaming app that allows users all over the world to stream images. In this way, Metro enriches the news for its readers. The first concrete result was the live stream report from the Amsterdam Dance Event. In five days, 100,000 view sessions were recorded, with an average viewing time of 9 minutes.

New newsroom system enhances online
CCI Newsgate, the new editorial system that was put into operation in 2015 at TMG Landelijke Media, makes it possible to strengthen the digital domain. The system allows editors to disseminate and spread content across different platforms more easily and more effectively, and from a single point. This improved control frees up more time for additional online publications.

Relatieplanet wins again
For the seventh time, Relatieplanet.nl won the 'Website of the Year' award in the Dating category. In 2015, Relatieplanet was completely renewed, with a responsive design and improved functionalities.

New business unit: TMG Digital
As of 1 January 2016, TMG Digital is an independent business unit, bringing together all non-title-related online activities. This joining of forces means that the online expertise within the group can be used even better and developed further. TMG Digital will play a crucial role in further strengthening the non-title-related online activities, scaling up 24/7 content, developing new revenue models, operating various (digital) channels and content-sharing between different titles. (See also the text box below.)

Developing new revenue models

New advertising rates
A new advertising rate structure has been developed for the TMG Landelijke Media brand, and for all other brands within

Ernst Keyzer

'We're creating more initiatives: colleagues are inspiring each other '

New business unit: TMG Digital

All non-title-related TMG online brands (except Relatieplanet and News Media) have now been brought together on a completely refurbished floor in TMG's Amsterdam offices. The department's open, dynamic atmosphere is palpable. 'We asked an exhibition stand builder to design the layout,' says Ernst Keyzer, who is in charge of the new business unit with well-known brand names such as Jaap, Huizenzoeker, Groupdeal, Gaspedaal, Relatieplanet, Dumpert, GeenStijl and Upcoming.

'Ever since the regrouping in October 2015, we first focused on the design of the organisation – not only in terms of office space, but also the processes and systems,' says Keyzer. 'From the very start, we noticed that we're creating more initiatives and are inspiring each other. You could immediately see the synergy. The sprints we work in are more productive, and we won't find ourselves reinventing the wheel in two different places. We're developing a unified business development process, we're using the same underlying technology, and shared functions, such as user experience design and growth hacking, are present at business unit level. We also have more scale and better opportunities to attract and retain talent.'

In 2016, TMG Digital will be focusing on scaling up the already successful well-performing titles. In doing so, cross-selling opportunities with other titles within TMG will also be considered. In addition, the focus will be on the accelerated development of new business models (Keyzer: 'We have exactly the right experience and flexibility to do this.') and on improving the product/market fit of a number of less mature sites.

TMG. From 2016, the prices of all ads will be based on actual reach figures. Advertisers pay a uniform rate based on the CPM model. This amounts to a flat rate per 1,000 contacts in our media. Advertisers can buy advertising space for all types of media at one central point. The approach is: 'Through TMG, you can reach the entire country.' In addition to agreements with respect to individual titles or sites, we also offer 'reach packages'. The new rate structure has a number of benefits: it promotes cross-media sales (national print, regional print, desktop, tablet, mobile), it strengthens our competitive price proposition, it works faster and more efficiently (simpler and more structured, for both print and online), and its gives advertisers greater insight into costs per media type.

Automated display increasingly popular

In the year under review, automated display (trading advertising space and banners on the web via an auction system) at TMG Landelijke Media's brands grew by over 20%. This increase is a result of market trends (shifting from manual procurement to automated procurement by both advertisers and media agencies, and more new buyers) and internal factors (availability of new formats, an increase in mobile, and the creation of new Private Market Place propositions).

Measuring online reach

To better measure online reach, TMG Landelijke Media is working with NPO, RTL and Sanoma Persgroep to develop a new set of 'reach instruments' for digital and online videos (NOBO). This ongoing research is expected to be operational in the first half of 2016.

Increasing efficiency

CCI Newsgate

CCI Newsgate, which is now operational, makes it possible to share content between different titles and different carriers. This enables closer collaboration and increases efficiency.

One Customer Contact Centre, one customer management system

Since 1 October 2015, all TMG Landelijke Media customers are serviced from a shared Customer Contact Centre. This is part of TMG's Facilitating Services department. In 2015, TMG Landelijke Media and Holland Media Combinatie also began moving towards a new, modern, shared customer information system. This encourages cross-selling opportunities and paves the way for new combined subscriptions of national and regional newspapers, for both print and digital.

Investing in people and culture

Training: focus on online and commerce

Besides participating in TMG-wide training programmes, TMG Landelijke Media devoted considerable attention to the targeted training and education of its employees in 2015. The specific focus was on gaining knowledge and commercial skills in the field of online. In addition, sales managers and senior account managers received coaching. The editorial staff of Metro followed a course in online news, and those in commercial positions received CPM training. A large group of developers and all product owners were certified as 'scrum masters' in December.

Being involved in society

The story behind the news

To give even better interpretations of the news and thus better fulfil the role of guide, De Telegraaf launched 'The story behind the news'. This feature is designed to inform readers of both the newspaper and the online channel (with video) about the background to the news.

Special free editions

After the socially momentous events relating to Charlie Hebdo and the subsequent attacks in Paris, De Telegraaf twice made its Sunday edition available online for free.

Sponsoring

TMG Landelijke Media sponsored various initiatives and events in 2015. These included the Sail tall ships event (with a special, jointly edited supplement in De Telegraaf and TMG's regional papers) and the Lauswolt summer concert in the woods of Beetsterzwaag in the north of the country. In addition, a full-page advertisement in De Telegraaf was made available for the charity auctions at the KNRM (national lifeboat organisation) held in late November at the Grand Hotel Huis ter Duin, for Emma's Amazing Fund-raising Gala for the Emma Children's Hospital (Amsterdam Medical Centre) in late March 2015 at the Gashouder in Amsterdam, and for Orange Babies, a charity whose main purpose is to help HIV-positive pregnant women in Africa.

Crowdfunding through Telesport: € 250,000 for sporting talent

In 2015, Telesport again gave talented athletes a weekly chance to present themselves to the public. Through Talentboek.nl, people could give financial support to young athletes (all with a talent status given by NOC*NSF). In total, this crowdfunding initiative produced more than € 250,000.

GeenPeil
GeenPeil is a project developed by the editors of GeenStijl to promote democracy in the Netherlands and the EU. As part of this project, they have successfully petitioned for a referendum on the Association Agreement between the European Union and the Ukraine. The petition was signed by more than 450,000 people within six weeks. The referendum will take place on 6 April 2016.

Outlook for 2016

In 2016, TMG Landelijke Media will focus on realising more digital reach per brand and on further exploiting cross-selling opportunities with other brands within TMG. Because consumers differ greatly from each other, existing and new digital publications will be increasingly personalised though the smart use of data. Besides personalised content, digital media enable us to customise the various revenue models. The advantage of such an approach is that advertisers can communicate more effectively, using focused, differentiated marketing.

In order to achieve this, in 2016, all key brands will be digitally active on the various devices. To start with, the De Telegraaf website will be freshened up (better match with the new tabloid) and will get more video positions. This will be followed in the second phase by a complete renewal. Digital platforms will be added, including for DFT and Telesport, and investments will be made in a Metro app. In order to provide consumers with even more content, in the second half of 2016, TMG Landelijke Media expects to launch online TV for news and sports.

The commercial, B2C and editorial departments will be further professionalised. A new business unit, TMG Natives, will be set up, which will focus on the development of media and editorial productions (print, digital and video) commissioned by internal or external parties. New propositions and combined subscriptions will be developed in line with consumers' wishes and requirements. In addition, synergies with other areas will be explored, with quick wins being picked up immediately.

Renewed apps of the regional dailies

24 7

Anna Marie van Vliet (31)
Furniture designer

‘The supermarket I often go to burned down. That news came very close’

In our ever-expanding world, there is a corresponding growing need for news from close at hand. And the closer the better – particularly as far as parents with young children are concerned. Holland Media Combinatie has the knowledge, experience and the organisational structure to meet this need, including online. For example, in 2015, we launched the hyperlocal Utrechtse Internet Courant, which provides news down to postcode level. During the past year, our regional newspapers also launched new apps. All its features can be used by subscribers for free, while non-subscribers can unlock premium content by registering - something younger audiences often do.

Results of Holland Media Combinatie

Holland Media Combinatie makes regional dailies and weeklies, websites (including local websites) and apps. It also organises exhibitions and events, including for third parties. The main brands within this business unit are Noordhollands Dagblad, Haarlems Dagblad, IJmuider Courant, De Gooi- en Eemlander, Leidsch Dagblad, De Echo and Witte Weekbladen. In addition, Holland Media Combinatie publishes a large number of specials (e.g., regional specials) and magazines, including weekend magazine *Vrij*, **funeral magazine** *Leven & Sterven*, *Alkmaar prachtstad*, **and new-build special** *Living in Holland*. **With these publications, Holland Media Combinatie offers consumers and advertisers a high-quality portfolio that is both accessible and distinctive. Our strong multimedia brands help to create a sense of community among people, companies and local authorities, as well as with the wider region. In this way, we make a contribution to encouraging active participation in the local community. At year-end 2015, Holland Media Combinatie had 513 employees. Its head office is in Alkmaar.**

Results

Revenues

x € 1 million	**2015**	2014	%
Subscriptions	**53.5**	55.1	-2.9
Single copy sales	**1.8**	2.1	-14.3
Advertisements	**38.0**	44.5	-14.6
B2B digital revenues	**5.3**	9.4	-43.6
Consumer digital revenues	**2.5**	1.3	92.3
E-commerce	**0.5**	0.7	-28.6
Other revenues	**0.7**	0.8	-12.5
Total	**102.3**	113.9	-10.2

Holland Media Combinatie's revenues declined from € 113.9 million to € 102.3 million (down 10.2%). This was mainly due to a decline in print advertising revenues and a decrease in digital revenues from Dichtbij.nl, as well as due to portfolio adjustments (e.g., withdrawing the Sunday papers and issuing fewer weekly publications in Almere).

Subscription revenues

Subscription revenues were lower, due to an average decline in circulation of 4.4%. However, price increases implemented during the year meant that the decline in turnover was limited to 2.9%. All regional newspapers experienced a reduction in circulation of between 4% and 5%.

Advertising revenues

The lower advertising revenues were partly attributable to the portfolio changes mentioned above. Adjusted for this, advertising turnover was down by € 5.3 million, with the Utrecht/Rotterdam region performing particularly poorly. In this region, the focus is expected to shift more to digital. To this end, a partnership was entered into with De Utrechtse Internet Courant at the end of 2015.

B2B digital revenues

B2B digital revenues were down significantly, entirely due to sluggish results at Dichtbij.nl. Some of these activities will be discontinued (for more details, see below).

Consumer digital revenues

Consumer digital revenues showed a sharp increase, mainly thanks to the introduction of an extra charge on top of the regular subscription fee for complete digital access to products as of 1 July 2014.

Operating expenses

x € 1 million	**2015**	2014	%
Raw and auxiliary materials	**16.4**	17.4	-5.7
Subcontracted work and technical production costs	**10.0**	12.6	-20.6
Personnel costs	**40.0**	44.7	-10.5
Sales costs	**2.7**	3.1	-12.9
Other operating expenses	**11.2**	12.4	-9.7
Total	**80.3**	90.2	-11.0

Transport and distribution and subcontracted work

The cost of transportation and distribution and subcontracted work declined, mainly due to the portfolio changes mentioned above, a decline in circulations, lower advertising revenues, and lower paper and ink prices.

Personnel costs

The decline in personnel costs (-10.5%) was due to a decrease in the average number of FTEs of 125 (-19%). This was offset by higher costs for temporary employees and higher wage costs per FTE, mainly due to the departure of employees on relatively low wages. The personnel costs also include € 0.7 million in restructuring charges relating to the reorganisation at Dichtbij.nl.

Other operating expenses
Other operating costs were down, mainly due to lower lease costs as a result of fewer FTEs.

EBITDA
The contribution of Holland Media Combinatie to EBITDA in 2015 amounted to € 22.1 million, compared to € 23.7 million in 2014, with lower revenues not being able to be fully offset by lower costs.

Reach

The strong brands of Holland Media Combinatie together reach more than 1.7 million people via print and digital. On average, our print media (newspapers and door-to-door papers) reach 58% of the population in the regions. The number of people attracted by our digital brands is increasing. On average, our digital regional dailies have over 10 million page views every month. The brands of Holland Media Combinatie are clearly indispensable for the people who live in our distribution areas.

Milestones in 2015

In 2015, Holland Media Combinatie continued to implement its regional focus, while also playing an active part in synergy projects within TMG. Specifically, we focused on increasing our decisiveness in our front office, while working more efficiently in our back office.

Focus on consumer, key brands and core activities
Some of our firsts

One of our sports reporters in Alkmaar, together with German television, made secret recordings that showed how easy it is for runners to get their hands on doping (see text box). A Leidsch Dagblad reporter was on the spot within five minutes when a large construction crane and the bridge deck it was moving collapsed onto surrounding buildings in Alphen aan den Rijn. This enabled our reporter to get 'inside' the site of the accident before the police cordoned off the area. From that moment, Leidsch Dagblad followed all the developments in the story during the ensuing months. When baby corpses were found in Heerhugowaard, Noordhollands Dagblad made a respectful and moving account of the police investigation and the distress in the neighbourhood. Political stories covered by our publications in 2015 included the revelation by Noordhollands Dagblad of financial mismanagement and misogynistic behaviour in a number of municipalities, as a result of which an alderman had to resign. In Zaandam, residents and other media followed the coverage by Noordhollands Dagblad of a gangland killing that took place in broad daylight in a schoolyard. The same newspaper was first to discover that the municipality of Zaanstad had potentially damaged its bargaining power with Ikea, a story that was then taken up by national and other media. By mistake, the municipality had published on its website a draft agreement with Ikea, stating that the municipality would require Ikea to contribute € 3 million to the accessibility of the Zuiderhout industrial estate.

Sports reporter of the year

Marco Knippen, the Alkmaar-based sports reporter of Holland Media Combinatie, caused a sensation in 2015 with a series of stories about widespread use of doping, the suppression of positive doping tests, and corruption at the highest level of management within Kenyan athletics. He discovered a secret database of more than 12,000 abnormal blood levels in some 5,000 international athletes, including dozens of Dutch athletes. This example of investigative journalism was the result of a partnership with German television (ARD/ZDF), on the initiative of Knippen. The news articles and the related ARD/ZDF documentary attracted worldwide attention and also gave a boost to the current crisis within the International Association of Athletics Federations (IAAF). Knippen was elected Sports Reporter of the Year by the Dutch Sports Press (NSP).

Regional organisational structure introduced

In 2015, Holland Media Combinatie implemented a regionally focused, decentralised organisational structure. This structure is built around five core regions:
- Noord-Holland (north of the Noordzeekanaal)
- Haarlem/Haarlemmermeer
- Leiden
- Gooi
- Amsterdam, Amstelveen and Almere.

In the new situation, the basis of the first four new clusters is formed by the dailies Noordhollands Dagblad, Haarlems Dagblad/IJmuider Courant, Leidsch Dagblad and De Gooi- en Eemlander. These also include the regional magazines. Each newspaper will have its own editor-in-chief and a commercial manager. Together, they will be responsible for serving consumers and advertisers in the region. This will enable us to best respond to regional and local opportunities. A general editor-in-chief will ensure cooperation among all Holland Media Combinatie's titles. The fifth, new cluster consists of weeklies in Greater Amsterdam (i.e., Amsterdam, Amstelveen and Almere).

Central news desk
Since February 2015, editorial staff of the newspapers of Holland Media Combinatie have been benefiting from the new central news desk within TMG. This means readers of our daily newspapers have even more relevant content at their disposal.

Reader satisfaction on the rise
The annual image survey carried out by Mirantes showed that reader satisfaction with our dailies increased in 2015, and that the time they spent reading rose to 45 minutes. In each region, Holland Media Combinatie newspaper brands occupy the No. 1 position in spontaneous brand awareness and top-of-mind awareness. In each region, our brands are preferred over all other regional news sources.

Regional fairs and specials
Holland Media Combinatie is developing partnerships with local parties with the aim of, together, reaching a wider audience in the region. For example, Holland Media Combinatie organises an annual Care Fair in Schagen, in association with a local care group. Similarly, in St. Bavo's Church in Haarlem, Holland Media Combinatie organised a funeral fair. At a final meeting with the exhibitors, the professional organisation of the fair, its wide reach, and the networking opportunities for exhibitors were all rated very highly. In addition, successful specials and themed supplements to our daily and weekly newspapers were published, including several educational supplements and a 'branded content' supplement called *Genieten* (Enjoy), with Haarlems Dagblad. The supplement is also distributed in the Haarlem region to readers of De Telegraaf.

First place in Adformatie Christmas report
Holland Media Combinatie was ranked first in the category of newspaper publishers in the Adformatie annual Christmas report. Nationally operating media planners and advertisers together gave Holland Media Combinatie a 7.4 rating for, among other things, service, customer-responsiveness, and quality. Media planners also gave Holland Media Combinatie the highest rating (7.8) in the category of online and mobile advertising.

Sunday newspapers discontinued
In April 2015, Holland Media Combinatie discontinued nine loss-making titles: the Sunday newspapers in northern Noord-Holland, Alkmaar and surroundings, Kennemerland, Zaandam and surroundings, Purmerend, Waterland and Leiden. With its remaining weekday titles and brands, Holland Media Combinatie can still offer advertisers excellent relevant alternatives to reach their target audiences.

New setup for Dichtbij.nl
At the end of 2015, it was announced that the activities of Dichtbij.nl will be discontinued in Utrecht and in the core region (i.e., Noord-Holland and parts of Zuid-Holland). In Noord-Brabant, Haaglanden and Drechtsteden, Dichtbij.nl's activities will continue. The reason for this decision was the poor results and Holland Media Combinatie's strategic choice (in line with TMG's new strategy) to develop new hyperlocal initiatives under strong core brands, with a focus on digital (see below). The profit-making activities in Noord-Brabant, Haaglanden and Drechtsteden will be merged into a single office in Eindhoven.

Accelerated digital growth

News apps and regional dailies renewed
In the year under review, the news apps of Noord-Hollands Dagblad, Haarlems Dagblad, IJmuider Courant, Leidsch Dagblad and De Gooi- and Eemlander were updated. Following the launch, the new apps soon ranked sky high on the free-download hit lists; in a very short time, they had been downloaded more than 100,000 times. By keeping readers up to date, 24 hours a day, of local, national and international news through these apps (on top of the dailies' websites and online newspaper), Holland Media Combinatie is again adding value to the dailies.

Hyperlocal news concept launched
In 2015, Holland Media Combinatie started preparations for a new hyperlocal news initiative, in close collaboration with De Utrechtse Internet Courant. It brings news down to postcode level. Print remains important in this concept, but at a lower frequency, while digital will increase. The concept was launched in Rotterdam and Utrecht at the end of 2015. It will serve as a basis for the roll-out of hyperlocal apps in Holland Media Combinatie's core region.

Developing new revenue models

Hyperlocal offers more options
The development of new hyperlocal content for desktop and mobile offers advertisers a new way to approach their target audiences. New marketing and tariff models based on this new hyperlocal concept will be developed in 2016.

Improved gross reach thanks to CPM

In 2015, a new CPM pricing model was introduced (see for more details the section on TMG Landelijke Media). This makes it easier for advertisers to buy cross-media packages from TMG, and it enables Holland Media Combinatie to offer advertisers improved gross reach.

ProMille Media launched

From 1 January 2016, BDUmedia, NDC Mediagroep, Media Groep Limburg and Holland Media Combinatie form a one-stop shop for the national advertising market for regional dailies under the name of ProMille Media. As of February 2016, the door-to-door newspapers of the respective publishers will also join the new grouping, to be followed by the online brands. In this way, ProMille Media provides advertisers with the convenience and expertise they need to achieve the best results with regard to local and regional target groups.

Increasing efficiency

One editorial system

In 2015, Holland Media Combinatie joined the dailies in switching to CCI Newsgate, the new central editorial system. This system and its advantages are explained in more detail in the section on TMG Landelijke Media.

Thousands of new customer data for HMC

In 2015, preparations were started on a new Customer Relationship Management system to be shared by Holland Media Combinatie and TMG Landelijke Media. The new system will be taken into operation in 2016. This efficiency move means Holland Media Combinatie will have access to a lot of new relevant customer data. This will enable Holland Media Combinatie to create a uniquely detailed picture of its customers. The new arrangement will also open up new opportunities for tailoring content to readers' and advertisers' needs. In addition, Holland Media Combinatie's Customer Contact Centre has merged with that of TMG Landelijke Media.

Centralised advertising design

At the end of 2015, preparations were made to centralise newspaper composition and advertising design within TMG. Holland Media Combinatie will also take part in this. New IT systems have been put in place, which make it possible to deploy local production partners on a flexible basis, while customers have access to a self-service portal. Radio commercials and video can also be processed through the new system.

Investing in people and culture

Expanding online expertise

In the field of training and development, Holland Media Combinatie is making the shift to digital. For example, in 2015, sales staff underwent online marketing and sales training, making them more aware of changing media consumption patterns. In addition, talented employees were encouraged and supported to develop their knowledge and skills across TMG.

Ideas from the inside

In 2015, employees were explicitly involved in helping to create our new business plans. We organised special interactive events, at which colleagues could discuss their ideas for new business initiatives. Regional managers and employees, together with managers of the central departments, were given responsibility for creating plans for their titles, contributing to well-thought-through plans for 2016. By taking this approach way, management has made it clear that innovation belongs to everyone, and that every good idea is worth listening to. This results in a stimulating and transparent working environment.

Engaged with society

Well-attended Readers Day

Holland Media Combinatie invests in a long-term relationship with its readers. On the occasion of Readers' Day in September 2015, we welcomed more than 7,500 engaged and interested people. They were given a look behind the scenes, where they were introduced to reporters, editors and columnists.

Showing interest in each other

All our titles continuously demonstrate their engagement with their immediate surroundings. For instance, in a special series of articles, Holland Media Combinatie in Noord-Holland featured sustainable developments and trends, showcasing, among other things, the Miss Green fashion line, and Dopper, a range of reusable coloured water bottles. During the year, much attention was paid to developments surrounding the decentralisation of care and its impact in the municipalities. Developments in the refugee situation were also closely monitored, with Holland Media Combinatie working closely with the municipality of Schagen. The editorial team made nine consecutive major productions on emergency shelter in the local sports hall. The local media in Noord-Holland wrote about drug use by young people in the area. In Den Helder, they closely followed the development and construction of the controversial new theatre, Kampanje, on the historic Willemsoord quay.

In action for charity

For many years, our regional offices have initiated campaigns for food banks and similar charities, and 2015 was no exception. For instance, Dagblad Zaanstreek, asked local people to paint their own impression of the area. The resulting pictures were then auctioned to support the rebuilding of a riding school in Zaandam, which had been destroyed by vandals. Each year Leidsch Dagblad takes part in Lef ('Courage'), a competition for entrepreneurs. This newspaper also helps Fonds 1818 to distribute grants for good initiatives throughout the Leiden area and surroundings. Some 120 projects are reviewed each year. These are just a few examples of the charities supported by our brands.

Outlook for 2016

In 2016, Holland Media Combinatie will invest significantly in developing its core brands with more digitally-oriented propositions. With respect to print, we will continue to optimise our weekly portfolio, which will be enhanced with digital hyperlocal news initiatives. Since Holland Media Combinatie as a whole is now increasingly able to offer customised content, it will focus on specific customer needs. In this way, we are fully meeting the 24/7 news needs of consumers and advertisers in the region.

Sky Radio Running Hits

Jesse Ramsoebhag (33)
Personal trainer and lifestyle coach

'In my work I use music every day, mostly my own playlists'

Sky Radio is a media partner of various running events throughout the Netherlands. At most of these events, we provide the runners with great music to run to, while visitors can enjoy the Sky Radio Drive-In Show. The online stream 'Sky Radio Running Hits' offers runners the best non-stop hits to make their training runs even more fun. No need to search, which saves time. Shoes on, smartphone handy, and run!

Results of Sky Radio Group

With its brands Sky Radio, Radio Veronica and Classic FM, Sky Radio Group is the largest commercial radio company in the Netherlands. Its target group is 10+ (Source: NLO). Besides regular radio, Sky Radio Group offers online streaming music services. Sky Radio Group distinguishes itself through its expertise, creativity and proactive approach. From technology to sales, and from programming to marketing, everything is conceived, developed, implemented and analysed in-house, including new forms of distribution, marketing campaigns, websites and promotions. Through its extensive radio portfolio, Sky Radio Group reaches approximately 4.9 million listeners. Its music propositions are offered across brands to users of other TMG brands. At year-end, Sky Radio Group employed 99 FTEs. Its head office is located in Naarden.

Results

Revenues

x € 1 million	**2015**	2014	**%**
Advertisements	**27.6**	33.3	-17.1
B2B digital revenues	**0.4**	0.4	-
Other revenues	**2.7**	5.1	-47.1
Total	**30.7**	38.8	-20.9

Advertising revenues

The revenues of Sky Radio Group, virtually all derived from advertising, declined from € 38.8 million to € 30.7 million (down 20.9%). The main reasons for the decline are the shrinking total net advertising market and the further concentration of power with regard to the procurement of radio advertising. Radio Veronica particularly was faced with disappointing advertising revenues in the aftermath of its shrunken market share in 2014. The joint gross share of spending of the total available radio budget spent at Sky Radio Group fell from 21.1% to 17.1%.

Other revenues

Other revenues in 2014 included a revenue of € 2.0 million from the sale of the licence of MyRadio.

Operating expenses

Personnel costs

Personnel costs declined by 4.8%, mainly due to a fall in the number of FTEs of 6.

Sales costs

Sales costs increased by € 1.6 million due to extra marketing costs spent on strengthening the brands and increasing 'stickiness'.

Operating expenses

x € 1 million	**2015**	2014	**%**
Subcontracted work and technical production costs	**6.0**	6.0	-
Personnel costs	**7.9**	8.3	-4.8
Sales costs	**8.5**	6.9	23.2
Other operating expenses	**1.8**	1.6	12.5
Total	**24.2**	22.8	6.1

EBITDA

EBITDA amounted to € 6.5 million (2014: € 16.0 million). The decline compared to 2014 can mainly be attributed to the aforementioned declining advertising revenues and higher marketing costs, as well as the one-off revenue from the sale of the licence of MyRadio in 2014.

Market share and reach

Among the Dutch population aged 10 and older, the total reach of the radio medium dropped from 89.6% to 89.2%. The average weekly reach of Sky Radio Group's collective radio stations in this target group decreased slightly, from an average of 33.3% to 33.1%. Of the three main stations, Sky Radio has the largest reach, with 3.4 million unique listeners in the 10+ target group every week. Sky Radio is performing particularly well in the segment 'Women aged 20–34' (a 10-year record: 15.1% market share). With a weekly average of 1.4 million unique listeners, Radio Veronica managed to stabilise its market share in the target group 20–49 at 6.1% in 2015, showing a strong recovery in the last measurement period for its core target group (men aged 35–49). In the 10+ target group, Classic FM's market share rose to 1.8% compared to 1.6% in 2014, which was an increase of no less than 13% (soureL NLO/GfK); Classic FM had 677,000 unique listeners every week in 2015 (7% more than in 2014).

Milestones in 2015

Focus on consumer, key brands and core activities

Sky Radio remains strong media brand

For Sky Radio, significant investments were made in the brand campaign, whose main purpose was to create a younger brand image. In a study carried out by the international brand consultancy Interbrand, Sky Radio is the only radio brand that appears in the Top 25 strongest media brands in 2015 (ranking above brands such as Netflix and Spotify). In a market research carried out by EURIB (European Institute for Brand Management), Sky Radio emerged as the most indispensable radio brand in the Netherlands. The December month, in which Sky Radio presents itself as the Christmas station, was successful, with an average weekly reach of more than 3.6 million listeners. This means that the station was again the 'reach leader' in the Netherlands during the November/ December measurement period.

Radio Veronica adjusts programming

Radio Veronica's renewed programming started in February 2015. The adjustments were based on the wishes and needs expressed by listeners. Jeroen van Inkel moved to the early morning, while Erik de Zwart is is now on between 10am and 12 noon; in the afternoons and evenings there is room for new talent and live music. The well-known hit parades remain the main pillars of the radio station, the most important one being the Top 1000 Allertijden ('All-time Top 1000') in December, which attracted more than 2.5 million unique listeners (Source: RadioCall 2015).

Four seasons at Classic FM

In 2015, Classic FM focused on the four seasons, with a special playlist for each season, a CD, special promotions, and a live event starting in the autumn: Najaarsnoten Live (also shown on YouTube). At the end of December, the classical Top 1000 was back on Classic FM. This was sponsored by MoneYou, in a branded partnership. On 28 December, the Top 1000 went live in the Olofs Chapel at NH Barbizon Palace in Amsterdam, a very exclusive concert for a select number of listeners and business contacts, who enjoyed a performance by harpist Lavinia Meijer in an intimate, informal setting.

Outdoor campaign in the 'classical heart'

To enhance the visibility of Classic FM, in December 2015, a new local outdoor branding campaign was organised in Amsterdam, in the 'classical heart' of the city around Museumplein and Concertgebouw.

SAIL

Sky Radio Group was also present at SAIL, including as official partner of the IJ concert featuring Miss Montreal and Kensington in the Music Marina. Classic FM sponsored 'Classical Waves'. Radio Veronica organised an evening on the iconic Veronica ship with a live broadcast of Countdown Café and a drive-in show with the well-known DJs.

Licensing permit lawsuit

On 8 January 2015, the Dutch Trade and Industry Appeals Tribunal (CBb) issued a ruling in the legal proceedings instituted by Sky Radio Group against the State. The lawsuit related to the € 20.4 million fee that Sky Radio Group is required to pay for the FM licensing permit covering the period 2011–2017 for the qualified A2 Lot (Radio Veronica). The CBb ruled in favour of Sky Radio Group, stating that the valuation of this FM frequency was based on incorrect assumptions. Despite several meetings in 2015 between Sky Radio Group and the State, at the end of 2015, the actual implications of the ruling were still unclear.

Accelerated digital growth

Growing online reach of all stations

In 2015, all Sky Radio Group stations, including the sub-stations, saw their online reach grow compared to 2014. Radio Veronica proactively launched innovative sub-stations, such as Comedy Week. During the Christmas period, the number of people listening to the Christmas playlist on Sky Radio's website broke through the 100,000 barrier. On average, these listeners were online for one hour and 43 minutes. The average number of unique listeners per day of the online Sky Radio Christmas Station rose by 54.6% compared to 2014.

Online audio platforms in development

In 2015, Sky Radio Group decided to discontinue the brand name MyRadio for its personalised music streams. The technology of MyRadio is being developed further, but now in the form of online audio platforms, using the existing brands. These audio platforms will be rolled out in 2016.

New Classic FM app

In October 2015, Classic FM launched its renewed app. With this app users can listen to Classic FM's music in an even more user-friendly way. Until the end of December 2015, the number of downloads increased by 3.6%.

Developing new revenue models

Added value for consumers and advertisers

Alongside the development of the new online audio platforms, Sky Radio Group gives high priority to setting up new business models, such as paid online music services for consumers and data-enriched propositions for advertisers. The added value of these models will strengthen the brand value and bring our image up to date.

Increasing efficiency

Making the most of synergy with TMG

In the year under review, Sky Radio Group collaborated more with other business units within TMG. The online automated trading of Sky Radio Group was implemented at Group level. In addition, together with TMG Landelijke Media and Holland Media Combinatie, we worked on a combined sales approach. As a first step, the three business units went on a joint trading tour, visiting the most important media agencies. To make this internal collaboration more successful, Sky Radio Group exchanged some employees with the other two business units.

Investing in people and culture

Strengthening the management team

The management team of Sky Radio Group was strengthened in order to be better able to pursue cost efficiency and profitable growth. In addition, leaders and high potentials participated in TMG's M3 programme.

Engaged with society

Christmas Tree For Charity

Through the annual Sky Radio action 'Christmas Tree for Charity' (also broadcast on Sky Radio's website), Dutch celebrities were able to win money for a charity of their choice. In total, € 25,000 was donated to charities such as Diabetes Fonds, Stichting DON, Hartstichting and Voedselbanken Nederland. In addition, Sky Radio gave away advertising time to these charities worth € 25,000.

Radio Veronica campaigns

Radio Veronica set up two large public campaigns. The first was 'Operatie Victorie'. Together with the Dutch army, people were mobilised to help associations and sports clubs with small chores. The second was 'VeroniKlaas', through which donations were collected for Actie Pepernoot, with the aim of giving children growing up in poor families in the Netherlands a present for Sinterklaas, the traditional gift-giving event on 5 December. In total, almost 55,000 children received a present.

Outlook for 2016

On 15 January 2016, TMG announced a strategic collaboration with Talpa in the area of radio, TV and Over The Top (OTT). As part of this collaboration, a new radio company will be set up, in which TMG contributes the radio stations Sky Radio and Radio Veronica, while Talpa contributes the radio stations Radio 538 and Slam!. TMG will acquire an interest of 22.85% in this new radio company. TMG's interest can be increased to up to 25% if certain targets are met. In the coming months, the consequences of this collaboration between TMG and Talpa for Sky Radio Group will become clearer. For this purpose, a carefully planned process will be set up and implemented. TMG and Talpa expect to be able to provide more clarity in this regard in the second quarter.

Until there is more clarity, Sky Radio Group will continue to invest in its brands to further expand its reach. In addition, the focus will be on the accelerated development of the online audio platforms. Finally, the programming of the stations will be even better matched with the wishes expressed by listeners. Sky Radio Group's own listeners' panel was redesigned in 2015; this panel will be consulted on a regular basis. Moreover, wherever possible, Sky Radio Group will work even more closely together with the other business units within TMG and the holding company, in order to save costs and exploit more cross-selling opportunities.

Tectonic app and colouring books for adults

24 7

Anneke Westerbos (61)
Stylist and designer

‘Sometimes I feel the need for stillness’

In the speed and hectic environment of everyday life, consumers are increasingly looking for low-threshold ways to relax. This opened up opportunities for a super simple way of relaxation and winding down: colouring books for adults. A hype throughout Europe, and a brainchild of Keesing Media Group. In addition, the new Tectonic app was launched in 2015, A Sudoku-like puzzle, Tectonic is a brain teaser that is both addicitve and relaxing.

Results of Keesing Media Group

Keesing Media Group publishes puzzle magazines and digital puzzles. The Group is active in the Netherlands, Belgium, France, Denmark, Sweden, Germany, Spain, Norway, the United Kingdom and Italy, with strong brands such as Denksport, 10 voor Taal, Jan Meulendijks, Win!, Sport Cerebral, Megastar and Tankesport. The group has a smart matrix structure: control is exercised from the functional group in combination with a country structure. Approximately 80% of Keesing Media Group's activities take place outside the Netherlands. At year-end 2015, Keesing Media Group employed 276 FTEs. Since 2015, its head office has been at Basisweg in Amsterdam.

Results

Revenues

x € 1 million	**2015**	2014	%
Subscriptions	**4.0**	4.0	-
Single copy sales	**65.2**	60.8	7.2
Advertisements	**-**	0.1	-100.0
Printing	**0.2**	0.1	100.0
Other revenues	**1.7**	3.1	-45.2
Total	**71.1**	68.1	4.4

Revenues increased from € 68.1 million in 2014 to € 71.1 million in 2015. This growth is mainly attributable to the expansion of the product portfolio, including colouring books for adults, weekly titles in Spain and Germany, and expansion into Italy, the UK and Norway.

Other revenues include mainly B2B sales of puzzle materials.

Operating expenses

x € 1 million	**2015**	2014	%
Raw and auxiliary materials	**0.1**	1.7	-94.1
Transport and distribution costs	**1.5**	1.6	-6.2
Subcontracted work and technical production costs	**18.5**	15.5	19.4
Personnel costs	**20.0**	18.0	11.1
Sales costs	**4.0**	3.7	8.2
Other operating expenses	**6.4**	8.3	-22.9
Total	**50.5**	48.8	3.5

Raw and auxiliary materials, transport and distribution, and subcontracted work

Due to the higher revenues, which were primarily volume-driven, the costs of raw and auxiliary materials, transport and distribution, and outsourced work were also higher. A shift is visible from raw and auxiliary materials to outsourced work as a result of the closure of the printing plant in France in 2014, after which the printing of all puzzle books was outsourced.

Personnel costs

Personnel costs increased, due to additional staff required for colouring books, digital development and the development of databases.

Other operating expenses

Other operating costs were lower, thanks to greater efficiency in the core countries (resulting from shared use of the same puzzle systems), further centralisation and the integration of Megastar and Keesing France in France.

EBITDA

EBITDA amounted to € 20.6 million, an increase of 7.0% compared to 2014 (€ 19.3 million).

Market share and reach

In France, for the first time in years, the volume of the paper puzzle market grew marginally. The market share of both Sports Cérébral and Megastar grew. In the Netherlands, thanks to product innovation and a stronger focus on sales, Keesing Media Group managed to win market share, and for the first time in five years to return to volume growth.

In Belgium, Keesing Media Group also achieved growth in revenues and profit.

In Denmark, a great deal of work was put into further optimising the product portfolio. Many new titles were launched, and insufficiently profitable titles were discontinued. In addition, various products were modified and relaunched. For 2016, a contract was entered into with a new distributor. From the organisation in Denmark, new operations were launched in Norway.

In Sweden, Germany and Spain, the product portfolios were optimised. Here too, insufficiently profitable titles were discontinued and new titles were launched.

Milestones in 2015

In 2015, Keesing Media Group focused on further European expansion, digital innovation and greater efficiency.

Focus consumer, key brands and core activities

From seven to ten countries

In 2015, Keesing Media Group started operations in the UK, Italy and Norway, bringing the number of countries in which the Group is now active to ten. This makes the Group the largest player in the European market.

Colouring books for adults conquer Europe

Keesing Media Group is one of the driving forces behind the hype in colouring books for adults. During the past year, we have also successfully introduced this contemporary and accessible form of entertainment in other countries.

New puzzle: Tectonic

In 2015, Keesing Media Group launched a new puzzle similar to the popular Sudoku, called Tectonic. This puzzle has now not only appeared in print in seven countries, but a Freemium App has also been launched.

Improving relationships with distributors

Keesing Media Group made extra investments in 2015 in improving its relationships with distributors and retail chains. In the Netherlands, it was decided to put more emphasis on sales rather than marketing, for which purpose the team of sales promoters was enlarged.

Accelerated growth

New digital strategy

Because the demand for digital puzzle products is growing, a new digital strategy has been developed, with a focus on e-commerce (subscription and single-copy sales through local webshops), apps and combinations of print and digital. In 2015, we took the first tangible steps towards accelerating digital growth. Specifically, we launched a new Sudoku app for mobile, the new Tectonic puzzle app, and several new websites. Keesing Media Group also entered into a number of new partnerships, which are expected to lead to new digital activities in 2016.

Increasing efficiency

Smart matrix organisation

In the year under review, Keesing Media Group introduced a new, smart matrix organisational structure. Additional cost savings were also realised in France, by further integrating the activities of Megastar and Sports Cérébral.

Synergy in systems

Keesing Media Group continued to reap the automation benefits of its puzzle systems. In Belgium, the systems for determining the size of print runs were optimised. This resulted in fewer returns. In 2016, these systems will also be implemented in the Netherlands.

Centralised product innovation

Keesing Media Group is continuously working to optimise and innovate its product portfolio. To facilitate this effort group-wide, an International Development Committee (IDC) has been set up. Regular market research is also carried out to carefully monitor customer needs throughout Europe. To ensure the closest possible fit with customers' needs, the Group uses alpha and beta testing techniques in developing digital products.

Collaboration within TMG

In 2015, Keesing Media Group again made puzzles for various TMG brands, such as De Telegraaf and the regional newspapers. The group also works with Privé on special publications and marketing campaigns. For their promotion, Keesing Media Group benefits from the reach of various TMG brands, such as De Telegraaf and Sky Radio Group.

Investing in people and culture

International leadership programme

The Dutch senior managers of Keesing Media Group participate in TMG's M3 leadership programme. On top of that, Keesing Media Group practices an independent leadership progamme to promote international cooperation and to take full advantage of the benefits of the new organisational structure. Special attention is paid to the cultural differences between the countries.

Number of employees unchanged

The number of employees (FTEs) remained unchanged in 2015. Although savings were made thanks to further automation, centralisation and the integration of Megastar and KFR, these savings were offset by additional capacity required for producing colouring books for the European market, international expansion, digital development and accelerating the implementation of puzzle systems.

Engaged with society

Engaged with people and the environment

Keesing Media Group's products contribute to the relaxation and wellbeing of people in various age groups. For example, our puzzles help young children to develop their skills and problem-solving abilities. At the same time, our puzzles enable older people to continue training their brains – something that has been scientifically proven to contribute to the vitality of brain functions. Keesing Media Group puzzle books are printed on PEFC paper. In 2015, the Group made a number of charitable donations, to a school in India and to various food banks.

Outlook for 2016

In 2016, Keesing Media Group will focus on further growth by expanding the portfolio in new countries and scaling up the activities launched in 2015. To this end, investments will made in additional sales capacity and extra capacity for building various language databases. The Group will be actively considering opportunities for international expansion, both organically and through acquisitions. In line with our new digital strategy, e-commerce activities will be launched, as well as new single- and multi-player apps and digital bundles – where possible, with partners. Keesing Media Group will continue to innovate within its existing product portfolio, so that we can, as always, surprise customers and provide them with an exciting and relaxing pastime.

Furthermore, in 2016, Keesing Media Group will focus on further increasing its efficiency in its core markets. This will include continuing to take full advantage of the possibilities offered by automation, rolling out the new system for determining print-run size in the Netherlands, and investing in the relationships with distributors and retailers.

Facilitating Services

Facilitating Services is responsible for the printing plants, distribution, supply chain management, procurement and the shared service activities of TMG. During 2015, Facilitating Services was expanded to accommodate the Financial Shared Service Centre (taken over from the holding company as of 1 June 2015), the Contact Centres (taken over from TMG Landelijke Media and Holland Media Combinatie as of 1 September) and the shared back-office operations (taken over from TMG Landelijke Media and Holland Media Combinatie as of 1 December 2015)[1]. Facilitating Services unburdens the various business units by coordinating and performing non-core activities, and by supporting the development of new revenue models.

Results

Revenues

x € 1 million	**2015**	2014	**%**
Printing	**31.1**	37.5	-17.1
Distribution	**63.0**	68.4	-7.9
Other revenues	**1.1**	0.2	450.0
Total	**95.2**	106.1	-10.3

Revenues from manufacture and distribution

Revenues deriving from Facilitating Services' manufacture and distribution activities result from assignments undertaken for third parties as well as for the business units TMG Landelijke Media and Holland Media Combinatie. Facilitating Services charges TMG Landelijke Media and Holland Media Combinatie for the variable printing costs, plus a charge for distribution. Revenues from manufacture and distribution from assignments for third parties amounted to € 21.4 million in 2015, slightly less than in 2014 (€ 21.9 million), mainly due to lower volumes.

Other revenues

Other revenues include gains on the sale of buildings.

Operating expenses

x € 1 million	**2015**	2014	**%**
Raw and auxiliary materials	**28.8**	36.6	-21.3
Transport and distribution costs	**55.6**	60.4	-7.9
Subcontracted work and technical production costs	**0.1**	-	-
Personnel costs	**42.7**	24.9	71.5
Other operating expenses	**15.5**	16.7	-7.2
Total	**142.7**	138.6	3.0

Costs of raw and auxiliary materials and transport and distribution

The costs of raw and auxiliary materials and of transport and distribution were down, due to lower volumes on the one hand (mainly due to the discontinuation of Sp!ts by TMG Landelijke Media and portfolio changes at Holland Media Combinatie) and lower purchase prices for paper and ink on the other hand.

Personnel costs

The higher personnel costs result almost entirely from the reorganisation of the printing plants (see note below), for which a restructuring provision of € 16.1 million was taken in 2015. For the reorganisation of other parts of the company, a € 0.9 million restructuring charge was recognised.

Other operating expenses

Other operating expenses fell by € 1.2 million, mainly due the lower costs of maintaining the printing plants. This was due to the reduction in the number of presses and the closure of the printing plant in Alkmaar.

EBITDA

EBITDA in 2015 amounted to € 47.5 million negative, compared to € 32.5 million negative in 2014. Excluding restructuring charges, EBITDA amounted to € 30.5 million negative, an improvement of € 2.0 million compared to 2014. This was mainly due to the aforementioned gain on the sale of buildings and savings relating to maintenance costs.

Milestones in 2015

Restructuring the printing plants

A significant change in the organisation has been the restructuring of the printing plants. Changing media usage has made this necessary, as the market has been suffering from overcapacity for quite some time. Printing capacity in Amsterdam was merged and the printing plant in Almaar has been closed. While some of the printing volumes will be outsourced, the printing capacity in Amsterdam will partly be maintained. This should improve efficiency and flexibility. In line with this train of thought, consideration is now also being given to outsourcing print volumes. (See the section 'Our people' for more information on this reorganisation.)

1 *As of 1 January 2016, these shared services are shown in the financial statements of Facilitating Services; in 2015, the costs are still included in the financial statements of the old business units.*

New partners
In the year under review, Facilitating Services carried out a review of the cost savings that could potentially be made by expanding cooperation with existing partners (e.g., in the field of distribution). To maintain sufficient scale in the distribution network, new contracts have been concluded with De Persgroep and Mediahuis (Media Group Limburg).

Centralising procurement
Important steps were taken in 2015 to conduct procurement TMG-wide where possible and to further professionalise in this field. This gives TMG a stronger negotiating position with suppliers, and all businesses can benefit collectively from economies of scale.

At the same time, sustainability was made an integral part of TMG's procurement policy, and TMG's Code of Conduct for suppliers was updated. Suppliers who do not sign this Code of Conduct can be excluded from procurement procedures. Such exclusion did not prove necessary in 2015. Sustainability has now become a fixed feature of RFP processes.

Improving shared services
In 2015, Facilitating Services paid considerable attention to the further professionalisation of shared services. The focus was on the launch of improvements within the Financial Shared Service Centre, such as increasing transparency in processes and working methodically. Attention was also given to upgrading the security of Campus Amsterdam and embedding sustainability in Facilitating Services.

Implementing ISO 14001
In 2015, a start was made on implementing an environmental management system based on the ISO 14001 standard. This particularly affects the processes within Facilitating Services. (For more details, see the chapter on Sustainability.)

Outlook for 2016

Our goal is to bring more non-core activities under the responsibility of Facilitating Services. In 2016, Facilitating Services will focus on increasing the efficiency and quality of internal services on the one hand, and on further professionalising all shared services on the other. Our objective is to increase the flexibility of our distribution costs and to continue to improve the working environment of TMG employees.

IT

The importance of IT for a media company such as TMG continues to grow. In the past, IT was mainly seen as providing greater efficiency and control in back offices. Now, however, it is essential for digitising the product range, building multimedia customer relationships, and maximising the total reach of TMG media. In 2015, we took a number of important steps further in this process. As of 1 January 2016, IT is an independent business unit within TMG. It includes the departments of Infrastructure, Applications and Development, as well as various corporate departments, including Information Management, Security & Risk, Vendor Management, Business Intelligence and Architecture.

Unique views of customers

The wide reach of TMG's brands provide us with a wealth of customer data. By processing and combining this data in the right way, TMG is able to form unique profiles of its customers. Registering and tracking customer preferences enables us to offer customers better deals, with a greater chance of receiving a positive response. Analysing customer data also helps us to develop more effective strategies in commerce and marketing. In 2015, we started preparations to compile this unique 360-degree view of our customers from the many sources of data at our disposal. In 2016, substantial investments will be made to further develop this view of our customers and to increase our added value for consumers and advertisers.

Privacy and security

TMG manages a lot of private information about its customers, partners and employees. To make sure we treat this information responsibly – and to monitor that we do so – we have drawn up a Code of Conduct for Personal Data. Employees are expected to deal with data safely, reliably, carefully and at all times in accordance with the law and the Code of Conduct for Personal Data. Where possible, a link to TMG's privacy statement will be placed on public TMG websites.

The status of the IT environment also makes TMG vulnerable. In 2015, we carried out further investigations into our security, and additional measures will be rolled out in 2016 to properly address all risks and obligations regarding data protection legislation.

Collaboration with Apple en IBM

During the year, TMG announced a partnership with IBM and Apple, with the aim of enabling TMG to build an infrastructure that, on the one hand, will improve the user experience for consumers (based on expertise from Apple) and, on the other hand, to collect and access more relevant insights and data (based on expertise from IBM). In 2015, improvements were made in our basic IT facilities, particularly with regard to workplaces, infrastructure and the hosting of business applications.

IT Shared Service Centre focuses on further professionalisation

In 2015, the establishment of the IT Shared Service Centre was completed. The aim of the Centre is to create economies of scale, knowledge advantages and lower costs by bundling and centralising IT activities. In addition, applications for our core business processes were updated. These will be followed in 2016 by new applications for content management and customer relationship management. This will mean that the systems for all our national and regional media will be fully aligned.

This centralisation will make transparency in decision-making, prioritisation of activities and the performance level of the IT organisation increasingly important. Partly for this reason, at the end of 2015, an IT Board was set up, in which TMG's management will be members. The Board will discuss key IT issues and decisions, formulate and monitor IT planning and prioritisation, while taking into account other ongoing projects and programmes.

Beginning in 2016, a completely new IT management team will gradually replace the present interim set-up. The new team will continue to build on the professionalism of the entire IT organisation and develop a business-oriented culture, so that the IT department can assume its role as the engine of transformation and growth.

Outlook for 2016

IT's focus in 2016 will be on the further development of the basic IT infrastructure and on cost control. This will involve a thorough rationalisation of applications. The number of applications will be reduced significantly, reducing complexity and enabling better cost control.

Furthermore, in 2016, the concept of 'architecture-based' working will be developed. This means that changes are controlled and managed optimally, based on an all-in, total vision of how IT can best help achieve the business strategy. This involves looking at infrastructures, applications, processes and organisational structure. Architecture-based working forces the IT department to engage in a dialogue with the various business units in a fundamentally different way. The new management team and information managers will play an important role in this approach.

As part of the cost control measures, as of 1 January 2016, IT costs will be budgeted and accounted for TMG-wide. This means that IT costs and contracts will be able to be managed centrally. The focus in 2016 will be on the consolidation of contracts and the realisation of cost savings. In addition, through participation in various TMG-wide projects, IT will contribute to the further innovation and digitalisation of TMG's brands.

Succes Upcoming.nl

24 7

Dennis van Miltenburg (24)
Personal trainer

'Nice how Upcoming brings news in a "younger" way'

Since early 2013, Upcoming.nl has been tracking everything that is online and trending. The platform is one of TMG's successful media for engaging with the Millennials target group. Upcoming is constantly on the lookout for cool stuff on the internet, translating it for readers into sensational lists, which are profusely shared on social media. The site now attracts 2.4 million unique visitors every month. Related mobile apps have already been downloaded 200,000 times, and Upcoming has more than 100,000 Facebook followers.

The TMG share

TMG is listed on the Euronext Amsterdam stock exchange and is part of the small-cap index (AScX). As at 31 December 2015, TMG's issued and paid-up share capital consisted of 46,350,000 ordinary shares and 960 priority shares, with a collective market value of € 173.8 million. The number of ordinary shares remained unchanged in 2015. The ISIN code is NL0000386605.

Distribution of share ownership and protection of control

In connection with the disclosure of major holdings in listed companies, the register maintained by the Netherlands Authority for the Financial Markets (AFM) contains details of the following investors with direct interests of over 3% as at 31 December 2015:

Ordinary shares

	2015	2014
Bech N.V. (VP Exploitatie N.V.)	**33.9%**	30.5%
Stichting Administratiekantoor van Aandelen Telegraaf Media Groep N.V.	**63.6%**	62.7%

Telegraaf Media Groep N.V. Share Administration Trust holds the shares for the purpose of administration. Within the Trust, the following holders of depositary receipts reported an interest of more than 3%:

Depositary receipts

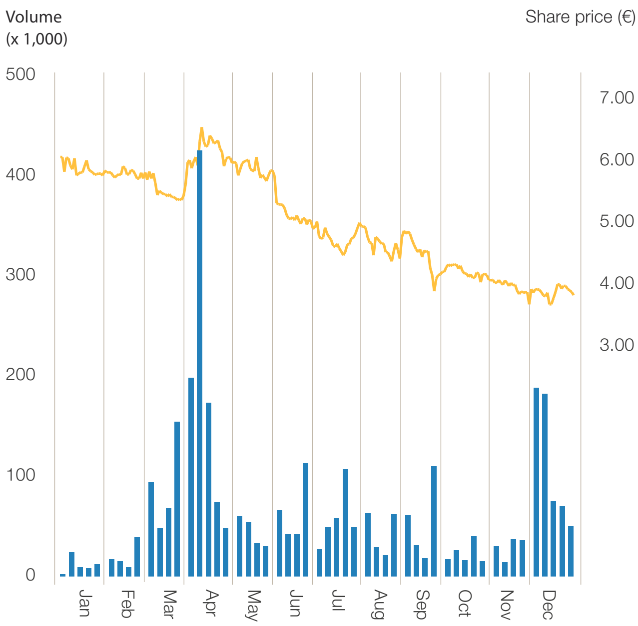
	2015	2014
Bech N.V. (VP Exploitatie N.V.)	**7.4%**	2.0%
Dasym Investment Strategies B.V.	**20.1%**	20.1%
Delta Lloyd	**7.1%**	7.1%
Navitas	**5.0%**	5.0%
Tweedy Browne Company LLC	**4.7%**	4.7%
Tweedy Browne Fund Inc	**4.1%**	4.1%

For an overview of all outstanding and potentially available defensive measures, see 'TMG Preference Shares Trust' and 'TMG Priority Share Management Trust' under Other information.

Share price trends and key figures per share

The TMG share closed the year at a price of € 3.75. This was 38% lower than the share price on 31 December 2014 (€ 6.09). The highest closing price of 2015 was reached on 15 April: € 6.49. The total volume traded of the TMG share on Euronext Amsterdam in 2015 was 2.5% higher than in 2014.

Share price trends and trading volume TMG ordinary shares



Key figures per ordinary share

	2015	2014
Dividend	**tbd**	€ 0.00
Earnings per share	**-€ 0.49**	-€ 0.73
Highest price	**€ 6.49**	€ 9.11
Lowest price	**€ 3.60**	€ 5.61
Closing price	**€ 3.75**	€ 6.09

Dividend policy

In 2014, regarding the dividend policy it was determined that the payment of the dividend was made dependent on the normalised operating cash flow, i.e., normalised EBITDA of total operations (continued operations and discontinued operation in the year) subject to the deduction of the annual licence fees owed by Sky Radio Group, taxes, interest and replacement investments. The basic principle is a payout of 30%–40% of this net operating cash flow. On this basis, dividend is proposed of € 0.16 per share. No dividend was paid over the year 2014 .

Investor relations policy

TMG aims to inform shareholders, investors and the market on a regular basis. On our corporate website all public information can be found with respect to our performance, strategy and activities. When the Executive Board holds a presentation for analysts, investors and other interested parties, such as on the occasion of the publication of the annual accounts, this presentation will be audio broadcast live on this website. The audiocasts and associated presentations can also be consulted after the event.

Financial calendar

	Date
Latest date of registration for AGM	**24 March 2016**
Annual General Meeting	**21 April 2016**
Ex dividend	**25 April 2016**
Record date	**26 April 2016**
Dividend payment	**28 April 2016**
Half year results 2016	**29 July 2016**

Risk management

Risk management is an integral part of TMG's daily business operations. TMG's internal risk management and control system is promoted by top-level management and is designed to ensure that the strategic, operational, financial and compliance risks run by the company are not only transparent in themselves but are also managed transparently. TMG sees a properly functioning internal risk management and control system as an essential management tool in enabling it to achieve its strategic goals.

TMG's internal risk management and control system

The internal risk management and control system is described in the Risk Management Policy. The aim of this policy is to identify, assess and manage events (opportunities and threats) that may affect the achievement of the Group's strategy and objectives.

The internal risk management and control system is based on the COSO ERM framework, which distinguishes strategic, operational, financial and compliance risks.

An important factor in the context of risk management is TMG's risk appetite. Following the definition of COSO, this means, for TMG: 'The degree of risk (at a broad level) that TMG is willing to accept in pursuit of value. It reflects TMG's risk management philosophy, and affects TMG's culture and style of functioning. Risk appetite determines how resources are allocated, and helps TMG to focus its organisation, people and processes on developing the infrastructure it needs to be able to respond to risks effectively and monitor them.'

Accepting an appropriate level of risk will enable TMG to optimise the allocation of its resources. This is particularly desirable given current developments within the company. On the basis of our objectives, risks and resources, TMG makes well-considered decisions every day. These decisions are taken in line with the strategy defined by the Executive Board, which includes the associated risk appetite.

The table below shows how TMG categorises its internal risk management and control system.

Risks	Aimed at	Objectives	Risk appetite
Strategic	Achieving strategic objectives	Significant position in the domains where our brands are located, increasing consumer reach, sustainable profit	Low to high, depending on long-term benefits
Operational	Achieving operational objectives, including effectiveness and efficiency	Partnerships, flexible IT	Low to medium (medium with respect to partnerships)
Financial	Managing guidelines pertaining to financial statements	Compliant with financial reporting legislation	Low
Compliance	Managing compliance guidelines and legislation	Leadership Compliant with laws and regulations	Low

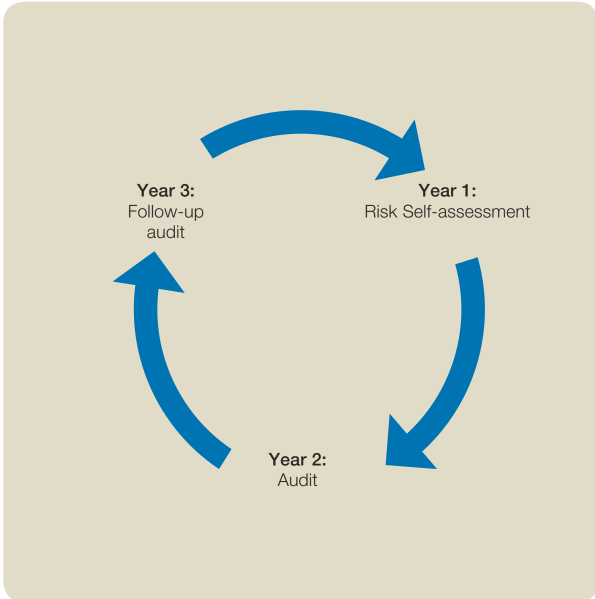
The internal risk management and control system forms part of TMG's planning and control cycle. This means that risk management is not a one-off event but is a continuous process. For its key processes, TMG follows a three-year cycle, as follows:

Year 1: Risk Self-assessment
Together with key parties involved in the process, the process owner performs a comprehensive risk self-assessment. They jointly evaluate the process and formulate actions to address high risks. This process is facilitated by Internal Audit & Risk Management.

Year 2: Audit
Internal Audit conducts an independent audit, evaluating the management of the process. This leads to an improvement plan for dealing with the risks.

Year 3: Follow-up audit
Internal Audit conducts an independent follow-up audit, evaluating the improvements resulting from the earlier audit. If necessary, additional actions are defined.

From time to time during this cycle, the process owner reviews the most important process control measures and ensures that actions are followed up.



Supervision and monitoring

The management of risks is a continuous process and forms part of TMG's Planning & Control cycle. The risk management and control system is supervised by the Audit Committee of the Supervisory Board. Periodically, the main risks and risk management measures taken are reported and discussed with the Executive Board and the Audit Committee.

Evaluation of and adjustments to the risk management and control system

TMG annually evaluates its internal risk management and control system and considers how the system can be improved.

In 2015, considerable attention was paid to the importance of internal controls and the control environment:
- The culture and integrity programme initiated towards the end of 2014 was completed in 2015. This resulted in an amended Code of Conduct and stricter guidelines. TMG's core values (collaboration, innovation, customer centricity and integrity) were redefined. In addition, among other things, an adjusted reporting procedure and a whistle-blower policy were set up, and the regulations governing counsellors were improved.
- In 2015, employees took part in an e-learning module on the Code of Conduct. The e-learning training is part of the induction program for new employees and will be drawn to employees' attention annually.
- Senior management also devoted specific attention to risk awareness. The Audit Committee, the Executive Board and the general managers of the business units again held a workshop on TMG's 'tone at the top' and culture, with a focus on internal control. The subject of internal control is currently being communicated to all ranks within the organisation.
- Once a quarter, the Executive Board reviews the progress of risk-related actions with general managers and controllers.

The internal management and control system was evaluated and a number of improvements implemented:
- The risk assessments have been updated and are continuously monitored to be able to update the assessments in line with changing internal and external circumstances.
- In 2015, the merger of Internal Audit and Risk Management was evaluated and it was decided to continue the merger in 2015/2016. Internal Audit and Risk Management have a facilitating role in the risk analyses. The independent role of Internal Audit is assured.
- In 2015, a new governance risk capture tool was implemented. This provides better management

information on the risk profile and risks within the organisation and processes.
- In 2015, Keesing Media Group was added to the internal risk management and control system.
- In 2015, agreement was again reached between TMG and the tax authorities on the evaluation, implementation and operation of internal control measures performed by TMG.

Strategic risks identified for 2015

Mitigating measures were identified for the most important risks for 2015. The risks are subdivided into strategic, operational, financial and compliance risks. Part of the planned measures have been implemented.

Strategic risks	Measures
Culture change Insufficient ability to bring about the required innovative culture change, ethical standards and values, and management quality.	In 2015, a change programme was implemented relating to culture and integrity, in which attention was paid to how we aim to treat each other and what values TMG expects its employees to uphold in working together. Our Code of Conduct was updated in 2015 and disseminated throughout the organisation by means of an e-learning training programme, among other things. Besides drawing up a new Code of Conduct, we also set up a new help desk, where people can report integrity-related matters. In this context, TMG's core values (collaboration, innovation, customer centricity and integrity) were also emphasised again. The M3 leadership and talent development programme became operational in 2015. Its aim is to retain good employees, to encourage the promotion of individuals with potential, and to secure key positions by ensuring that we have the right people in the right place. It thus aims to contribute to the creation of the desired TMG culture and the realisation of our objectives. TMG's top 120 leaders underwent a development assessment with the aim of developing leadership in line with the business themes that are most relevant within TGM. At the end of 2015, an executive leadership programme was started for the top 50 leaders. In TMG's change programmes, employees with potential are also involved, so that they too can apply and expand their knowledge and experience beyond their current area of work. In addition, Young TMG offers network meetings and inspirational sessions for young employees within TMG.
Responsiveness to marktet trends Insufficient ability to respond properly (timely and to a sufficient degree) to developments in the market.	In 2015, TMG modified its organisational structure and design to increase its focus on brands. Specifically, TMG Digital was set up. A single Customer Contact Centre was set up for TMG, and a number of back offices were integrated. New partnerships were set up to expand our content offer (e.g., video and OTT). Examples of such partnerships are Fashion Week and Ubideo, as well as the collaboration with Apple and IBM. Preparations were also started for the launch of 24/7 online TV for sports and news.
Capitalising on data Insufficient ability to capitalise on consumer and customer data.	TMG has a large quantity of consumer and customer data at its disposal. In 2015, TMG started implementing one centralised CRM and subscription system to further enrich consumer data and to enable further analysis and classification of data by value. New business models are being considered, with consumers only paying for content they actually want, and enabling advertisers to make sure their ads directly match the experience of their target group.

Operational risks	Measures
Stable IT environment Insufficient ability to assure an unambiguous and stable IT environment with regard to the continuity of business operations.	At the end of 2015, many of TMG's workstations were migrated to an Apple platform. The remaining workstations will be added to the Apple platform in 2016. IT increased security levels in 2015. For example, it formulated a new Information Security Policy, it started up an IT security dialogue, and the security risks posed for business operations by suppliers are now taken into account earlier in the process. A number of TMG's core applications have been or will be renewed, including the editorial system and the subscription system. The Risk Security Officer started an awareness and training programme among employees, focusing on information and data security among other things. Despite the measures taken, IT remains a critical process. Many internal control measures are still manual. When new systems are implemented, automated IT control measures are now always included. In 2015, the centralisation of IT was initiated, with a focus on standardisation of IT processes and further rationalisation of applications. This will be continued in 2016.
IT renewal Insufficient ability to implement new IT applications in the company's front office.	Today's environment and technological developments offer opportunities for the digital publishing of content (OTT). The new website of VROUW.nl has gone live. The functionality of the Vrouw.nl website is now being reused for the other brands. To accelerate the further digitalisation of propositions towards TMG customers, separately operating IT units have been centralised in the IT Shared Services Centre.

Compliance risks	Measures
Data legislation Insufficient ability to manage data quality within current legislation.	In 2015, the Code of Conduct for Personal Data was renewed. Employees are expected to deal with personal data securely, reliably and carefully. In 2015, knowledge sessions were organised to create more awareness with employees regarding the risks of data. The status of the IT environment also makes TMG vulnerable. In 2016, additional measures will be taken to manage the risks and requirements ensuing from data legislation.

Strategic risks identified for 2016

TMG has identified its key risks for 2016, taking into account the continuously changing media environment, economic trends and the changing job market. The risks are subdivided into strategic, operational, financial and compliance risks.

Strategic risks	Measures
Culture change Innovative Culture: Insufficient ability to bring about the required innovative culture, values and leadership.	In 2015, important steps were taken to clarify how we aim to treat each other and what values TMG expects its employees to uphold. The activities pursued in 2015 will be continued in 2016. Within our M3 programme (Mensen Maken Media; 'People Make Media'), people management on the basis of behaviour and the further rollout of our core values (collaboration, innovation, customer centricity and integrity) will be assured. This is also reflected in TMG's leadership profile. In addition, TMG will continue to organise knowledge sessions and e-learning activities on the Code of Conduct.
Responsiveness to market trends Insufficient ability to speed up the development and implementation of new business models and so prevent a decline in traditional revenue.	TMG's focus in 2016 will be on acceleration. This applies to both *developing* and *implementing* new business models. ITMG Digital has been set up with the aim of further strengthening non-title-related online activities. Organising these activities separately will enable us to create new business models quickly. Extra time and scope has been freed up to encourage employees to be more creative and innovative through, for example, the deployment of change agents in change programs, internships, and M3 and innovation sessions. In addition, TMG is proactively examining potential partnerships for new digital distribution channels and new revenue models that we are unable (or unwilling) to develop independently.
Collaboration with external parties Insufficient ability to work together with external parties, as a result of which strategic and other projects are not completed on time and results are inadequately secured.	By working together with complementary content creators and advertisers, we aim to further expand our offer so that we can deliver value for all links in the chain. For example, TMG recently announced its intention to enter into a strategic partnership with Talpa, a move that will strengthen its position in the fields of radio, TV and OTT. This requires a new way of management and collaboration. By making clear agreements regarding the governance between parties, TMG has assured the structure and management of the collaboration.

Operational risks	Measures
Stability of the IT environment Insufficient ability to assure an unambiguous and stable IT environment with regard to continuity of business operations.	In 2016, most of the present TMG workstations will be replaced by new Apple workstations. The implementation of the CCI editorial system will be completed, and the CRM/subscription system will have been implemented by the end 2016. The application and infrastructure rationalisation will be continued in 2016. A number of legacy systems will be replaced, making the organisation less dependent on after-the-fact manual controls. The standardisation and optimisation of IT processes will be continued. The new data security policy will be implemented (e.g., through a training programme). Because IT is an important element in TMG's digital strategy, further attention will be given in 2016 to improving the quality and capacities of staff. This will be done, for example, by means of training courses and modified recruitment practices.
Cost control Insufficient ability to make costs more flexible in those areas where competitors are able to do so.	Costs are given continuous attention. In 2016, the reorganisation of the printing plants will be implemented, and we shall begin to see the benefits of the new organisation with its more flexible cost structure. Furthermore, we will continue to build an 'elastic' capacity layer in the workforce and further professionalise procurement. Cost flexibilisation also includes flexibilising personnel costs. In that context, we will continue to build on the good relationship it enjoys with the Works Council and the unions. They are kept informed about developments within TMG at an early stage, through both formal and informal channels.

Financial risks	Measures
Market, credit, liquidity, foreign exchange and interest rate risks	For a more detailed description and quantification of the above-mentioned financial risks and how they are managed and controlled, see note 31 to the consolidated financial statements.

Compliance risks	Measures
Data legislation Insufficient ability to secure data and manage data quality within current legislation.	The plan drawn up in 2015 to further increase awareness of data security and data quality at all levels of the organisation will be completed in early 2016. The position of the Data Protection Officer will be further formalised. In 2016, the rationalisation of systems, applications, websites and IT tools will lead to a better structured IT landscape, which will subsequently improve the structure of the existing data.

The Executive Board is aware that no risk management and control system can provide an absolute guarantee that the company's goals will be achieved; nor can it prevent system errors, fraud or violations of laws and regulations.

Management letter

Every year, the external auditor reports to TMG's management and Audit Committee its findings regarding the administrative organisation and internal control measures. TMG has an internal control framework in which potential risks are identified, along with relevant and adequate internal control measures. Throughout the year, the main control measures are tested within the company by TMG employees. Within TMG, there are many manual detective control measures, rather than more preventive, automated ones. Improvements were made in this regard in 2015, but further attention will explicitly need to be given to this matter in 2016. The process and system projects mentioned above explicitly focus on this. Within TMG, a number of general IT controls are inadequate. Line checks are therefore performed to assure the accuracy of the internal control measures.

Statement of responsibility

TMG's Executive Board is responsible for monitoring the internal risk management and internal control systems. In the chapter on Risk Management in this Annual Report, the Executive Board describes how it has structured the supervision and monitoring system, as well as which measures it has implemented pursuant to its annual evaluation. The evaluation of the Executive Board and the findings of Internal Audit and the external auditors are regularly discussed with the Audit Committee in the presence of Internal Audit and the external auditor. The Supervisory Board is kept informed of these discussions.

The findings of the Internal Audit and the external auditor during 2015 have resulted in the observation that the risk management and internal control system have not always performed as required. Shortcomings were observed in terms of the IT environment, with the further observation that automated controls are lacking for some parts. Part of this relates to the replacement of obsolete systems, which in a number of cases is taking longer than originally planned. The Company has implemented alternative – primarily manual – controls. Furthermore, additional data-oriented audits were performed internally. Particularly in the past few months, much attention has been given to risks and challenges in the area of security and information security, as well as increasing awareness of this theme at IT and TMG's management. Following up on 2014, in 2015, specific attention was again devoted to risk awareness at the top of the organisation by means of a workshop attended by the full membership of the Supervisory Board.

The Executive Board is of the opinion that in accordance with Best Practice Provision II.1.5 of the Corporate Governance Code, the internal risk management and control systems, with due consideration to the aforementioned observations (alternative, primarily manual, controls with additional data-oriented audits), provide a reasonable degree of assurance that the financial reporting does not contain any material misstatements and that the risk management and control systems – with due consideration to the aforementioned observations – functioned as expected in the year under review.

In compliance with Section 5:25c subsection 2c of the Dutch Financial Supervision Act (Wft), the Executive Board declares that:

1. The financial statements provide a true and fair view of the assets, liabilities, financial position and the profit or loss of the publishing institution and the companies jointly included in the consolidation; and
2. The Annual Report presents a true and fair view of the position on the balance sheet date, the performance during the financial year of the publishing institution and that of its affiliated companies whose accounts have been included in its financial statements, and that the Annual Report describes the material risks facing the publishing institution.

Amsterdam, 8 March 2016

Executive Board, Telegraaf Media Groep N.V.
Geert-Jan van der Snoek - CEO
Leo Epskamp - CFO

Corporate Governance

Telegraaf Media Groep (TMG) has what is known as a two-tier Board, which comprises the Executive Board and the Supervisory Board. The Executive Board and the Supervisory Board are responsible for the Company's corporate governance structure. This section provides an overview of the corporate governance structure. The Executive Board and the Supervisory Board endorse the principles of the Dutch Corporate Governance Code (the Code).

Corporate Governance Code

The 'Corporate Governance statement', which includes TMG's comprehensive 'comply or explain' summary with regard to the Code, is available at www.tmg.nl. Explanation of deviations from the Corporate Governance Code:

Principle IV.1
TMG does not allow shareholders to vote remotely in the General Meeting of Shareholders. In principle, shareholders should attend the meeting in order to be able to discuss matters with other shareholders present and thus form an opinion.

Best-practice provision IV.2.8
Even during times of war, the management of the Trust Office is able to issue voting proxies to depositary receipt holders. The practice of binding voting instructions from a depositary receipt holder to the management is not supported, as the Board is of the opinion that those wishing to vote ought to be present at the General Meeting of Shareholders.

Best-practice provision IV.3.1
This provision is not adhered to in the case of presentations to individual investors (e.g., institutional investors). These cannot be viewed via webcasts. However, group presentations will be able to be viewed via webcasts (www.tmg.nl). After they have been given, group presentations will be posted on the Group's website.

Best-practice provision IV.3.9
TMG is a statutory two-tier entity. The Executive Board is appointed by the Supervisory Board. The Supervisory Board notifies the shareholders of a proposed appointment.

Article 10 of the Takeover Directive/Decision on Article 10 of the Takeover Directive
For more information about this topic, see www.tmg.nl, under the Corporate Governance section.

Defensive measures

For a summary of the defensive measures, see Other information, TMG Preference Shares Trust and TMG Priority Share Management Trust.

Executive Board

The Executive Board is appointed by the Supervisory Board. The General Meeting of Shareholders is informed of any planned appointments. The Supervisory Board generally cannot dismiss a member of the Executive Board before the General Meeting of Shareholders has been consulted about the planned dismissal and the member of the Executive Board has been given the opportunity to answer to the General Meeting of Shareholders.

Subject to the provisions of the Articles of Association, the Executive Board is responsible for the management of the Company, which includes responsibility for the realisation of the Company's objectives, strategy and policy, and the developments of the result arising from this. The Executive Board may comprise one or more members. The number of members is determined by the holders of priority shares. The current Executive Board comprises Geert-Jan van der Snoek, Chairman (CEO), and Leo Epskamp, Financial Director (CFO).

The members of the Executive Board of Telegraaf Media Groep N.V. are employed on the basis of a four-year contract for the provision of services (in accordance with the Code's provisions), which may be terminated prematurely by either party with a three-month period of notice. They are appointed as statutory directors of Telegraaf Media Groep for coinciding four-year periods.

The contract each time terminates by operation of law upon the expiry of the four-year period. At least six months prior to the expiry of the aforementioned four-year term, Telegraaf Media Groep N.V. shall inform the Executive Board member by email or in some other written form as to whether or not the contract will be continued after the expiry of the four-year period. In the event that such notice is not provided, the contract will not be continued after the expiry of the four-year period.

Supervisory Board

The Supervisory Board supervises the Executive Board's policies and the general course of affairs of the Company. Furthermore, the Supervisory Board assists the Executive Board with advice, both at the request of the Executive Board, and on its own initiative.

Members of the Supervisory Board are appointed by the General Meeting of Shareholders on the recommendation of the Supervisory Board. The General Meeting of Shareholders and the Works Council may recommend individuals for nomination to the Supervisory Board. The Central Works Council has what is known as a 'strengthened right of recommendation' for one third of the Supervisory Board members.

The Supervisory Board comprises at least three natural persons, who are appointed by the General Meeting of Shareholders on the recommendation of the Supervisory Board. The recommendations are based on a publicly available profile prepared by the Supervisory Board concerning its size and composition. The nature of the company, its activities and the desired expertise and background of the supervisory directors are taken into account in this respect. For one third of the number of supervisory directors, the Supervisory Board shall place a person recommended by the Central Works Council on the list of nominations, unless the Supervisory Board objects to such nomination pursuant to law.

The number of supervisory board memberships of each Supervisory Board member is legally limited and cannot be more than five, whereby the chairmanship of a supervisory board counts double. This number of five pertains to 'large' companies domiciled in the Netherlands. Memberships on the Supervisory Board or Executive Board of a foreign company do not count in this number.

In its current composition, the Supervisory Board comprises five individuals, consisting of Mr Michiel A.M. Boersma, Ms Annelies G. van den Belt, Ms Simone G. Brummelhuis, Mr Jan J. Nooitgedagt and Mr Guus A.R. van Puijenbroek.

Annual General Meeting of Shareholders (AGM)

The AGM is held at least once a year. The AGM's agenda shall at least include the Annual Report, the adoption of the Financial Statements, the dividend policy and the policy on reserves, and a proposal concerning the appropriation of profit. In addition, the AGM will vote on granting discharge to the members of the Executive Board and to the members of the Supervisory Board. Shareholders and holders of depositary receipts that represent at least one percent (1%) or a value of at least € 50 million or more may request in writing that an item be added to the agenda.

Articles of Association

The AGM may decide to amend the Articles of Association with a simple majority based on a proposal submitted by the holders of priority shares.

Issue of shares

The AGM can appoint the holders of priority shares as the competent body authorised to issue shares. In the AGM of 23 April 2015, the holders of priority shares were appointed as the competent body authorised, with the exception of pre-emptive rights, to issue shares, including the granting of rights to acquire ordinary shares. This authority has been granted until 23 October 2016 and covers all unissued ordinary shares up to a maximum of half of the authorised capital, now or at some time in the future.

Purchase of own shares

Own shares can only be purchased if the AGM has authorised the Executive Board accordingly with due consideration to the provisions contained in the Articles of Association. The AGM of 23 April 2015 authorised the Executive Board to purchase its own shares or depositary receipts thereof listed on the stock exchange or otherwise for a period of eighteen months. The authorisation is limited to at most one tenth of the issued share capital on the date of the AGM in 2015 (23 April), at a price not lower than the nominal value and not higher than 10% above the average closing prices of the depositary receipts for ordinary shares published in the NYSE Euronext's Daily Official List during the five consecutive days prior to the date of purchase.

Report of the Supervisory Board

Composition of the Supervisory Board

Michiel (M.A.M.) Boersma (1947), Chairman

At the Annual General Meeting of Shareholders of 23 April 2015, Mr Boersma (Dutch nationality) was reappointed for a second term (2015–2019). Between 2003 and 2009, Mr Boersma was Chairman of the Executive Board of Essent N.V.

Key supervisory board/ancillary positions: member of the Supervisory Board of PostNL, member of the Board of Electrica S.A., Romania, Non-executive Board member of NYNAS AB, Sweden, Chairman of the Advisory Committee of Limburgs Energie Fonds. In addition, Mr Boersma is professor by special appointment of Corporate Governance at Tias Business School in Tilburg, the Netherlands.

Mr Boersma is Chairman of the Selection and Appointment Committee and member of the Remuneration Committee.

Jan (J.J.) Nooitgedagt (1953), Vice-Chairman

Mr Nooitgedagt (Dutch nationality) was CFO and member of the Executive Board of Aegon N.V. from April 2009 to May 2013. Prior to this, he held various positions with Ernst & Young, including as Managing Partner for the Netherlands and Belgium.

First TMG term of appointment: 2013–2017.

Key supervisory board/ancillary positions: Chairman of the Supervisory Board of Vivat N.V., Chairman of the Board of VEUO, member of the Supervisory Board of BNG Bank N.V. and Robeco N.V., member of the Management Board of Kasbank Share Administration Trust, member of the AFM's Financial Reporting and Accountancy Committee and member of the Audit Committee of the Ministry of Security and Justice.

Mr Nooitgedagt is Chairman of the Audit Committee and of the Remuneration Committee and member of the Selection and Appointment Committee.

Guus (A.R.) van Puijenbroek (1975), Secretary

Mr Van Puijenbroek (Dutch nationality) is Director of VP Exploitatie N.V. and Bech N.V.

First TMG term of appointment: 2012–2016.

Key supervisory board/ancillary positions: member of the Supervisory Board of Batenburg Techniek N.V., member of the Supervisory Board of Billboard Technology Industries N.V. and member of the Supervisory Board of Koninklijke Van Puijenbroek Textiel.

Mr Van Puijenbroek is member of the Audit Committee, the Remuneration Committee and the Selection and Appointment Committee.

Annelies (A.G.) van den Belt (1965)

Ms Van den Belt (Dutch nationality) is CEO of Findmypast. Prior to this, she held positions with SUP Media (CEO), ITV Broadband (Director) and Media and Telegraph Group Limited (Director), and she was the publisher of Independent Press Moscow and Men's Health and Playboy Russia.

First TMG term of appointment: 2014–2018.

Ms Van den Belt does not hold any other Supervisory Board/ancillary positions.

Ms Van den Belt is member of the Audit Committee.

Simone (S.G.) Brummelhuis (1965)

Ms Brummelhuis (Dutch nationality) is Director of TheNextWomen and TheNextWomen Crowd Fund. She held various positions, including with Europe Astia (Vice President), IENS (Director) and the law firm Loeff Claeys Verbeke.

First TMG term of appointment: 2014–2018.

Key supervisory board/ancillary positions: Member of the Advisory Board of various companies, such as Lendahand BV, Storecove BV, Neos Finance BV and ECE Ondernemerscentrum Erasmus Universiteit and Knowledge partner of innovation sessions at College & Chamber Hemingway Duisenberg Society.

Ms Brummelhuis is member of the Audit Committee, the Remuneration Committee and the Selection and Appointment Committee.

Report of the Supervisory Board

TMG's Supervisory Board supervises the policies of TMG's Executive Board, as well as the general course of affairs within the Company. In addition, the Supervisory Board assists the Executive Board with advice, both at the request of the Executive Board and on its own initiative.

Meetings of the Supervisory Board

During the past year, the Board met with the Executive Board during regularly planned meetings nine times, one of which was by phone. Besides the regular meetings, there were three extra meetings with the Executive Board, two of which were by phone. The full Supervisory Board was present at these meetings.

In addition, the Board met eight times without the presence of the Executive Board. These meetings mostly took place before or after the regular meetings of the Supervisory Board. In these meetings, the topi of discussion was mostly the agenda of the regular meeting and the most important focus areas. Furthermore, attention was devoted to the composition and functioning of the Executive Board and of the Supervisory Board, as well as the adjustment of the strategy and its progress.

Focus areas of the Supervisory Board in 2015

During the past year, the Supervisory Board, together with the Executive Board, paid much attention to TMG's strategic focus. A strong 24/7 digital offer on the basis of strong key brands is the only way to maintain and enhance long-term relationships with consumers. A focus on the key brands offers TMG more opportunities to capitalise on the existing value and competencies within the company. In consultation with the Supervisory Board, the Executive Board formulated three main strategic objectives:

- To strengthen our key brands and create enhanced domain positions
- To increase consumer reach
- To generate sustainable returns.

In June 2015, the Supervisory Board held a separate strategy session with the Executive Board (besides the ample attention paid to this topic during the regular meetings of the Supervisory Board).

Regular discussions were held on the financial state of affairs within Telegraaf Media Groep and its operating companies. For a long time, the market has been changing and declining; revenues from advertising and circulations are going down. Cost reductions and reorganisations are necessary. In this regard, more than ever before, TMG's liquidity position has been the focus of attention.

2015 was a year of reorganisations: Holland Media Combinatie, Dichtbij.nl, TMG Landelijke Media, the editorial team of De Telegraaf (including the appointment of a new editor-in-chief) and the partial closure of the printing plants (Alkmaar). These reorganisations led to many job losses. Obviously, the Supervisory Board spent a lot of time on this.

One of the other main themes for the Supervisory Board in 2015 was culture and leadership change within TMG. Within TMG, an extensive culture and leadership programme was set up that will be continued in 2016 by means of, among other things, a leadership programme for TMG's top 50 leaders, developed in collaboration with Nyenrode. In addition, at the initiative of the Supervisory Board, a talent management and succession planning programme was developed.

Topics such as potential partnerships, risk management and the status of the IT environment were also prominently on the agenda.

Committee Meetings

Audit Committee

The Audit Committee is a permanent and preparatory Committee of the Supervisory Board. The Audit Committee consists of Messrs Jan Nooitgedagt (Chairman) and Guus van Puijenbroek, Ms Annelies van den Belt and Ms Simone Brummelhuis. The Audit Committee held seven regular meetings with the Executive Board, the external auditor Deloitte and TMG's staff heads of Internal Audit and Corporate Finance and Administration. One of these meetings was conducted by phone. After the regular meetings, the Audit Committee also met five times without the Executive Board. Attendance at these meetings was 100%. Topics discussed included TMG's annual, semi-annual and quarterly figures, the press releases, the 2016 budget, the internal risk management and control system and its actual implementation, the status of operational and strategic risk management, the audit findings and the follow-up on prior audits, the management letter and improving the tone at the top by means of workshops. In addition, the lack of sufficient automated controls and the in-control statement were discussed. Specific topics also discussed during these meetings were, among other things, the cash flow forecast, the tax position, the covenants with the banks and potential impairments of goodwill, intangible assets and printing presses.

Remuneration Committee

The Remuneration Committee is a permanent and preparatory Committee of the Supervisory Board. The Remuneration Committee consists of Messrs Jan Nooitgedagt (Chairman), Michiel Boersma and Guus van Puijenbroek and Ms Simone Brummelhuis. The Remuneration Committee met six times in 2015. Attendance at these meetings was 100%. The non-exclusive list of topics discussed during the meetings included the remuneration of the Executive Board for 2015, the remuneration of Supervisory Board members, the Executive Board's remuneration policy, the Long-term Incentive Plan for the Executive Board, and the joint and individual objectives of the members of the Executive Board for 2015.

Selection and Apointment Committee

The Selection and Appointment Committee is a permanent and preparatory Committee of the Supervisory Board. The Selection and Appointment Committee consists of Messrs Michiel Boersma (Chairman), Jan Nooitgedagt and Guus van Puijenbroek and Ms Simone Brummelhuis. The Committee met three times in 2015. Attendance at these meetings was 100%. The non-exclusive list of agenda items discussed during these meetings included the composition of the Supervisory Board, the composition of the Executive Board, the appointment of new management team members, the culture and leadership programme and succession planning of the senior management.

Evaluations

In January 2015, a meeting took place between the Executive Board and the Chairman and Vice-Chairman of the Supervisory Board during which the functioning of the Executive Board was evaluated. The functioning of the Executive Board was also evaluated in 2015. Finally, an end-of-year evaluation took place, an important component of which was a 360-degree review with an external advisor. The Chairman and Vice-Chairman gave an oral report of this evaluation in the meeting of the Supervisory Board.

In June 2015, the Supervisory Board met to evaluate the functioning of the Supervisory Board with the help of an external consultant. The external consultant spoke with all members of the Supervisory Board and the Executive Board beforehand to collect input. On this basis, the external consultant formulated a supervisory vision for the Supervisory Board. This vision was discussed at the meeting in June 2015. On the basis of the supervisory vision and the aforementioned meeting, various recommendations were formulated, such as improving the quality and timeliness of information provision to the Supervisory Board and the provision of more strategic options or alternatives by the Executive Board in the event that approval is requested by the Executive Board for a certain decision. Where possible, these recommendations were followed up during 2015.

The Executive Board makes various reports available to the Supervisoy Board through a new management information system, including the monthly business and financial reports and Internal Audit reports.

With regard to information provision, it is worth mentioning that, as of 2015, the Executive Board is making management information available to the Supervisory Board through the secured 'Directors Desk' system, which includes the monthly business and financial reports and Internal Audit reports.

Interactions with the rest of the company

In 2015, four of the Supervisory Board members met with the Central Works Council (CWC) in two meetings, and also joined two consultation meetings between the Executive Board and the executive committee of the CWC. Topics of discussion included the figures and the current and expected reorganisations.

In the year under review, several informal consultations took place between the Supervisory Board and the CWC and between the Supervisory Board and the executive committee of the CWC.

At the request of the Supervisory Board, for each meeting of the Supervisory Board, the Executive Board invites the management of one of the business units, who give a presentation on their business unit and are then available for discussion and questions.

In addition, the Chairman and Vice-Chairman of the Supervisory Board (Messrs Boersma and Nooitgedagt) hold regular informal consultations with the CEO and CFO, as well as with certain staff heads, such as the head of Internal Audit, the head of Legal Affairs and the head of IT.

Permanent education of the Supervisory Board

New members of the Supervisory Board follow an induction programme set up by TMG. In addition, in 2015, members of the Supervisory Board followed a workshop on internal audit and risk management. In addition, the Supervisory Board is proactively kept informed of the latest developments in the media world (particularly in the digital domain), and the Board itself also brings up topics for discussion in these fields and provide their knowledge and expertise.

In the past year, the members of the Supervisory Board also followed several courses or conducted activities in the field of Corporate Governance and remuneration policy. The Chairman of the Supervisory Board, Mr Boersma, became professor by special appointment of Corporate Governance at the TIAS Business School in Tilburg. In this context, he gave an inaugural lecture on Corporate Governance. In addition, all members of the Supervisory Board followed multi-day executive board academies and programmes, such as the postgraduate Chamber programme of the Hemingway Duisenberg Society and the executive programme of the Singularity University (Silicon Valley, VS).

Composition of the Executive Board and the Supervisory Board

The composition of the Supervisory Board meets the requirement that at least 30% of the members must be male and at least 30% of the members must be female. With respect to the appointments of Mr Van der Snoek and Mr Epskamp in 2014, their knowledge of and experience in the media sector, their leadership experience and their experience with change and restructuring projects was decisive. An active search for female candidates was conducted, but no qualified female candidates made themselves available. In making new appointments to the Executive Board, a balanced and appropriated composition will be strived for. In this process, all relevant criteria will be taken into account. TMG aims to appoint women to higher management positions who in the future will be able to advance to the Executive Board. An active HR policy is being developed for this purpose, in which succession planning will play an important part.

In the Annual General Meeting of 23 April 2015, Michiel Boersma, Chairman of the Supervisory Board, was reappointed for a second term. In 2016, Guus van Puijenbroek's term will terminate. Mr Van Puijenbroek is available for reappointment.

The Supervisory Board complies with the independence criteria of Best-practice Provision III 2.1 of the Corporate Governance Code. In accordance with the aforementioned criteria, Mr Guus van Puijenbroek is considered an independent supervisory director.

Word of thanks and presentation of the Annual Report

2015 was again a year with challenging market conditions and with many organisational changes designed to better prepare TMG for the future. This has required a big effort and commitment from many. We would like to thank TMG's Executive Board and employees for the way in which they performed their duties in 2015.

We hereby present the report, the balance sheet as at 31 December and the income statement for 2015, with explanatory notes as compiled by the Executive Board. The financial statements have been audited and approved by Deloitte Accountants B.V. in Amsterdam, as stated in the auditor's report included in this annual report.

We discussed the financial statements at the annual meeting with the auditor, after which we signed the financial statements to comply with our legal obligation pursuant to Article 2:101 paragraph 2 of the Dutch Civil Code.

We recommend that:
1. The 2015 financial statements be approved as set out in the documents presented.
2. The Executive Board be granted discharge for the policies pursued in 2015.
3. The Supervisory Board be granted discharge for the supervision conducted in 2015.
4. A dividend of € 0.16 per ordinary share be paid.

Amsterdam, 8 March 2016

On behalf of the Supervisory Board,

Michiel Boersma, Chairman

Remuneration Policy for Executive Board and Supervisory Board members

Remuneration of the Executive Board

The remuneration policy can be viewed on our corporate website. In a general sense, the following stipulations apply:

1. The objective is to be able to attract and retain top executives for TMG's Executive Board.
2. The remuneration policy for the members of TMG's Executive Board is adopted by the General Meeting of Shareholders (AGM) on the recommendation of the Supervisory Board.
3. The remuneration of the individual members of the Executive Board is set by the Supervisory Board within the boundaries of the remuneration policy adopted by the AGM.

Remuneration structure

The remuneration structure of the members of the Executive Board consists of a fixed component and a variable component. The remuneration structure was established at the Shareholders' Meeting of April 2014, and was changed with regard to the flexible long-term component at the Shareholders' Meeting of 23 April 2015.

Each year, the Supervisory Board decides on any adjustment and/or indexation of the fixed remuneration component. With regard to the variable component, the Executive Board each year formulates draft objectives for the next financial year and submits these to the Supervisory Board. These are in part focused on the long-term objectives of TMG and its affiliated companies, and are in accordance with the company's risk profile.

Fixed component

The fixed component ('basic salary') consists of the annual salary and the vacation allowance paid in 12 equal instalments.

Variable short-term component

The variable short-term component consists of a maximum of 50% of the basic salary, 60% of which is determined on the basis of the degree to which the collective objectives of the Executive Board are realised and 40% on the basis of the degree to which the individual objectives of the relevant member of the Executive Board are realised. The 2015 objectives of Mr Van der Snoek consisted of strategic, financial, HR, communication-related and operational objectives. Mr Epskamp's objectives were primarily financial in nature. In the opinion of the Supervisory Board, Mr Van der Snoek and Mr Epskamp achieved ninety (90) percent of their 2015 objectives. This results in a variable short-term remuneration relating to 2015 of € 202,500 for Mr Van der Snoek and € 168,750 for Mr Epskamp.

In addition, the Supervisory Board may decide to award an additional bonus and shall render account of any such award at the Annual General Meeting of Shareholders. The variable remuneration as described in this paragraph is paid in cash. In setting the remuneration of the individual members of the Executive Board, the Supervisory Board takes various factors into account within the framework of the general remuneration policy, such as the required competencies, skills and responsibilities of the director. In addition, the potential impact on the pay ratios within the company are taken into account.

Variable long-term component

The main characteristics of the variable long-term component are as follows. The variable long-term component is awarded conditionally in advance for the entire four-year performance period. The performance period runs from 1 January 2015 through to 1 January 2019. The long-term remuneration component will be awarded in the form of monetary units that reflect the value of the TMG share ('Phantom Shares'). A Phantom Share is in fact a monetary unit that reflects the value of the TMG share. Settlement is in cash, and holders of Phantom Shares do not have any voting rights or meeting rights, nor are they entitled to receive any dividend. The number of conditionally to be awarded Phantom Shares at the start of the performance period is calculated as follows: four times 25% of the basic salary at the start of the performance period divided by the average TMG share price in the last quarter of 2014. The final award of the number of Phantom Shares takes place at the end of the performance period. Award takes place on the basis of performance criteria as agreed at the start of the performance period. The following performance criteria have been established:

- Performance of the TMG share in relation to the shares in a benchmark (30% weighting).
- EBITDA margin achieved in the last year of the performance period (25% weighting).
- Revenue achieved in the last year of the performance period (15% weighting).
- TMG's performance with regard to ESG criteria (CO_2 reduction and implementation of the Talent Management Programme) (30% weighting).

The long-term variable component amounts to an annual maximum of 25% of the annual basic salary, which is only paid out after four years.

For more information, see note 8 to the consolidated financial statements.

Severance payment
In the contract for services of the members of the Executive Board, a provision has been included with regard to a severance payment in the event of premature termination of the contract by TMG. For the first two years of the contract for services, this severance payment is calculated by assuming a compensation equal to 1.5 times the fixed monthly fee for each year, while for the years thereafter, the compensation will be twice the fixed monthly fee for each year, with a maximum of one times the fixed fee on an annual basis. Such compensation is not payable if the premature termination is due to attributable acts or omissions on the part of the member of the Executive Board.

Pension scheme
The pensionable age of new members of the Executive Board is the State Pension (AOW) age and members of the Executive Board are entitled to participate in the Stichting-Telegraafpensioenfonds 1959 (Telegraaf Pension Fund Foundation). This pension scheme is an average salary pension scheme with a surviving dependants' pension on an accrual basis.

Loans
TMG does not provide any personal loans, guarantees and the like to members of the Executive Board unless this forms part of the company's normal conduct of business and then subject to the same conditions that apply to the entire personnel complement and after approval by the Supervisory Board.

Remuneration of the Supervisory Board

in €	**2015**	2014
Supervisory Board		
Chairman	**45,450**	45,000
Members	**35,350**	35,000
Audit Committee		
Chairman	**6,565**	6,500
Members	**5,555**	5,500
Remuneration Committee		
Chairman	**6,060**	6,000
Members	**5,050**	5,000
Selection and Appointment Committee		
Chairman	**6,060**	6,000
Members	**5,050**	5,000

The amounts approved by the Shareholders' Meeting in April 2014 were raised by 1% in 2015. (This percentage is based on the CPI index figure.)

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Consolidated statement of profit and loss

In thousands of euros	Note	**2015**	2014
Revenues	4	**481,333**	515,547
Other operating income	5	**999**	2,165
Total income		**482,332**	517,712
Raw and auxiliary materials	6	**28,879**	38,263
Personnel costs	7	**202,043**	182,519
Depreciation, amortisation and impairment losses	8	**35,449**	77,475
Other operating expenses	9	**236,961**	250,875
Total operating expenses		**503,332**	549,132
Operating result		**-21,000**	-31,420
Result from associates	10	**-40**	-5,137
Financial income	10	**247**	240
Financial expenses	10	**-2,005**	-2,261
Financial income and expenses		**-1,798**	-7,158
Result before tax		**-22,798**	-38,578
Income tax	11	**841**	-491
Net result for the year		**-23,639**	-38,087
Net result attributable to:			
Shareholders of Telegraaf Media Groep N.V.		**-22,760**	-33,806
Non-controlling interest		**-879**	-4,281
Net result for the year		**-23,639**	-38,087
Earnings per share			
Result attributable to shareholders of ordinary shares Telegraaf Media Groep N.V.	24	**-22,760**	-33,806
Weighted average number of ordinary shares	24	**46,350,000**	46,350,000
Basic and diluted earnings per share (EUR)		**-0.49**	-0.73

Consolidated statement of comprehensive income

In thousands of euros	Note	**2015**	2014
Net result for the year		**-23,639**	**-38,087**
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains and losses on defined-benefit plans	27	**-881**	-1,850
Income tax		**220**	463
Other comprehensive income net of tax		**-661**	-1,387
Total comprehensive income for the year		**-24,300**	-39,474
Result attributable to:			
Shareholders of Telegraaf Media Groep N.V.		**-23,421**	-35,145
Non-controlling interest		**-879**	-4,329
Total comprehensive income for the year		**-24,300**	**-39,474**

Consolidated statement of financial position

as at 31 December

In thousands of euros	Note	**2015**	2014
ASSETS			
Non-current assets			
Intangible assets	14	**237,432**	249,431
Property, plant and equipment	15	**49,726**	58,103
Investments in associates	16	**24**	159
Deferred tax assets	29	**38,397**	38,862
Other receivables	17	**1,077**	2,279
Total non-current assets		**326,656**	348,834
Current assets			
Inventories	18	**1,859**	6,651
Tax receivables	12	**623**	2
Trade and other receivables	19	**73,811**	69,703
Cash and cash equivalents	20	**42,928**	41,260
Assets classified as held for sale	21	**62**	8,806
Total current assets		**119,283**	126,422
Total assets		**445,939**	475,256
EQUITY AND LIABILITIES			
Shareholders' equity			
Issued capital		**11,588**	11,588
Other reserves		**223,592**	247,131
Attributable to equity holders Telegraaf Media Groep N.V.	22	**235,180**	258,719
Non-controlling interests	25	**-7,974**	-8,018
Total shareholders' equity		**227,206**	250,701
Liabilities			
Interest-bearing loans and borrowings	26	**472**	21,623
Post-employment benefit liabilities	27	**5,183**	8,703
Provisions	28	**216**	274
Deferred tax liabilities	29	**18,023**	19,132
Total non-current liabilities		**23,894**	49,732
Interest-bearing loans and borrowings	26	**25,546**	8,986
Accounts payables and other current liabilities	30	**131,943**	132,499
Provisions	28	**36,209**	28,279
Tax payables	12	**1,141**	4,143
Liabilities classified as held for sale	21	**-**	916
Total current liabilities		**194,839**	174,823
Total liabilities		**218,733**	224,555
Total equity and liabilities		**445,939**	475,256

Consolidated statement of cash flows

In thousands of euros	Note	2015	2014
Cash flow from operating activities			
Net result for the year		**-23,639**	-38,087
Adjustments for:			
Depreciation of property, plant and equipment	15	**9,498**	10,691
Amortisation of intangible assets	14	**19,143**	17,829
Impairment losses intangible assets	14	**-**	42,906
Impairment losses property, plant and equipment	8	**6,117**	6,049
Impairment losses financial assets	8	**691**	-
Net financing costs	10	**1,758**	2,021
Gain on sale of property, plant and equipment	5	**-999**	-2,165
Other result from associates	10	**40**	5,137
Income tax	11	**841**	-491
		13,450	43,890
Change in inventories		**4,792**	437
Change in trade and other receivables		**514**	14,145
Change in accounts payable and other current liabilities		**-79**	-17,236
Change in provisions and post-employment benefit liabilities		**3,362**	-13,307
		22,039	27,929
Interest received		**244**	232
Interest paid		**-923**	-893
Income taxes paid		**-5,048**	-3,139
Net cash from operating activities		**16,312**	24,129
Cash flows from investing activities			
Dividends received		**142**	-
Investments in intangible assets	14	**-3,966**	-5,613
Investments in property, plant and equipment	15	**-7,640**	-7,403
Acquisition of associated companies		**-153**	-299
Divestment of associated companies		**106**	-
Disposal of operation, net of cash disposed of		**-**	-1,449
Divestments of intangible assets		**-**	2,975
Divestments of property, plant and equipment		**1,406**	1,160
Net cash used in investing activities		**-10,105**	-10,629
Cash flows from financing activities			
Redemption of borrowings		**-5,635**	-9,316
Change in non-controlling interests		**-**	-3,831
Net cash used in financing activities		**-5,635**	-13,147
Net decrease in cash and cash equivalents		**572**	353
Cash and cash equivalents at 1 January		**41,260**	41,311
Change cash and cash equivalents for assets held for sale		**1,096**	-404
Cash and cash equivalents at 31 December		**42,928**	41,260

Consolidated statement of changes in equity

		Attributable to equity holders of Telegraaf Media Groep N.V.					
In thousands of euros	Note	Issued capital	Treasury shares	Other reserves	Total	Non-controlling interests	Total shareholders' equity
Balance as at 1 January 2014		11,588	-	287,198	298,786	-2,164	296,622
Net result for the year		-	-	-33,806	-33,806	-4,281	-38,087
Other comprehensive income for the year, net of income tax		-	-	-1,339	-1,339	-48	-1,387
Total comprehensive income for the year		-	-	-35,145	-35,145	-4,329	-39,474
Acquisition of minority interest	25	-	-	-4,922	-4,922	-927	-5,849
Change in non-controlling interests		-	-	-	-	-598	-598
Balance as at 31 December 2014		11,588	-	247,131	258,719	-8,018	250,701
Net result for the year		**-**	**-**	**-22,760**	**-22,760**	**-879**	**-23,639**
Other comprehensive income for the year, net of income tax		**-**	**-**	**-661**	**-661**	**-**	**-661**
Total comprehensive income for the year		**-**	**-**	**-23,421**	**-23,421**	**-879**	**-24,300**
Acquisition of minority interest	25	**-**	**-**	**-118**	**-118**	**923**	**805**
Balance as at 31 December 2015		**11,588**	**-**	**223,592**	**235,180**	**-7,974**	**227,206**

Notes to the consolidated financial statements

1. Significant accounting policies

Corporate information
Telegraaf Media Groep N.V. (the company) domiciled in Amsterdam, the Netherlands is a Media company with a leading market position and recognized brands in the Netherlands. The activities primarily are the publication of printed Media and the operation of, and participation in, digital Media and radio. The Company's shares are listed on the NYSE Euronext in Amsterdam.

The consolidated financial statements of the Company for the year ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as TMG) and jointly controlled entities and TMG's interest in associates.

The financial statements have been compiled by the Executive Board, and have together with the Supervisory Board been signed on 8 March 2016.

Statement of compliance
The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board (IASB) and as adopted by the European Union, and the interpretations of these standards by the IASB.

Basis for preparation
The financial statements are presented in Euros, rounded to the nearest thousand. The principles for the valuation of assets and liabilities and the determination of the result of the company financial statements of Telegraaf Media Groep N.V., are in conformity with article 402, Book 2 of the Netherlands Civil Code.

Changes in accounting policies
The accounting policies have been applied consistently for the years 2015 and 2014 as presented in these consolidated financial statements except for the following. Within January 2015 the following changes in IFRS guidelines are mandatory. The consequences of these new standards are as follows:

Annual improvements op IFRS 2010-2012 cyclus
The improvements relate to a specific part of IFRS 2, IFRS 3, IFRS 8, IAS 16 and IAS 24.

Annual improvements op IFRS 2011-2013 cyclus
The improvements relate to a specific part of IFRS 3, IFRS 13 and IAS 40.

For now the changes has no impact on financial position and accounting policies of TMG. Where necessary the disclosure and presentation will change in accordance with IFRS guidelines.

Changes in presentation
Certain comparative amounts have been reclassified to conform to the current period presentation. For example movements Income tax and Deferred tax where the presentation of tax on other comprehensive income has been adjusted. Furthermore in 2015 a change occurred in the internal allocation of costs. The charging of fixed costs has been abolished. The 2014 comparatives as shown in the Segment reporting have been restated to reflect this change.

At year-end 2014, Relatieplanet.nl was held for sale. However, in 2015 it was decided to continue the activities in the newly formed segment TMG Digital (2016) and to consolidate it fully. The comparative figures for 2014 have been adjusted.

Critical accounting estimates and judgements

In the process of applying TMG's accounting policies, management has made judgements, estimates and assumptions, which affect the application of the accounting principles and the amounts recognised in the financial statements. The estimates and the related assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. The outcomes of these form the basis for the evaluation of the carrying value of assets and liabilities where this is not easily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of the estimates are applied in the period during which the estimate is revised, if the revision only has consequences for the period in question. If the revision has consequences for both the period under review and future periods, the estimate is revised in both the period of revision and future periods.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated statements are:

- intangible assets (useful life, discount rate and impairment – see note 14);
- property, plant and equipment (useful life - see note 15);
- trade receivables (impairment - see note 19);
- post employment benefit liabilities (discount rate and actuarial assumptions - see note 27);
- restructuring provision (the amount of severance payments and severance alternatives - see note 28);
- provision for legal disputes (probability and amount - see note 28);
- deferred income tax assets - and liabilities (rate and recoverability deferred tax - see note 29).
- off-balance sheet commitments (CBB implications statement - see note 32)

Judgements made by management in the application of IFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the accompanying notes.

Basis of consolidation

The consolidated financial statements of TMG comprise the company and all of its subsidiaries. The consolidation is based on the valuation and the accounting principles of the parent company.

Subsidiaries

Subsidiaries are entities controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The company has the opportunity to influence the advantages. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Profit and Loss and each component of other comprehensive income are attributed to the owners of the subsidiary or ots non-controlling interests.

Joint arrangements

Investments in joint arrangements are classified as joint operations or joint ventures, depending on contractual rights and obligations of the investor and not based on the legal structure of the joint arrangement. At joint arrangements has TMG joint control, control bonded legally and in which strategic decisions are taken by unanimous consent. The consolidated financial statements include TMG's proportional share of the entities assets, liabilities, revenues and expenses with items of a similar nature on a line-by-line basis, from the date that joint control commences until the date that joint control ceases. Investments in joint ventures are valued at equity method.

A joint operation is a joint arrangement wherby the parties hthat have joint control of the arrangement have rights to the asstes, and obligations for the liabilities, relating to the arrangement.For activities under joint operations the following will be recognised in relation to its interest in a joint opeeration:

- its assts and liabilities; and
- its share of the revenue and its share of any expenses.

Associated companies

Associates are those entities in which TMG has a significant influence, but no control, over the financial and operating policies. Subsidiaries and joint arrangements are no associated companies. The consolidated financial statements include TMG's share of the total result of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases.

TMG's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include TMG's share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of TMG, from the date that significant influence or joint control commences until the date significant influence or joint control ceases. Impairment is accounted for immediately in the statement of profit and loss. When TMG's share of losses exceeds its interest in the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that TMG has incurred legal or constructive obligations or made payments on behalf of an associate.

Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and jointly controlled entities are eliminated to the extent of TMG's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. The results of the subsidiaries acquired or disposed of during the financial year are included in the consolidated financial statements as of or till the effective transaction date. If necessary, changes are made to the figures of subsidiaries to align the accounting principles with those of TMG.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into Euros at the foreign exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Euros at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated at the exchange rate applying on the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Euros at foreign exchange rates ruling at the dates the fair value was determined.

Financial statements of foreign operations

The assets and liabilities of foreign operations (accounted for in the result), including goodwill and fair value adjustments arising on consolidation, are translated to Euros at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated to Euros at the date of the transaction. Foreign exchange differences arising on translation are recognised directly in a separate component of equity. Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the translation reserve is transferred to the statement of profit and loss.

Intangible assets

Goodwill

Goodwill represents amounts arising on acquisitions of subsidiaries, associates and joint arrangements.

The consideration of a subsidiary, joint arrangement or associate is equal to the amount paid for the acquisition of the interest.

In respect of acquisitions, goodwill represents the difference between the cost of the acquisition and the fair value of the identifiable assets liabilities and contingent liabilities acquired. Goodwill is stated at cost less any accumulated impairment losses.

Goodwill is attributed to cash generating units and is not amortised. Instead, it is tested annually for impairment (see accounting policy impairments). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate. Whenever an interest in a subsidiary, associate or joint arrangement is sold, the corresponding goodwill is included in the determination of the result of the transaction. Negative goodwill that arises during an acquisition is included directly in the statement of profit and loss. Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no goodwill is recognised as a result of such transactions.

Other intangible assets

Other intangible assets concern licences, (internally developed) software, trademarks and publishing rights. The other intangible assets acquired by TMG are stated at cost less accumulated amortisation and impairment losses (see accounting policy impairments). Expenditure for development activities, whereby the research results are applied to a plan or design for the production of new or substantially improved products and processes, are capitalised if the product or process is technically and commercially feasible can be separately identified, the expenses are estimated reliably, and TMG has sufficient resources to complete the development.
The capitalised costs comprise the cost of material, direct labour and an appropriate proportion of overheads. With regard to the capitalised internal hours, a legal reserve is stated. Other development expenditure is recognised in the statement of profit and loss as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortization and impairment losses.

Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. in that case, the costs are capitalised in so far as they increases the economic benefits.

Borrowing costs

Borrowing costs are capitalised on qualifying assets.

Amortisation

Amortisation is charged to the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Other intangible assets are amortised from the date they are available for use.
The estimated useful lives are as follows:

- trademarks and publishing rights 5 - 20 years
- licences 6 years
- software 3 - 5 years

The amortisation method and estimated useful lives are assessed annually.

Lease
Lease agreements, where TMG has substantially all the risks and rewards of ownership are classified as financial leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Other leases are operating leases, which assets are not recognised in TMG's statement of financial position.

Property, plant and equipment
Owned assets
Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see accounting policy impairments). Property, plant and equipment that is being constructed or developed for future use is stated at cost until construction or development is complete.

Subsequent expenditure
TMG recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to TMG and the cost of the item can be measured reliably. All other costs are recognised in the statement of profit and loss as an expense when incurred.

Borrowing costs
Borrowing costs are capitalised on qualifying assets.

Depreciation
Depreciation is charged to the statement of profit and loss on a straight-line basis over the estimated useful life of each part of a property, plant and equipment. Land is not depreciated.
The estimated useful lives are as follows:
- buildings 10 - 25 years
- machinery and equipment 5 - 10 years
- other tangible fixed assets 3 - 5 years

The depreciation method, estimated useful life and residual value are assessed annually.

Other receivables
Prepaid operational leases comprise the purchased leaseholds of the land of the campus of Amsterdam. These are amortised on a straight-line basis over the duration of the leaseholds concerned. Non-current receivables are initially recorded at fair value less attributable transaction costs. They are then capitalised at amortised cost, whereby a difference between the cost and the redemption amount on the basis of the effective interest method is included in the statement of profit and loss over the duration of the receivables.

Inventories
Inventories are stated at the lower of cost or net realisable value. the net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the selling expenses. The cost of the inventories is based on the 'first in, first out' principle (fifo) and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Securities
Investments in debt instruments and shares
Financial instruments held for trading are classified as current assets and are stated at fair value, with any gain and loss recognised in the statement of profit and loss.
When TMG has the positive intent and ability to hold financial instruments to maturity, they are stated at amortised cost less impairment losses. Other financial instruments held by TMG are classified as being available for sale and are stated at fair value, with any resulting gain or loss being recognised in the shareholders' equity, except for impairment losses and, in the case of

monetary items such as debt securities, foreign exchange gains and losses. When these investments are derecognised, the cumulative gain or loss recognised directly to the shareholders' equity is recognised in the statement of comprehensive income.

Financial instruments

TMG uses restricted derivative financial instruments to hedge interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through the statement of profit and loss.

TMG does not apply hedge accounting.

Trade and other receivables

Trade and other receivables are stated at initial recognition at fair value. Subsequent to initial recognition are stated at amortised cost less impairment losses.

Cash and cash equivalents

Cash comprises cash balances and call deposits.

Impairments

The carrying amount of TMG's assets other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is an indication of impairment. If such indication exists, the asset's recoverable amount is estimated (see the policy for calculation of recoverable amount).

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date to determine whether there is an indication for impairment. An impairment loss is recognised whenever the carrying amount of an asset, or the cash-generating unit exceeds its recoverable amount.

Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised for cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (or groups of units) and then to reduce the carrying amount of the other assets in the unit (or groups of units) on a pro rata basis.

When a decline in the fair value of an available for sale financial asset has been recognised directly in the shareholders' equity, and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in the statement of profit and loss, even though the financial asset has been derecognised. The amount of cumulative loss that is recognised in the statement of profit and loss is the difference between the cost and the current fair value, less any impairment loss on that financial asset previously recognised in the statement of profit and loss.

Calculation of recoverable amount

The recoverable amount of TMG's investments in securities held to maturity and receivables valued at the amortised cost of acquisition is calculated as the present value of the expected future cash flows, discounted at the original effective interest rate (i.e. the effective interest calculated at the time at which these financial assets are initially entered). Receivables with a short residual term are not discounted to the present value.
For the other assets and associates, the realisable value is the fair value less cost to sell, or the value in use if this is higher. When determining the value in use the present value of the estimated future flows is calculated using a pre-tax discount rate that reflects both the current market valuations of the time value of money and the specific risks related to the asset. For an asset that generates no cash receipts which are significantly independent of those of other assets, the realisable value is determined for the cash generating unit to which the asset belongs.

Reversal of impairment

An impairment loss for a security held to maturity or a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.
Impairment loss on goodwill will not be reversed. Impairments on non-quoted equity instruments (financial instrument), that is not carried on fair value, because its fair value cannot be reliably measured, will not be reversed. In respect of other assets, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment is only reversed to the extent that the asset's 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.

Issued capital

TMG's ordinary shares are designated as the company's equity.

Non-controlling interests

Non-controlling interests are the portion of the profit and loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by TMG. In the event of both a written put and a call option on the shares, these shares will be included in TMG's economic interest, and not classified as a minority interest. The remaining interest is classified as a liability, based on the most realistic estimate.

Changes in non-controlling interests

Changes in TMG's ownership interests in subsidiaries that not result in a loss of control over the subsidiary are accounted for as equity transactions. The carrying amounts are adjusted accordingly. Any difference between the amount by which non-controlling interests are adjusted and the fair value paid or received is recognised directly in equity.

Withdrawal shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects and is recognised as a deduction from equity. For repurchased shares classified as treasury shares that are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from retained earnings. Withdrawn shares are deducted from issued capital for nominal value, and the resulting surplus or deficit on the transaction is transferred to/from retained earnings.

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value. Subsequent to initial recognition, interest-bearing loans are stated at amortised cost, with any difference between cost and redemption value being recognised in the statement of profit and loss over the period of the borrowings on an effective interest basis.

Employee benefits

Pension plans

TMG has established various pension schemes, some under its own management, with Stichting-Telegraafpensioenfonds 1959 and some placed with external parties such as industry wide pension funds and insurance companies.

a. defined benefit plans

TMG's net obligation in respect of defined benefit plans is calculated separately for each scheme by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of plan assets are deducted hereon. The discount rate is the yield as at the balance sheet date on credit rated bonds of at least AA, that have maturity dates approximating to the terms of TMG's obligations. The calculation is performed by a certified actuary using the 'projected unit credit' method.

In respect of actuarial gains and losses that arise while calculating TMG's obligation in respect of a plan, the effect of the changes in asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur.

Where the calculation results in a benefit for TMG, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the statement of financial position on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in the statement of profit and loss. The result ensuing from the curtailment or termination of a defined benefit plan is incorporated in the statement of profit and loss immediately when the curtailment or termination exists. The result consists of service costs and net interest expense and /or –income. Other changes are stated in the financial position.

b. defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an expense in the statement of profit and loss as incurred.

Industry wide pension funds of which no reliable information is available, are stated as a defined contribution plans.

Share-based payments

Cash-settled share-based payments, settled in cash, are initially recognised at the fair value of the liability and are expensed over the vesting period. The actual performance conditions are determined at the end of the performance period and the vesting date.The liability is remeasured at each balance sheet date to its fair value, with all changes recognised immediately as either a profit or a loss.

Provisions

A provision is recognised in the statement of financial position when TMG has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic assets will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the specific risks related to the liability.

Restructuring provision

A provision for restructuring is recognised when TMG and the works council have approved a detailed and formalised restructuring plan and the restructuring has either commenced or has been announced publicly. TMG has no possibility to withdraw the reorganisation plan. Termination benefits are recognised as an expense when TMG is demonstrably committed to either terminating the employment of current employees and/or function categories. To the extent they can be reliably estimated, benefits falling due more than 12 months after the balance sheet date are discounted to their present value.

Onerous contracts
TMG recognises a provision for an onerous contract when total contract costs exceed the economic benefits expected to be received from the contract.

Accounts payable and other current liabilities
Accounts payable and other current liabilities are stated at fair value. Subsequent to initial recognition is valuation at amortised cost.

Determination of fair values
A number of TMG's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods.

Intangible assets
The fair value of publishing rights and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the patent or trademark being owned. The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

Property, plant and equipment
The fair value of property, plant and equipment recognised as a result of a business combination is based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. the market value of items of other plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

Trade and other receivables
The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Derivatives
The fair value of interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on terms and maturity of each contract and using market interest rates for similar instruments at the measurement date.

Assets and liabilities classified as held for sale
The fair value of assets and liabilities held for sale is based on discounted future cash flows or market observations and/or a taxation of a broker which valued the expected price.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Revenue
The revenues exclude value added tax and are after discounts. Revenues from the sale of goods are recognised in the statement of profit and loss when the significant risks and rewards of ownership have been transferred to the buyer. Revenues relating to services provided are included in the statement of profit and loss in proportion to performance in the same financial year. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or when there is continuing management involvement with the goods.

Barter transactions
If advertisement space or time are exchanged or swapped for advertisement space or time which are similar as regards the nature, fair value and same target population, such an exchange is not recognised as a revenue-generating transaction. If this condition

is not applicable, the exchange will be regarded as a transaction which generates revenue. The amount of the revenue is determined on the basis of the fair value of the goods or services received, plus or minus any cash or assets which have been received or paid which can be converted into cash, on short term.

If the fair value of the received goods or services cannot be reliably determined, the revenue is determined on fair value of the exchanged goods or services plus or minus cash or assets which can be converted into cash, on short term.

Government grants

Government grants are recognised in the statement of financial position initially as received in advance and are recognised as income when there is reasonable assurance that it will be received and that TMG will comply with the conditions attached to it. Grants that compensate TMG for the expenses are recognised in the statement of profit and loss on a systematic basis in the same period the expenses are made.

Expenditure

Lease payments

Payments made under operating leases are recognised in the statement of profit and loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of profit and loss as an integral part of the total lease expense.

Minimum lease payments from financial leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic interest rate on the remaining balance of the liability. Conditional lease payments are incorporated by revising the minimal lease payments during the remaining lease term as soon as the adaptation of a lease is confirmed.

Financial income and expenses

Result from associates concerns TMG's share in the total result of the associate, when TMG has significant influence. Result on the sale of the associate is stated on the date the transaction is affected.

A change in valuation of financial instrument through profit and loss is stated as financial income and expense.

The financial income and expenses comprise interest payable on borrowings calculated using the effective interest method, interest income on funds invested, dividend income and foreign exchange gains and losses.

Interest income and expenses are recognised in the statement of profit and loss as it accrues using the effective interest calculation method. Dividend income is recognised in the statement of profit and loss on the date of the entity's right to receive payments. Foreign currency gains and losses are reported on a net basis. Borrowing costs that are not directly attributable to an acquisition are recognised in the statement of profit and loss using the effective interest method.

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in shareholders' equity, in which case it is recognised in shareholders' equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: non tax-deductible goodwill, the initial recording of assets or liabilities which affect neither the commercial nor the fiscal profit, and differences related to investments in subsidiaries in so far as these are probably not going to be settled in the foreseeable future.

The amount of the provision for deferred tax liabilities is based on the way in which the carrying amount of the assets and liabilities is expected to be realised or settled, with the tax rates being used as determined on the balance sheet date, or to which a material decision has already been taken on the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

The deferred tax liabilities and assets are netted if there is a legal entitlement to settle current and deferred tax, the income tax is charged by the same Tax Authorities and TMG intends to net the amounts.

Segment reporting

An operating segment is a clearly distinguishable component of TMG that is engaged in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with other TMG components. All operating segments' operating results are reviewed regularly by the Executive Board to make decisions about allocation of resources. The segment reporting is in line with the internal management reporting.

Assets classified as held for sale and discontinued operations

Assets classified as held for sale are available for direct sale and sale is highly probable. On the assets related liabilities are classified as liabilities held for sale. From the moment classified as held for sale, the assets are not depreciated anymore.

On initial classification as held for sale, non-current assets and disposal groups are recognised at the lower of the carrying amount and fair value less costs to sell. For the valuation, if necessary, external valuation took place. Impairment losses on held for sale are included in the statement of profit and loss, even when there is a revaluation. The same applies to gains and losses on subsequent re-measurement.

A discontinued operation is a component of TMG's business that represents a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view of resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. A disposal group that is to be abandoned may also qualify.

Cash flow statement

The consolidated statement of cash flows is stated in accordance with the indirect method. A distinction is made between the operating, investment and financing activities. The cash flow from operating activities is adjusted for items in the statement of profit and loss and changes in the statement of financial position which have no effect on the cash flow for the year.

New accounting standards and interpretations not yet adopted

Certain new standards, amendments to standards and interpretations are not mandatory and therefore are not early adopted in these financial statements.

The following standards are applicable as from 1 January 2015 (unless otherwise stated) and will then be adopted by TMG:

Amendments

IAS 1: Disclosure initiative (effective on annual accounts after1 January 2016).

IFRS 11 Accounting for acquisitions of interest in joint operations (effective on or after 1 January 2016).

IAS 16/IAS 38 Clarification of acceptable methods of depreciation and amortisation (effective on or after 1 January 2016).

Amendments to IFRS annual improvements to IFRS 2012-2014 Cycle (effective on annual accounts after1 January 2016).

TMG expects that the adoption of these new standards, amendments to standards and IFRIC interpretations in the future will not have significant impact for the financial statements of TMG.

TMG has decided not to early adopt the following new standards: IFRS 9 'Financial instruments', IFRS 15 'Revenue from contracts with customers' and IFRS 16 Leases. The impact of these new standards is investigated by TMG.

2. Segment reporting

In thousands of euros	TMG Landelijke Media 2015	TMG Landelijke Media 2014	Holland Media Combinatie 2015	Holland Media Combinatie 2014
Revenues from third-party transactions	**255,739**	274,846	**102,265**	113,906
Intercompany transactions	**-**	-	**-**	-
Total income	**255,739**	274,846	**102,265**	113,906
Segment result before depreciation, amortisation and impairment losses	**53,540**	55,011	**22,024**	23,749
Total depreciation, amortisation and impairment losses	**4,742**	3,381	**1,246**	1,541
Operating result	**48,798**	51,630	**20,778**	22,208
Result from associates	**-40**	-5,130	**-**	-
Financial income	**1**	48	**-**	-
Financial expenses	**-63**	-86	**-**	-
Income tax	**-8,031**	-10,087	**-6,236**	-3,896
Net result for the year	**40,665**	36,375	**14,542**	18,312
Segment assets	**45,074**	132,787	**21,582**	72,935
Investments in associates	**24**	159	**-**	-
Total assets 31 December 2015	**45,098**	132,946	**21,582**	72,935
Segment liabilities	**63,339**	50,145	**25,783**	22,059
Total liabilities 31 December 2015	**63,339**	50,145	**25,783**	22,059
Segment investments	**2,034**	2,134	**310**	522
Total investments	**2,034**	2,134	**310**	522
Restructuring costs	**10,599**	-	**665**	-
Impairment losses property, plant and equipment	**-**	-	**-**	-
Other material non-cash items	**10,599**	-	**665**	-
Average number of fte	**755**	830	**540**	665

Operating segments

The group comprises the following main operating segments:
TMG Landelijke Media: The publishing of national newspapers, magazines, print-related internet activities and video productions.
Holland Media Combinatie: The publishing of regional newspapers, free door-to-doorpapers and print-related internet activities.
Sky Radio Group: The operation of several radio stations in the Netherlands.
Keesing Media Group: The publishing of puzzle booklets within Europe.
Facilitating services: Other activities include, amongst others, the printing and distribution of newspapers, providing of office space and related facilities.
Headoffice/Eliminations: Headquarters includes amongst others the following corporate departments: Board of Directors, Corporate Communication, Corporate Development, Internal Audit & Risk Management, HRM, IT and Legal.

Segment information is presented in respect of TMG's business and geographical segments. The segment results are based on the organisational management structure used within TMG and the nature of the publishing activities. On a monthly basis, results are reported to the Executive Board to make decisions about performance and allocation of resources within the publishing

atie	Sky Radio Group		Keesing Media Group		Facilitating services		Headoffice/Eliminations		Total	
014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
06	**30,745**	38,816	**70,922**	67,982	**22,593**	22,033	**68**	129	**482,332**	517,712
-	**-**	-	**220**	92	**72,633**	84,037	**-72,853**	-84,129	**-**	-
06	**30,745**	38,816	**71,142**	68,074	**95,226**	106,070	**-72,785**	-84,000	**482,332**	517,712
49	**6,494**	15,992	**20,614**	19,287	**-47,530**	-32,547	**-40,693**	-35,437	**14,449**	46,055
41	**11,034**	51,904	**4,135**	4,906	**13,835**	12,982	**457**	2,761	**35,449**	77,475
08	**-4,540**	-35,912	**16,479**	14,381	**-61,365**	-45,529	**-41,150**	-38,198	**-21,000**	-31,420
-	**-**	-	**-**	-	**-**	-	**-**	-7	**-40**	-5,137
-	**-**	1	**246**	190	**-**	-	**-**	1	**247**	240
-	**-828**	-1,118	**-198**	-206	**-**	-	**-916**	-851	**-2,005**	-2,261
96	**1,264**	-1,292	**-4,215**	-3,604	**-321**	8,923	**16,698**	10,447	**-841**	491
12	**-4,104**	-38,321	**12,312**	10,761	**-61,686**	-36,606	**-25,368**	-28,608	**-23,639**	-38,087
35	**65,283**	78,573	**153,112**	154,984	**56,745**	58,814	**104,119**	-22,996	**445,915**	475,097
-	**-**	-	**-**	-	**-**	-	**-**	-	**24**	159
35	**65,283**	78,573	**153,112**	154,984	**56,745**	58,814	**104,119**	-22,996	**445,939**	475,256
59	**40,772**	46,633	**33,921**	34,418	**25,030**	9,978	**29,888**	61,322	**218,733**	224,555
59	**40,772**	46,633	**33,921**	34,418	**25,030**	9,978	**29,888**	61,322	**218,733**	224,555
22	**375**	991	**1,259**	1,193	**5,940**	4,665	**1,688**	3,437	**11,606**	12,942
22	**375**	991	**1,259**	1,193	**5,940**	4,665	**1,688**	3,437	**11,606**	12,942
-	**203**	1,212	**366**	-74	**17,038**	-	**-1,699**	-924	**27,172**	214
-	**-**	-	**-**	-	**6,810**	5,950	**-**	-	**6,810**	6,049
-	**203**	42,141	**366**	25	**23,848**	5,950	**-1,699**	1,053	**33,982**	49,169
65	**97**	103	**270**	277	**317**	328	**138**	148	**2,117**	2,351

segments. The facilitating activities such as printing and distribution are reviewed at Head office and not allocated to operating segments. In 2015 a change occurred in the internal allocation of costs. The charging of fixed costs has been abolished. The 2014 comparatives have been restated to reflect this change. The assets of the segments show large changes in 2015. This is the result of settling intercompany balances between companies, including by way of dividend payments.

The prices for transactions between segments, mainly the variable cost of printing and distributing newspapers, are on a commercial and objective basis. The results, assets and liabilities of a segment comprise items that can either directly or on a reasonable basis, be attributed to the segment. The investments of a segment include the total cost incurred during the reporting period for the acquisition of assets of the segment which are expected to be in use for more than one reporting period.

The decline in revenues at TMG Landelijke Media and Holland Media Combinatie is caused by lower advertisement - and circulation revenues. The decline in revenues at Sky Radio Group is due to a decrease of the net advertisement market, increased competition and a lower radio audience share, primarily for Radio Veronica. The increase in revenue and operating profit at Keesing Media Group is due to the expansion of the product portfolio, including coloring books for adults. The decline in operating income in the

Facilities business was caused by 17,000 restructuring expenses, mainly relating to the printing activities.The decline in operating income at Headquarters is primarily due to higher consulting costs and higher training costs of staff.

Geographical segments

For the presentation of information based on geographical segments, the geographical location of the clients is used for the segments' revenues. The segments' non-current assets are determined on the basis of the geographical location of those non-current assets.

Revenues and non-current assets are divided in geographical segments as follows:

		2015
In thousands of euros	**Revenues**	**Non-current assets[1]**
The Netherlands	**419,585**	**248,223**
Other countries	**62,747**	**40,036**
Total	**482,332**	**288,259**

1 With the exception of deferred tax assets.

		2014
	Revenues	Non-current assets[1]
The Netherlands	457,608	268,306
Other countries	60,104	41,666
Total	517,712	309,972

1 With the exception of deferred tax assets.

Turnover and fixed assets in other countries comprise respectively 44,211 (2014: 42,577) and 39,924 (2014: 41,400) puzzle activities in France.

3. Business combinations

In 2015 and 2014 no acquisitions of subsidiaries or operations occurred.

4. Revenues

In thousands of euros	**2015**	2014
Subscriptions	**177,244**	182,902
Single copy sales	**92,111**	90,751
Advertisements	**116,319**	140,165
B2B digital revenues	**32,976**	34,787
Consumer digital revenues	**9,631**	8,135
E-commerce	**18,802**	18,436
Printing	**3,916**	3,489
Distribution	**17,488**	18,459
Other revenues	**12,846**	18,423
Total	**481,333**	515,547

Revenues of 481,333 (2014: 515,547) include barter transactions for an amount 4,009 (2014: 5,541). The Other revenues declined mainly due to lower revenues from the iPad proposition of De Telegraaf. The revenue categories have been changed compared to last year in connection with a change in the internal management reporting in 2015.

B2B digital revenues mainly relate to online advertisement income. Advertisement income from print and radio is included in the categoy Advertisements. Consumer digital revenues mainly relate to online subscription income. Income from print subscriptions is presented in the category Subscriptions.

5. Other operating income

In thousands of euros	**2015**	2014
Net gain on fixed assets	**999**	2,165
Total	**999**	2,165

The gain on sale on fixed assets in 2015 relates to the sale of buildings by the segment Facilitating Services.
The 2014 gain consists of the sale of the intellectual property of My Radio by Sky Radio Group as well as the sale of several buildings Holland Media Combinatie.

6. Raw and auxiliary materials

In thousands of euros	**2015**	2014
Paper and ink	**27,189**	36,265
Auxiliary materials	**1,690**	1,998
Total	**28,879**	38,263

The decrease in cost of paper and ink is the result of lower volumes because of the decline in circulation and portfolio changes, the closure of the printing facilities for puzzle magazines in France in spring 2014 and lower purchasing prices for both paper and ink.

7. Personnel costs

In thousands of euros	Notes	**2015**	2014
Wages and salaries		**120,599**	128,921
Compulsory social security contributions		**19,162**	21,151
Pension costs	27	**10,090**	11,867
Other personnel costs		**25,020**	20,366
		174,871	182,305
Restructuring costs	28	**27,172**	214
Total		**202,043**	182,519

The average number of employees (FTE) is 2,117 (2014: 2,351), of which 193 (2014: 201) in foreign countries. The wages and salaries declined mainly due to the outflow of employees as a result of the cost reduction programme. As a consequence also the compulsory social security contributions and the pension costs declined. Also, a one-time release of 2,400 is included in the pension costs due to the reduction of reimbursement of medical expenses for retirees. 2014 Includes a non-recurring income of 1,400, primarily related to the termination of the defined benefit pension plan of the Sky Radio Group.

Other personnel costs increased due to higher costs of temporary staff for various projects and higher training costs. Additionally a release of 503 regarding jubilee benefits is included in the other personnel costs. Restructuring costs increased by the announced plans in 2015 to reduce the number of employees, amongst others at the printing facilities and the editorial office of TMG Landelijke Media.

8. Depreciation, amortisation and impairment losses

In thousands of euros	Notes	**2015**	2014
Impairment losses financial fixed assets	15	**827**	-
Withdrawal of impairment losses financial fixed assets	15	**-136**	-
Depreciation	15	**9,498**	10,691
Impairment losses property, plant and equipment	15	**6,810**	6,049
Withdrawal impairment losses property, plant and equipment		**-693**	-
Amortisation	14	**19,143**	17,829
Impairment losses intangible assets	14	**-**	42,906
Total		**35,449**	77,475

The impairment losses financial fixed assets of 827 relates to prepaid ground rent for an out of use building held in connection with the reorganisation of the printing activities.

In 2015 a building, since 2012 out of use, was returned into service.This results in a reversal of a previously recognised impairment loss 693 on fixed assets and 136 on financial assets. In addition, in 2015 there has been a catch-up amortisation on intangible assets of 1,498 in connection with the reclassification of Relatieplanet from held for sale to continuing activities.

As a result of the reorganisation of the printing activities an impairment loss has been recognised on machines, printing presses and buildings of Facilities Services in both 2015 and 2014.

The impairment losses on intangible assets in 2014 relates to an impairment of goodwill on the radio brands of Sky Radio Group and an impairment of software.

9. Other operating expenses

In thousands of euros	**2015**	2014
Transport and distribution costs	**70,400**	77,050
Subcontracted work and technical production costs	**37,294**	37,050
Sales costs	**31,126**	35,791
Editorial costs	**16,293**	17,581
Cost of goods sold e-commerce	**13,335**	16,837
Impairment of trade receivables	**1,071**	2,506
Automation costs	**21,679**	23,255
Housing costs	**10,841**	12,913
Other operating expenses	**34,922**	27,892
Total	**236,961**	250,875

Transport and distribution costs decreases due to cost savings in own distribution activities and due to portfolio changes. Selling expenses declined due to higher sales and promotional activities surrounding the 2014 World Cup and Radio Veronica, the brand campaign and tabloid introduction of De Telegraaf. The other operating expenses increased particularly due to higher consultancy costs for various operational and strategic and projects.

10. Financial income and expense

In thousands of euros	**2015**	2014
Other result from associates	**-40**	-5,137
Result from associates	**-40**	-5,137
Financial income	**247**	240
Financial expenses	**-2,005**	-2,261
Total	**-1,798**	-7,158

In 2014 Ticketsplus B.V., ZOOM.IN Nederland B.V. and Cammio GmbH, all part of the segment TMG Landelijke Media, were sold. The loss from these disposals amounted to 4,902 and is recognized as Other result from associates.

11. Income tax

In thousands of euros	Notes	**2015**	2014
Current tax			
Current year		**3,435**	6,172
Adjustment from prior years		**-2,010**	-745
Deferred tax			
Adjustments prior years	29	**5,316**	-
Origination and reversal of temporary differences	29	**-6,120**	-6,381
Total income tax		**621**	-954
Hereof:			
Income tax recognised in the consolidated income statement		**841**	-491
Income tax from other operating income		**-220**	-463
Total income tax		**621**	-954

	2015	2014
Result before tax	**-22,798**	-38,578
Loss on sale from discontinued operations before tax	**-881**	-1,850
Result for the calculation of income tax	**-23,679**	-40,428
Tax rate in the Netherlands	**25.0%**	25.0%
Income tax based on Dutch tax rate	**-5,920**	-10,107
Effect of tax rate in foreign jurisdictions	**-1,320**	-980
Non-taxable income	**-170**	-
Non-deductible expenses	**55**	9,968
Tax on results from foreign associates	**2,198**	-
Write-off pre-fiscal unity losses	**3,046**	-
Results of associates exempt from income	**-153**	944
Tax exempt results	**26**	20
Unrecognised losses carried forward	**-263**	-
Advantage from unrecognised prior losses carried forward	**-**	-5
Tax facilities	**-184**	-49
Adjustments prior years	**3,306**	-745
Total	**621**	-954

Adjustments previous years mainly relates to the participation exemption of a foreign subsidiary. The tax on the exempt result of this investment in 2015 amounted to 2,198. Furthermore, pre-fiscal unity carry forward losses have been impaired relating to Dichtbij.nl. It is estimated that these losses will no longer be compensated within the fiscal compensation deadlines.

Results of associates exempt from income in 2014 relates mainly to the non-deductible losses on the sale of ZOOM.IN Nederland B.V., Ticketsplus B.V. and Cammio Gmbh.

Reconciliation of the effective tax rate

The effective tax rate on the result from all activities was -2.6% in 2015 (2014: 2.4%).The relationship between the tax rate in the Netherlands and the effective tax rate on income from total operations is as follows:

In percentages	**2015**	2014
Dutch income tax rate	**25.0**	25.0
Tax effects of:		
Deviating rates	**5.6**	2.4
Tax on result associates	**-9.3**	-
Tax-exempt results and non-deductible costs	**1.8**	-26.9
Losses realised on liquidation	**1.1**	-
Write-off pre-fiscal unity losses	**-12.9**	-
Adjustments prior years	**-13.9**	1.9
Effective tax rate	**-2.6**	2.4

12. Current tax assets and liabilities

At balance sheet date 623 was to be recovered over the reporting period and previous periods (2014: 2). The current tax liability of 1,141 (2014: 4,143) represents the income tax to be paid over current and prior years after deduction of prepayments.

13. Discontinued operations

In 2015 Relatieplanet.nl was reclassified to continuing operations by the decision to continue its activities. As a result, a catch-up amortisation of 1,498 was recognized on intangible assets.

14. Intangible assets

In thousands of euros	Notes	Trade names and publishing rights	Licences	Goodwill	Software	Assets under construction	Total
Cost		155,845	46,111	330,290	82,500	2,066	616,812
Cumulative amortisation		58,324	17,880	4,471	62,256	-	142,931
Impairment losses		26,557	-	126,410	11,474	-	164,441
Carrying amount at 1 January 2014		70,964	28,231	199,409	8,770	2,066	309,440
Investments		-	-	-	3,876	1,700	5,576
Divestments		-549	-	-	-406	-	-955
Disposal held for sale	-	-885	-	-3,010	-	-	-3,895
Amortisation	8,13	-6,217	-7,663	-	-3,949	-	-17,829
Impairment losses	8,13	-	-	-40,929	-1,977	-	-42,906
Assets under construction in use		-	-	-	2,451	-2,451	-
Total movements		-7,651	-7,663	-43,939	-5	-751	-60,009
Cost		107,669	46,111	250,679	52,866	1,315	458,640
Cumulative amortisation		42,358	25,543	4,471	42,098	-	114,470
Impairment losses		1,998	-	90,738	2,003	-	94,739
Carrying amount at 1 January 2015		63,313	20,568	155,470	8,765	1,315	249,431
Investments		**-**	**-**	**-**	**796**	**3,170**	**3,966**
Divestments		**-**	**-**	**-**	**-18**	**-8**	**-26**
Reclassification to assets held for sale		**868**	**-**	**1,386**	**950**	**-**	**3,204**
Amortisation	8	**-6,785**	**-7,663**	**-**	**-4,695**	**-**	**-19,143**
Assets under construction in use		**-**	**-**	**-**	**2,136**	**-2,136**	**-**
Total movements		**-5,917**	**-7,663**	**1,386**	**-831**	**1,026**	**-11,999**
Cost		**113,622**	**46,111**	**252,065**	**53,939**	**2,341**	**468,078**
Cumulative amortisation		**54,228**	**33,206**	**4,471**	**44,002**	**-**	**135,907**
Impairment losses		**1,998**	**-**	**90,738**	**2,003**	**-**	**94,739**
Carrying amount at 31 December 2015		**57,396**	**12,905**	**156,856**	**7,934**	**2,341**	**237,432**

Trade names and publishing rights concern acquired trade names and publishing rights of Sky Radio Group and Keesing Media Group. Given the strong alliance between brand names and publishing rights, these items are not listed separately. The amortisation period of trade names and publishing rights ranges from 5 to 20 years.

The licences relate to the broad casting rights of Sky Radio Group and concerns annual contributions to the Telecom Agency, which are recognised for an amount of 12,905 (2014: 20,568). As per 1 September 2011 the licences were extended until 1 September 2017. The amortisation period is 6 years. The related non-current liability is disclosed in note 26.

Goodwill mainly relates to the acquisition of the Sky Radio Group (12,421) and Keesing Media Group (91,201). In addition, 12,000 relates to synergy effects of the Telegraaf Drukkerij Groep resulting from acquisitions. Goodwill is believed to be indefinite and is therefore not amortised. All intangible assets have been acquired externally.

The acquisition value and accumulated amortization of intangible assets increased in 2015 by the reclassification of activities held for sale (Relatieplanet.nl) to continued operations.

Intangible assets under construction

This includes information systems (partly self-developed) at TMG Landelijke Media and Headoffice. The information systems will be in use in 2016.

Impairment test for cash-generating units

For the impairment test, intangible assets are allocated to cash-generating units, being the lowest level within TMG for which there are separately identifiable cash flows.
The total carrying value of intangible assets attributed to the cash-generating units as at 31 December 2015 and 2014 is as follows:

Intangible assets

In thousands of euros	**2015**	2014
TMG Landelijke Media	**32,410**	31,542
Holland Media Combinatie	**13,166**	13,498
Facilitating services	**12,000**	12,000
Sky Radio Group	**54,631**	65,131
Keesing Media Group	**121,509**	124,648
Headoffice	**3,716**	2,612
Total	**237,432**	249,431

Goodwill

In thousands of euros	**2015**	2014
TMG Landelijke Media	**27,521**	26,135
Holland Media Combinatie	**12,452**	12,452
Facilitating services	**12,000**	12,000
Sky Radio Group	**12,421**	12,421
Keesing Media Group	**91,201**	91,201
Headoffice	**1,261**	1,261
Total	**156,856**	155,470

The recoverable amount of the cash-generating units is based on the value in use calculation. The cash-generating units are based on operational segments within TMG. Cash flow projections are based on actual operating results and cash flow forecasts, the budget 2016 and the long-term plans up to and including 2018. This is consistent with previous years. The cash flows are based on EBITDA, expected investments and movements in net working capital. The cashflows after 2018, which are extrapolated on the basis of 0% growth (2014: 0%), are based on economic lifetime. For Sky Radio Group the cash flows are extrapolated based on a 1.5% growth rate (2014: 1.5%), based on latest external information of the radio industry.

The forecasted cash flows are discounted based on a pre-tax discount rate of 8.6% (2014: 9.0%). The discount rate and growth factors were determined on the basis of the risk profile for TMG as a whole. These assumptions have been applied to all cash-generating units of TMG. The values assigned to the key assumptions represent management's assessment of future trends in the media industry and are based on both external sources and internal sources (historical data). A modification in assumptions and estimates could have consequences for the recoverable amount of an asset and the expected economic lifetime with an effect on the statement of profit and loss.

Impairment losses in 2014 of 42,906 on intangible assets relates to 40,929 goodwill Sky Radio Group and 1,977 software.

1% increase in WACC has no effect on impairments for all activities. The recoverable amounts of the segments is equal to the carrying amount at the following WACC: Landelijke Media 63%, Holland Media Combinatie 54% and 12% and Keesing Media Group Sky Radio Group 11% (based on business value). Furthermore the recoverable amount if equal to the carrying amount at the following negative growth rates for cash flows after 2018: Sky Radio Group -0,3% and Keesing Media Group -5,2%. For the segments Landelijke Media and Holland Media Combinatie the recoverable amount is equal to the carrying amount at negative growth rates exceeding 100%.

15. Property, plant and equipment

In thousands of euros	Notes	Land and buildings	Machines and installations	Other tangible fixed assets	Assets under construction	Total
Cost		173,489	203,953	57,558	1,258	436,258
Cumulative depreciation		140,031	173,945	50,052	-	364,028
Impairment losses		1,903	9	2,778	-	4,690
Carrying amount at 1 January 2014		31,555	29,999	4,728	1,258	67,540
Investments		869	187	1,915	4,432	7,403
Divestments		-166	-190	-352	-	-708
Disposal of sold operations	13	-	-	-42	-	-42
Depreciation	8,13	-4,211	-4,223	-2,257	-	-10,691
Impairment losses		-271	-5,026	-102	-	-5,399
Assets under construction in use		138	2,614	29	-2,781	-
Total movements		-3,641	-6,638	-809	1,651	-9,437
Cost		169,025	190,743	45,297	2,909	407,974
Cumulative depreciation		138,937	162,347	38,498	-	339,782
Impairment losses		2,174	5,035	2,880	-	10,089
Carrying amount at 1 January 2015		27,914	23,361	3,919	2,909	58,103
Investments		**457**	**73**	**1,321**	**5,789**	**7,640**
Divestments		**-88**	**-241**	**-11**	**-**	**-340**
Reclassifications		**-321**	**-**	**321**	**-**	**-**
Assets held for sale	21	**-62**	**-**	**-**	**-**	**-62**
Depreciation	8	**-3,543**	**-4,341**	**-1,614**	**-**	**-9,498**
Impairment losses		**-566**	**-6,244**	**-**	**-**	**-6,810**
Reversal of impairment losses		**693**	**-**	**-**	**-**	**693**
Assets under construction in use		**1,094**	**6,700**	**42**	**-7,836**	**-**
Total movements		**-2,336**	**-4,053**	**59**	**-2,047**	**-8,377**
Cost		**165,408**	**196,927**	**38,698**	**862**	**401,895**
Cumulative depreciation		**137,783**	**166,340**	**31,840**	**-**	**335,963**
Impairment losses		**2,047**	**11,279**	**2,880**	**-**	**16,206**
Carrying amount at 31 December 2015		**25,578**	**19,308**	**3,978**	**862**	**49,726**

Property, plant and equipment consist of land and buildings, machines and installations of the printing facility and other equipment. The carrying value is in line with the fair value.

Impairment losses

Impairment losses relate to production capacity of printing facilities. The impairment is a result of the decision to reduce the number of printing presses in the printing plant in Amsterdam from 7 to 4. The assets have been impaired at the net realisable value less selling costs. The net realisable value is based on a valuation by an independent expert where the valuation is based in particular on the values of similar assets. In 2014 the impairment was also primarily related to printing presses.

The reversal of impairment losses in 2015 relates to a building that was out of use which is brought back into operation in 2015.

Assets under construction

The item assets under construction mainly concerns the renovation of the main hall of the headquarters in Amsterdam. This project will be completed in 2016.

16. Investments in associated companies

In percentages	Location	**2015**	2014
Participations			
AM van Gaal Media B.V.	Amsterdam	**0.0%**	20.0%
Autowereld B.V	Amsterdam	**35.0%**	35.0%
Dutch Creative Industry Fund B.V.	Amsterdam	**28.6%**	28.6%

In thousands of euros	**2015**	2014
Carrying amount		
Autowereld B.V.	**24**	150
Other	**-**	9
Total	**24**	159

Loss making associated companies are valued at nil. All negative results of associated companies are recorded in the consolidated statement of profit and loss.

17. Other receivables

In thousands of euros	**2015**	2014
Prepaid operational lease	**868**	1,779
Non-current receivables	**209**	500
Total	**1,077**	2,279

Prepaid operational lease relates to prepaid ground rent on the buildings in Amsterdam. In 2015 this item decreased mainly due to the decommissioning (impairment) and sale of properties.

18. Inventories

In thousands of euros	**2015**	2014
Raw materials	**1,173**	5,761
Auxiliary materials	**263**	201
Other inventories	**423**	689
Total	**1,859**	6,651

The decline in the stock of raw materials is due to the reduction of paper stock as a result of a new procurement strategy by which paper is ordered only on demand and furthermore due to the reduction of the iron stock.

Other inventories (primarily e-commerce) are valued at cost. The write-down to fair value is nil (2014: 229). The carrying amount is equal to the fair value.

19. Trade and other receivables

In thousands of euros	**2015**	2014
Trade receivables	**49,639**	47,616
Other receivables	**7,531**	3,115
Prepayments and accrued income	**16,641**	18,972
Total	**73,811**	69,703

Trade receivables are shown net of impairment losses. During the current year, such losses amounted to 1,071 (2014: 2,506) and related to doubtful receivables. For more information see note 31, Financial risk management.

Other receivables as per 31 December 2015 include a receivable of 4.450 relating to the sale of a building.

Fair value

For current receivables which fall due within one year, the nominal value is considered to reflect the fair value.

20. Cash and cash equivalents

In thousands of euros	**2015**	2014
Bank	**42,928**	41,260
Total	**42,928**	41,260

Bank balances are unrestricted and deposits are available within a week, with the exception of issued bank guarantees as further disclosed in note 34. The fair value is deemed equal to the nominal value.

21. Assets and liabilities held for sale

In thousands of euros	**2015**	2014
Assets		
Intangible assets	**-**	3,204
Property, plant and equipment	**62**	4,227
Deferred tax assets	**-**	246
Trade and other receivables	**-**	33
Cash and cash equivalents	**-**	1,096
Total	**62**	8,806
Liabilities		
Deferred tax liabilities	**-**	406
Accounts payables and other current liabilities	**-**	510
Total	**-**	916

Held for sale amounts to 62 as per 31 December 2015 (31 December 2014: 8,806) and relates to buildings of Holland Media Combination. A sales plan is prepared for these buildings and a real estate agent is hired. The buildings of Facilitating services were sold at the end of 2015. Gain on the sale of these properties amounts to 627.

Since 2013 Relatieplanet.nl was classified as held for sale. In 2015 Relatieplanet.nl was reclassified to continuing operations, because of the decision to not to sell Relatieplanet.nl but to include the activities in a new business unit within TMG together with other non-title related online activities, TMG Digital. As a result of this decision a catch-up amortisation of 1,498 is made on intangible assets.

22. Shareholders' equity

Issued capital

At 31 December 2015 the authorised share capital comprised 99,999,040 ordinary shares, 100,000,000 preference shares and 960 priority shares, which were issued and paid up as follows:

		2015/2014
Number of shares	**Authorised share capital**	**Issued and paid up**
On issue as at 31 December:		
Ordinary shares	**99,999,040**	**46,350,000**
Preference shares	**100,000,000**	**-**
Priority shares	**960**	**960**

All shares have been paid up and have a nominal value of € 0.25. No preference shares have been issued.

The holders of ordinary shares and priority shares receive a maximum primary dividend of five percent of the nominal amount of the shares. The remaining profit is at the disposal of the meeting of shareholders.

The holders of ordinary shares and priority shares are entitled to cast one vote per share during the meeting. Each TMG shareholder has access to the meeting of shareholders and the right to cast a vote. A summary of the legal and statutory provisions relating to the appropriation of the profit and the other statutory rights associated with the ordinary shares, priority shares and preference shares is included under Other information.

The right to issue TMG preference shares is granted by Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V. to Stichting Preferente aandelen Telegraaf Media Groep N.V. TMG has an option to issue preference shares, which will then be managed by Stichting Preferente aandelen Telegraaf Media Groep N.V. At present, no preference shares have been issued. The provisions in the articles of association governing remuneration of preference shares are in line with the market. The option to issue preference shares is valued at nil.

Repurchased shares

Ultimo 2015 and 2014 TMG had none outstanding repurchased ordinary shares.

23. Dividend

During the year, TMG has not paid any dividend (2014: nil).

No profits were generated in the financial year 2015, consequently there will be no profits at the disposal of the General Meeting of Shareholders relating to the financial year 2015. However the Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V. has made a proposal to the General Meeting of Shareholders to pay a dividend of € 0,16 per share from retained earnings to the holders of ordinary shares and priority shares.

24. Earnings per share

Basic earnings per share

The calculation of the basic earnings per share as at 31 December 2015 is based on the result attributable to ordinary shareholders of -22,760 (2014: -33,806) and a weighted average number of ordinary shares which has been outstanding during 2015 of 46,350,000 (2014: 46,350,000), as shown below:

In thousands of euros	**2015**	2014
Earnings per share		
Result attributable to equity holders of ordinary shares in Telegraaf Media Groep N.V.	**-22,760**	-33,806
Weighted average number of ordinary shares	**46,350,000**	46,350,000
Basic earnings per share (EUR)	**-0.49**	-0.73

Diluted earnings per share

The calculation of the diluted earnings per share at 31 December 2015 is based on the result attributable to ordinary shareholders of -22,760 (2014: -33,806) and a weighted average number of ordinary shares, after adjustment in line with all potential diluting effects on the ordinary shares, which has been outstanding during 2015, of 46,350,000 (2014: 46,350,000). No shares were diluted in 2015 and 2014.

25. Non-controlling interests

Movements in non-controlling interests is as follows:

In percentages	**2015**	2014
Sienna Holding B.V.	**10%**	10%
Classic FM V.o.f.	**-**	25%

In thousands of euros	**2015**	2014
Balance as at 1 January	**-8,018**	-2,164
Share of profit for the year	**-879**	-4,281
Movement by other comprehensive income after tax	**-**	-48
Movement by sale of subsidiaries	**-**	-598
Movement by dilution interests	**923**	-
Movement by acquisition of non-controlling interest	**-**	-927
Balance as at 31 December	**-7,974**	-8,018

The movement by dilution concerns the interests of Classic FM v.o.f. because the interest in this company increased from 75% to 100% in 2015. The movement by acquisition of non-controlling interest in 2014 concerns acquistion of the remaining outstanding shares of Groupdeal B.V. from 60% to 100% in August 2014. In the first half year of 2014 TMG sold its share in ZOOM.IN Nederland B.V. (70%) and Ticketsplus B.V. (75%). For the acquisition of the 10% share in Sienna Holding B.V. in 2016 we refer to Subsequent events.

26. Interest-bearing loans and borrowings

This note provides information on the contractual terms of TMG's interest-bearing loans and borrowings. For more information about TMG's exposure to interest rate and foreign currency risk, see note 31.

			2015
In thousands of euros	**Total**	**Current**	**Non-current**
Interest bearing loans	**11,969**	**11,969**	**-**
Other financing	**14,049**	**13,577**	**472**
Total	**26,018**	**25,546**	**472**

			2014
In thousands of euros	Total	Current	Non-current
Interest bearing loans	11,497	-	11,497
Other financing	19,112	8,986	10,126
Total	30,609	8,986	21,623

In thousands of euros	Currency	Nominal interest rate	Nominal value	Year of maturity	**Carrying amount 2015**	Carrying amount 2014
Interest-bearing loans						
Shareholders loan V-Ventures B.V. to Sienna Holding B.V.	EUR	4,1% (2014: 4,1%)	8,400	-	**11,969**	11,497
Bank financing – Revolving credit facility	EUR	3-mnths Euribor + 1,50%	-	-	**-**	-
Total					**11,969**	11,497
Other financing						
Liabilities licences Sky Radio Group	EUR	2% (2014: 3,0%)	-	2016-2017	**11,233**	15,479
Acquisition payables	EUR		-	-	**2,672**	3,489
Other non-current liabilities	EUR		-	-	**144**	144
Total					**14,049**	19,112

Terms and debt repayment schedule

For all loans, the effective interest is equal to the nominal interest.

Interest-bearing loans

On January 21, 2016, the shareholders loan of V-Ventures B.V. in Sienna Holding B.V. was acquired from V-Ventures B.V. together with the minority interest in Sienna Holding B.V. of 10% (see note 25), (see also the Subsequent events). As a result Telegraaf Media Groep N.V. is now 100% beneficial owner of Sky Radio Group.

On July 10, 2015 a bank financing was contracted with a consortium of two banks. This facility has a term of three years. The facility consists of a variable line of credit arrangement (revolving credit facility) and a current account credit facility (credit facility ancillary). The financing has market conditions and is limited to 2.5 times NEBITDA (operating result excluding depreciation, amortisation and impairment losses and excluding exceptional items like restructuring costs and results on sale of assets). In addition, the interest expenses over the relevant period may not exceed 1 / 5th of NEBITDA. Both conditions were met in 2015, no collateral is provided for this loan.

Other financing

The liabilities licenses Sky Radio Group relate to the annual prepayments due to the Telecom Agency until 1 September 2017. The annual contributions to the Telecom Agency are cumulated, discounted and classified under Other financing for 11,233 (2012: 15,479). The intangible assets are amortised over the term of the contractual period. Interest related to the financial obligation is accounted for as financial expenses. The annual prepayment is deducted from the the long-term obligation. The fair value of the liabilities deviates not materially. Early 2015 the College van Beroep voor het bedrijfsleven (CBb or Dutch Trade and Industry Appeals Tribunal) ruled in the case of FM license permits of Radio Veronica and Sky Radio. For more information on this ruling see Off balance sheet assets and liabilities.

The acquisition payables includes liabilities concerning the acquisition of Sky Radio Group, Groupdeal and Metro. Related to the acquisition of Metro partial payments will be made untill 2017.

27. Post-employment benefit liabilites

Defined contribution plan

The pension schemes of Sky Radio Group and Keesing Media Group and a part of the Amsterdam and Alkmaar companies of TMG is executed by Stichting-Telegraafpensioenfonds 1959. The pension is a restricted indexated average salary regulation. The only obligation of the employer is the payments of premiums. At the end of 2015 the agreement with Stichting-Telegraafpensioenfonds 1959 expired. Employer and central works council are already in discussion for some time to enter into a new pension scheme, which is intended to become into force in 2016. With Stichting-Telegraafpensioenfonds 1959 it was agreed that the administration, as it existed until 2015, will be extended for one year, under substantially the same terms.

Gross commitment for defined benefit pension rights

TMG has a number of defined benefit plans of which a portion of the (former) employees in the Netherlands is entitled to an additional benefit. The arrangements concerns:

Defined benefit pension plans

Additions to pensions (guarantee arrangements)

Workers in service until the end of 2005 and at that time participant in Stichting- Telegraafpensioenfonds 1959 also participated in a guarantee arrangement. New employees from January 1, 2006 were excluded of this guarantee plan, where a percentage of the final pay has been guaranteed. End of 2012, the commitment was adjusted such that the effect of future salary growth is excluded. Therefore, the scheme was frozen. At the end of 2015 the arrangement had been terminated for all particpants, falling under the terms of Stichting-Telegraaf Pensioenfonds. The final-pay salary rights, funded entirely by the employer, are by that date assigned to the participants pensions. At year end 2015, Telegraaf Media Groep has an amount of 350 payable to the pension fund to finance the scheme. As a result of the termination of the arrangement a loss of 300 (past service costs) and a benefit of 236 (settlement) were released in personnel costs.

Keesing Media Group has a guaranteed indexation scheme. The indexation scheme relates to the annual rise of rights build up with 50% of price inflation and is financed by the employer. The scheme is executed by an insurance company. Furthermore there are plans for employees of Keesing France that provide for a payment when the retirement age is reached. The level of the allowance is depending on the number of years of service.

The final pay plan guaranteed to several employees of Sky Radio Group is discontinued per 2014. As per 1 January 2015, the employees joined the scheme of Stichting-Telegraafpensioenfonds 1959 (defined contribution plan).

Allowances for the healthcare of pensioners

A limited group of pensioners received a compensation on their health insurance premiums. As of 1 July 2015 it was communicated to this group that the arrangement will end in a short time. In 2016, the compensation will amount to 50% of that of 2015, after which the plan is terminated by December 31, 2016. Due to this accelerated reduction a gain of 2,325 (past service costs) is recognized in personnel costs.

Other personnel benefit plans

This relates to disability and jubilee benefits. In determining the provision for jubilee benefits, the announced restructuring at the end of 2015 of the various divisions of Telegraaf Media Groep N.V. is taken into account. A benefit of 503 (past service costs) is recognized in personnel costs.

Telegraaf Media Groep N.V. has a pension schema for their graphical employees (mostly working in the printing facilities) which is operated by the industry wide pension fund 'Pensioenfonds Grafische Bedrijven'. TMG is not responsible for any shortfall in an early retirement/pension plan, nor is it required to make up any shortfall. The plan is therefore accounted for as a defined contribution plan. The plan had a coverage ratio of 101,4% at the end of 2015. That is below the legally set minimum (about 120%). One of the measures to improve the financial position of the Fund is an adjustment to the partner's pension in 2016. Furthermore, pension benefits will not increase in 2016. The possibility that in the future pension contributions will be increased and/ or retirement benefits will be reduced cannot be precluded.

Risks

The obligations of the commitments are actuarial determined. An increase in the discount rates will lead to an increase in liabilities, which, in case of defined benefit plans, is partly offset by an increase in the return on investments. An increase in life expectancy and salary increases will lead to an increase in liabilities. The benefits from indexation arrangements and termination of employment benefits at Keesing Group are insured externally. Given the extent and size of the obligations, risks for TMG are assessed as very limited.

The principal actuarial valuation assumptions at balance sheet date

In weighted averages	**2015**	2014
Discount rate at 31 December	**1,25% - 2,20%**	1,10% - 2,30%
Duration	**0,5 - 21,1**	5,6 - 29,3
Expected return on plan assets at 31 December	**2.00%**	1.00%
Expected rates of salary increase	**1.00%**	1.00%
Adjustment for inflation	**1.80%**	2.00%
Increase in social security benefits	**0,9% - 1%**	1.00%
Mortality table applied	**AG 2014**	AG 2014

The expected return on plan assets is the weighted average expected return, based on the expected investment mix of shares (40%), and fixed-interest securities (60%). The actual return in 2015 amounted between 1.25% and 2.20% (2014: 1.10%-2.30%) on investments at external insurance companies.

Developments in the net provision for employment benefit liabilities

In thousands of euros	**2015**	2014
Net provision as at January 1	**8,703**	8,976
Net expense recognised in profit and loss statement	**-2,244**	-137
Net expense recognised in other comprehensive income	**881**	1,850
Contributions paid	**-2,157**	-1,986
Total net provision according to balance sheet	**5,183**	8,703
Whereof:		
Pension plans	**2,030**	4,812
Other personnel benefits	**3,153**	3,891
Net provision as at December 31	**5,183**	8,703

Specification of the recognised liability for defined benefit obligations

In thousands of euros	**2015**	2014
Present value of unfunded obligations	**3,153**	3,891
Present value of funded obligations	**9,540**	12,491
Present value of obligations	**12,693**	16,382
Fair value of plan assets	**-7,510**	-12,640
Present value of net obligations	**5,183**	3,742
Effect on asset ceiling	**-**	4,961
Recognised liability for defined benefit obligations	**5,183**	8,703

The effect of the asset ceiling concerns the guarantee arrangement of defined benefit plan. The arrangement was frozen. The receivable is not in right enforceable and therefore an asset ceiling is stated. At year-end 2015 the sceme was terminated.

Movements in present value obligation of defined benefit pension schemes

In thousands of euros	**2015**	2014
As at 1 January	**16,382**	21,136
Service costs	**282**	516
Past service costs	**-2,528**	356
Result on jubilee plans	**65**	87
Termination settlement	**-236**	-3,316
Interest expenses	**283**	674
Contributions	**-**	821
Actuarial losses (gains)	**-536**	-1,815
Payments	**-1,019**	-2,077
As at 31 December	**12,693**	16,382

The decrease in liabilities is mainly due to the termination in respect of the defined benefit plans and the impact of the announced restructuring plans on jubilee arrangements.

Movements in fair value of plan assets

In thousands of euros	**2015**	2014
As at 1 January	**12,640**	20,568
Contributions	**2,157**	2,807
Interest on plan assets	**283**	694
Termination settlement	**-**	-1,916
Actuarial results	**-6,488**	-7,385
Addional costs	**-64**	-51
Payments	**-1,018**	-2,077
As at 31 December	**7,510**	12,640

Specification of plan assets

In thousands of euros	**2015**	2014
Property investments	**-**	280
Shares	**-**	1,649
Bonds	**-**	3,304
Deposits	**-**	162
Plan assets with insurance companies	**7,510**	7,245
As at 31 December	**7,510**	12,640

Effects on assets ceiling

In thousands of euros	**2015**	2014
As at 1 January	**4,961**	8,408
Interest	**109**	273
Actuarial results	**-5,070**	-3,720
As at 31 December	**-**	4,961

Recognised in the statement of profit and loss

In thousands of euros	**2015**	2014
Service costs	**282**	516
Past service cost	**-2,528**	356
Result from jubilee arrangement	**65**	87
Termination settlement	**-236**	-1,400
Additional costs	**64**	51
Total contribution to defined benefit schemes	**-2,353**	-390
Other personnel benefit plan costs	**-222**	609
Defined benefit pension plan costs	**-2,131**	-999
Total contribution to defined benefit schemes	**-2,353**	-390
Contribution to defined contribution schemes	**12,221**	12,986
Costs related to personnel benefit plans[1]	**9,868**	12,596
Interest	**109**	253
Total	**9,977**	12,849

1 Stated under pension costs 10,090 (2014: 11,897) and other personnel costs -222 (2014: 609).

TMG estimates the contributions to be paid under the defined benefit schemes during 2016 at 10,604 (2015: 14,602), as far as can be estimated reasonably.

There are no specific risks related to the pension fund. The risks arising from the defined benefit employee benefit plans relate to the (market) developments in interest rates, inflation, mortality expectations and investments.

Actuarial results recognised in other comprehensive income

In thousands of euros	**2015**	2014
Effect of changes in economical assumptions on the liabilities	**-109**	1,861
Effect of changes in life expectancy	**-**	-41
Effect of experience adjustments on the liabilities	**-428**	-3,635
Rate of return on plan assets (excluding interest income)	**6,488**	7,385
Changes in the effects on assets ceiling (exluding interest expense)	**-5,070**	-3,720
Total	**881**	1,850

Sensitivity analyses

The sensitivity analyses below have been determined based on different assumptions. An interval of 0.25% is used. The mutual dependency of the assumptions is excluded.

In thousands of euros	**min 0.25%**	**assumed**	**plus 0.25%**
Discount rate	1,00% - 1,95%	**1,25% - 2,20%**	1,50% - 2,45%
Pension liability year-end	13,233	**12,693**	12,185
Service costs 2015	231	**226**	219
Salary inflation	1.75%	**2.00%**	2.25%
Pension liability year-end	12,627	**12,693**	12,760
Service costs 2015	219	**226**	231
Price inflation	1.55%	**1.80%**	2.05%
Pension liability year-end	12,689	**12,693**	12,696
Service costs 2015	225	**226**	226
Indexation of active members	0.75%	**1.00%**	1.25%
Pension liability year-end	12,693	**12,693**	12,693
Service costs 2015	226	**226**	226
Indexation pensioners	0.75%	**1.00%**	1.25%
Pension liability year-end	12,246	**12,693**	13,170
Service costs 2015	226	**226**	226

28. Provisions

In thousands of euros	**2015**	2014
Restructuring provision	**30,479**	24,025
Onerous contracts	**766**	1,453
Disputes	**5,180**	3,075
	36,425	28,553
Non-current	**216**	274
Current	**36,209**	28,279
Carrying value as at 31 December	**36,425**	28,553

Restructuring provision

In thousands of euros	Notes	**2015**	2014
Balance as at 1 January		**24,025**	35,112
Provisions made during the financial year	7	**30,867**	6,129
Release	7	**-3,695**	-5,915
Recognised in the income statement		**27,172**	214
Provisions used		**-20,718**	-11,301
Balance as at 31 December		**30,479**	24,025

In 2015, the 2014 restructuring provision was largely used. During 2015, a restructuring provision was recorded as a result of a reorganisation within the printing division, associated with reducing the number of presses from 10 to 4. The restructuring includes a reduction of approximately 160 employees. In addition, plans are developed for a reorganisation of more than 90 employees of the editorial staff of Landelijke Media and of Dichtbij.nl.

The restructuring plans are communicated with the TMG employees in several ways, making a justified expectation by the employees that the reorganisation will take place. Different parts of the restructuring are already set in motion after agreement of the Works Council. The restructuring provision concerns commitments related to job placement services and the discharge of employees mainly relating to the segments TMG Landelijke Media (editorial office) and Facilitating Services (printing department). A change in assumptions and estimates may affect the actual costs of the restructuring, including choice of outflow (buyout or job replacement services), the social plan and timing. The current part amounts to 30,479 (2014: 24,025).

Onerous contracts

In thousands of euros	**2015**	2014
Balance as at 1 January	**1,453**	1,757
Provisions made during the financial year	**652**	2,151
Release	**-85**	-
Recognised in the income statement	**567**	2,151
Provisions used	**-1,254**	-2,455
Balance as at 31 December	**766**	1,453

The provision for onerous contracts relates mainly to rented property which is no longer in use. The future lease payments, until the end of contract date, are provided for.

Litigation

In thousands of euros	**2015**	2014
Balance as at 1 January	**3,075**	4,000
Provisions made during the financial year	**3,115**	1,646
Release	**-688**	-2,215
Recognised in the income statement	**2,427**	-569
Provisions used	**-322**	-356
Balance as at 31 December	**5,180**	3,075

The provision for litigation concerns claims made by third parties against TMG. The disputes have emerged from the ordinary activities of TMG. A further explanation cannot be given due to potential adverse effects for the company.

29. Deferred tax assets and liabilities

Deferred tax assets and liabilities recognised can be allocated as follows at the end of the financial year:

			2014
In thousands of euros	**Assets**	**Liabilities**	**Balance**
Intangible assets	**-**	**-18,023**	**-18,023**
Property, plant and equipment	**2,655**	**-**	**2,655**
Post-employment liabilities schemes	**363**	**-**	**363**
Provisions	**7,539**	**-**	**7,539**
Carry-forward loss compensation	**27,840**	**-**	**27,840**
Net tax asset/liability (-)	**38,397**	**-18,023**	**20,374**

Carry-forward losses

The carry-forward losses expire in the years 2021 to 2024. TMG expects the coming years to generate sufficient taxable income to realise the deferred tax asset.

			2014
In thousands of euros	Assets	Liabilities	Balance
Intangible assets	-	-19,538	-19,538
Property, plant and equipment	3,046	-	3,046
Post-employment liabilities schemes	962	-	962
Provisions	5,763	-	5,763
Carry-forward loss compensation	29,337	-	29,337
Net tax asset/liability (-)	39,108	-19,538	19,570
Reclassification assets and liabilities held for sale	246	-406	-160
Net tax asset/liability (-)	38,862	-19,132	19,730

Unrecognised deferred tax assets

With regard to (start-up) losses of a few subsidiaries, no deferred tax assets were recognised on the balance sheet, because the expectation is that these will not be realised in short time. The collection of the deferred tax asset is depending on future fiscal profits. At the end of 2015, unrecognised deferred tax assets amounted to 4,935 (2014: 2,792).

Movements in temporary differences during the year

In thousands of euros	**Balance 1 January 2015**	**Recognised in income statement**		**(De-) Consolidation**	**Balance 31 December 2015**
		Temporary differences	**Adjustments prior years**		
Intangible assets	**-19,538**	**1,515**	**-**	**-**	**-18,023**
Property, plant and equipment	**3,046**	**-484**	**93**	**-**	**2,655**
Post-employment liabilities schemes	**962**	**-599**	**-**	**-**	**363**
Provisions	**5,763**	**1,697**	**79**	**-**	**7,539**
Carry-forward loss compensation	**29,337**	**3,991**	**-5,488**	**-**	**27,840**
Net tax asset/liability (-)	**19,570**	**6,120**	**-5,316**[1]	**-**	**20,374**

1 See also note 11.

In thousands of euros	Balance 1 January 2014	Recognised in income statement		(De-) Consolidation	Balance 31 December 2014
		Temporary differences	Adjustments prior years		
Intangible assets	-20,468	1,780	-	-850	-19,538
Property, plant and equipment	1,495	1,551	-	-	3,046
Post-employment liabilities schemes	419	543	-	-	962
Provisions	6,514	-751	-	-	5,763
Carry-forward loss compensation	25,978	3,359	-	-	29,337
Other items	101	-101	-	-	-
Net tax asset/liability (-)	14,039	6,381	-	-850	19,570

30. Accounts payable and other current liabilities

In thousands of euros	**2015**	2014
Subscriptions paid in advance	**40,186**	39,227
Other amounts paid in advance	**5,428**	4,460
Trade payables to suppliers	**23,380**	20,013
Employee benefits payable (holidays/-allowance)	**20,834**	21,691
Other taxes and social security premiums	**14,030**	14,726
Other liabilities and deferred income	**28,085**	32,382
Total	**131,943**	132,499

Other liabilities and deferred income consist of (estimates for) editorial expenses, distribution expenses, other general expenses, returned products and commissions to be paid. The fair value of the liabilities does not differ from the nominal value recognised here.

31. Financial risk management

TMG recognises the market, credit, currency and interest rate risk involved in regular business operations. The current economic situation strengthened the pressure on advertisement revenues, of which TMG is depending on for a significant part. TMG has developed different scenarios to absorb fluctuations in advertising revenues. Part of these scenarios is a cost reduction programme started in 2012 and 2013 and which is largely completed in 2015. Furthermore, the decision was made to strongly reduce the printing capacity of our printing facilities by reducing the printing presses from 10 to 4, to better respond to a decrease in circulation. Additionally the trends in the price of paper can also have a substantial effect on the business result.

The Executive Board has overall responsibility for the establishment and oversight of TMG's Risk control framework. The Executive Board makes an annual assessment of the strategic risks at both the central and decentralised level and evaluates the developments and monitoring of the strategic risks quarterly.

TMG's risk management policies are established to identify and analyse the risks faced by TMG, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and TMG's activities. TMG, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations. Group Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Executive Board and Audit Committee.

Market risk

Market risk is the risk that the availability of financing for corporates as TMG is limited by developments that are beyond the direct control of the company itself. In an environment where companies are heavily dependent on the availability of bank financing, it is important to adequately maintain access to alternative sources of finance.

Considering the relatively limited need for financing, TMG's syndicated financing facility (see note on interest-bearing loans and borrowings) of € 70 million with a maturity of three years (until mid 2018) is yet sufficient. Only when a substantial increase in funding occurs it is important for TMG to consider alternative financing.

Credit risks

Credit risk arises principally from TMG's receivables if major customers fail to meet their contractual obligation. The (industry-wide) terms of payment applied, the relatively limited dependence on individual customers and the historical payment behaviour of our customers make it unnecessary to use financial instruments to limit this risk. The majority of the circulation revenues are paid in advance. The credit risk is principally concentrated in The Netherlands.

Impairment losses

Customers are required to pay within pre-set time limits. Exceeding the deadline results in service deliveries being halted. Customers are primarily media outlets, companies and subscribers. The aging of trade receivables at balance sheet date was:

In thousands of euros	Total	Not past due	Past due 30 - 60 days	Past due 60 - 90 days	Past due 90 - 180 days	Past due 180 - 360 days	More than 360 days
Balance as at 31 December 2015	**53,263**	**39,601**	**8,220**	**1,702**	**1,094**	**1,057**	**1,589**
Balance as at 31 December 2014	52,435	38,898	7,092	1,611	1,539	1,138	2,157

TMG has established an impairment risk provision for estimated losses on trade receivables. The impairment is based on payment arrears and the stipulated payment conditions. Changes in the impairment provision for trade receivables during the year were as follows:

In thousands of euros	**2015**	2014
Balance as at 1 January	**4,819**	7,674
Additions	**1,071**	2,506
Use	**-2,266**	-5,361
Balance as at 31 December	**3,624**	4,819

Liquidity risk
Liquidity risk is the risk that TMG is unable to meet its financial obligations as they fall due. The premise of the liquidity risk is that at all times sufficient liquidity and / or credit facilities are available to meet current and future financial obligations. At balance sheet date TMG has a substantial amount of cash. In addition an unsecured credit facility is available which was not used during 2015.

Currency risk
Currency risk is the risk that fluctuations in currency rates affect the profitability of transactions. TMG incurs currency risks to a very limited extent due to activities outside the euro zone, namely Denmark, United Kingdom, Sweden and Poland. The net cash in and outflows of the entities and their timing is such that no significant currency positions exist. Sensitivity of TMG to foreign exchange rates is therefore very limited. At the end of 2015 TMG had no forward contracts.

Interest-rate risk
TMG's most relevant risk is the risk that TMG's cost of capital might be adversely affected by changes in interest rates on the financial markets.Given the limited size of the debt position, TMG is hardly sensitive to interest rate fluctuations and therefore nor do they have any significant influence on TMG's financial position.

Other market-price risk
Of the commodities traded on the global market, TMG only purchases paper o the extent that fluctuations in its price can have a substantial impact on the operating result. TMG has decided not to hedge the risk of increasing paper prices because TMG already has long-term contracts with paper suppliers and large manufacturers of paper have taken up positions on the futures market making it insufficiently liquid to hedge significant volumes in a manner that would be attractive to TMG.

Fair value of financial liabilities
The fair value of financial liabilities are categorised into different levels of the fair value hierarchy:
• Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
• Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
• Level 3 inputs are unobservable inputs (unobservable market activity) for the asset or liability.

The carrying amount of the financial liabilities corresponds to its fair value. The interest-bearing loans and borrowings, trade and other payables are categorised and measured under level 3 (entity-specific measurement). In 2015 and 2014 no transfers occurred between the three levels.

Maturity profile of TMG's financial liabilities

In thousands of euros	Total	6 months or less	7-12 months	1-2 years	2-5 years	More than 5 years
2015						
Interest-bearing loans and borrowings[1]	**26,368**	**14,254**	**11,642**	**472**	**-**	**-**
Trade and other payables	**131,943**	**123,906**	**8,037**	**-**	**-**	**-**
Total	**158,311**	**138,160**	**19,679**	**472**	**-**	**-**
2014						
Interest-bearing loans and borrowings[1]	30,959	-	9,336	9,502	624	11,497
Trade and other payables	132,499	122,539	9,960	-	-	-
Total	163,458	122,539	19,296	9,502	624	11,497

1 Including interest

Interest-bearing loans and borrowings include a shareholder loan from V-Ventures B.V. to Sienna Holding B.V. for an amount of 11,968. This loan is acquired from V-Ventures B.V. by Telegraaf Media Groep N.V. on 21 January 2016 (also see Subsequent events), together with the minority interest in Sienna Holding B.V. of 10% (see note 25).

Capital management

The Executive Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of business. The Executive Board monitors the return of capital, which TMG defines as the net operating income divided by total shareholders' equity, excluding non-controlling interests. The Executive Board also monitors the level of dividends to ordinary shareholders. From time to time TMG purchases its own shares on the market. Buy and sell decisions are made on a specific transaction basis by the Executive Board within limits set by the Supervisory Board and the annual meeting of shareholders; TMG does not have a defined share-buy-back plan. At the moment there is no share-buy-back plan in force.

32. Off balance sheet assets and liabilities

Non-cancellable off balance sheet operational leases expire as follows:

Operational lease agreements

In thousands of euros	**2015**	2014
< 1 year	**19,411**	23,595
1-5 years	**15,397**	29,095
> 5 years	**665**	787
Total	**35,473**	53,477

Operational lease agreements consist of long term obligations related to rent of buildings, lease cars, ICT services and other services. In financial year 2015, an expense of 9,893 was included in the statement of profit and loss for operational leases (2014: 10,473).

Other off balance sheet liabilities

TMG has agreements with raw material suppliers ans suppliers of auxiliary materials for which the liabilities within 1 year amount to 3,200 (2014: 13,840).

TMG has a long term agreement for printing puzzle magazines and newspapers with a third party. The maximum purchase obligation between one and three years is 17,000 (2014: 17,000).

Litigation

A number of TMG group companies face legal proceedings. These cases primarily concern employment relations, disputes and rectifications of publications. TMG is confident about the outcome and has therefore not recorded a provision for these disputes. For disputes for which a provision is recognized, reference is made to note 28.

Off balance sheet assets

Sky Radio Group

On 8 January 2015, the Trade and Industry Appeals Tribunal (CBb) issued a ruling in the legal proceedings instituted by the Sky Radio Group against the State. The lawsuit pertained to the € 20.4-million fee that the Sky Radio Group is required to pay for the FM licensing permit over the period 2011-2017 for the qualified A2 Lot ('Radio Veronica'). The CBb ruled in favour of the Sky Radio Group. The ruling is not open to any appeal or objection. In its ruling the CBb declared Sky Radio Group's appeal to be founded. In addition, the CBb has nullified the regulations attached to the license. Apart from that the permit was upheld.

During 2015 TMG had several meetings with the State about the ruling of the CBb and the possible implications. After those meetings it is not clear yet for TMG how the Minister will come to a new valuation for the license. Awaiting a decision by the Minister, the State decided not to collect the yearly redemption on the license liability for the period September 2015 upto and including August 2016.

To determine its position, TMG consulted with various advisors concerning an assessment of the subsequent negotiations and discussions with the State. These consultations also considered the substantive deliberations of the CBb. These considerations do not appear to preclude that the Minister, acting on his own initiative (in his official capacity) may attempt to impose a new financial payment obligation for the use of the A2 Lot. In addition, the CBb furthermore has not ruled whether the A2 Lot should be considered to have a value that is less than or equal to zero. Nor did the ruling specify that the Minister therefore should have set the payment amount to zero.

TMG has furthermore concluded that it is not possible to rule out that the ruling, in an indirect way, could have negative implications for Sky Radio Group. This is related to the consideration that the Minister can decide whether the current radio permits at the end of their current term will once again be extended or whether there will be an entirely new division. The latter could entail an auction. The uncertainty this entails is whether Sky Radio Group will continue to be able to broadcast on the A2 Lot, as well as the lack of clarity concerning the related financial conditions.

On the basis of its analyses, sought advice and deliberations, TMG concludes that the consequences of the CBb ruling are uncertain. It is impossible to produce a reliable estimate of the direct consequences. In the balance sheet as at 31 December 2015, the licenses in relation to the obligations arising from Lot A2 are recorded under Intangible assets, Note 14, for an amount of 5,663 (2014: 9,050), while the related liability, to an amount of 6,999 (2014: 6,846), is explained in Note 26. Should any new facts come to light in 2015, these items can change.

33. Investment commitments

In the financial year 2014 and 2015, TMG did not enter into significant agreements for development of software or other investments, other than the mentioned commitments in note 32.

34. Contingent liabilities

At the end of 2015 bank guarantees of 9,137 (2014: 8,687) were issued to cover FM license obligations and rental agreements.

35. Related parties

Identity of related parties

TMG has a related party relationship with its subsidiaries, associates (see section 16 of the notes), joint arrangements, Stichting-Telegraafpensioenfonds 1959 and Stichting Preferente Aandelen Telegraaf Media Groep N.V. A list of Telegraaf Media Groep N.V. participations has been published at the Chamber of Commerce in Amsterdam.

The following shareholders have, at 31 December 2015, following the AFM register, an interest of more than 20% in TMG's capital:
- Stichting Administratiekantoor van aandelen Telegraaf Media Groep N.V.
- Bech N.V. (VP Exploitatie N.V.)
- Dasym Investment Strategies B.V.

Transactions with Executive Board and Supervisory Board

For a specification of the remunerations per board member please refer to the company financial statements (Note 8). The note on related parties refers to TMG senior management, namely the Executive and Supervisory Boards. The total remuneration is included in personnel costs (see note 7 of the consolidated financial statements).

Transactions with shareholders or certificate holders

In April 2015, TMG has signed a Letter of Intent with Dasym Investment Strategies B.V. to enter into a strategic partnership in which both parties jointly establish a fund that amongst others invests in the development of "Over-The-Top". At balance sheet date TMG still needs a number of conditions to be met (including the approval of the Central Works Council and the Supervisory Board) before the fund can be established.

Other related-party transactions

Transactions with related parties relate to associated companies (revenue 2015: nil; revenue 2014: nil). Receivables with related parties were 453 (2014: 188) as at 31 December for which a provision is made of 453 (2014: 188). In 2015 TMG paid 10,955 (2014: 11,095) premium to Stichting-Telegraafpensioenfonds 1959. Including employees contributions the premium amounted to 15,803 (2014: 16,409). All outstanding balances with these related parties are priced at an arm's length basis and are settled in cash within six months of the reporting date. None of the balances is secured.

36. Subsequent events

Reference is made to the chapter Other information.

Company statement of profit and loss

In thousands of euros	**2015**	2014
Result of subsidiaries (after tax)	**-10,023**	-26,260
Other income and expense (after tax)	**-12,737**	-7,546
Net result for the year	**-22,760**	-33,806

Company statement of financial position

as at 31 December, before result approportion

In thousands of euros	Notes	2015	2014
NON-CURRENT ASSETS			
Intangible assets			
Goodwill	2	**-**	2,599
Non-current financial assets			
Subsidiaries		**398,497**	282,912
Deferred tax assets		**27,696**	26,148
Total non-current financial assets	3	**426,193**	309,060
Total non-current assets		**426,193**	311,659
CURRENT ASSETS			
Receivables			
Subsidiaries		**1,161**	215,070
Other receivables		**182**	-
Cash and cash equivalants		**37**	81
Total current assets		**1,380**	215,151
Total assets		**427,573**	526,810
SHAREHOLDERS' EQUITY			
Issued capital		**11,588**	11,588
Legal reserves		**539**	2,051
Other reserves		**245,813**	278,886
Retained earnings		**-22,760**	-33,806
Total shareholders' equity	4	**235,180**	258,719
NON-CURRENT LIABILITIES			
Subsidiaries		**177,824**	177,824
Other non-current liabilities		**-**	310
Total non-current liabilities		**177,824**	178,134
CURRENT LIABILITIES			
Subsidiaries		**13,889**	89,795
Other current liabilities		**680**	162
Total current liabilities	6	**14,569**	89,957
Total liabilities		**192,393**	268,091
Total shareholders' equity and liabilities		**427,573**	526,810

Notes to the company financial statements

1. Significant accounting policies

The company financial statements have been prepared in accordance with the provisions of Part 9, Book 2 of the Netherlands Civil Code. As regards determining the principles for the valuation of assets and liabilities and the result of its company financial statements, Telegraaf Media Groep N.V. uses the option provided for in Article 2:362, paragraph 8 of the Netherlands Civil Code. This means that the principles for the valuation of assets and liabilities and the determination of the result (hereinafter to be referred to as the 'accounting principles') of the company financial statements of Telegraaf Media Groep N.V. are the same as those used for the consolidated IFRS financial statements. Investments in subsidiaries are accounted for at net asset value in accordance with the IFRS accounting principles as stated in the consolidated financial statements. These consolidated IFRS financial statements have been prepared in accordance with the standards of the International Accounting Standards Board and approved by the European Union and interpretations of IFRIC.

Please refer to pages 88 to 100 for a description of these principles. Share in result of subsidiaries, joint arrangements and associates includes the share of Telegraaf Media Groep N.V. in the results of these participations. Results on transactions which have involved the transfer of assets and liabilities between Telegraaf Media Groep N.V. and its participations and between participations themselves have not been processed in so far as these cannot be regarded as having been realised. A reference is made to the Notes to the consolidated financial statements, unless otherwise stated. In conformity with article 402, Book 2 of the Netherlands Civil Code, a condensed statement of profit and loss is included in the company financial statements of Telegraaf Media Groep N.V.

2. Intangible assets

In thousands of euros	**2015**	2014
Goodwill		
Cost	**3,300**	3,300
Impairment	**-701**	-701
Carrying amount at 1 January/ 31 december	**2,599**	2,599
Movements carrying amount		
Reclassification to group companies	**-2,599**	-
Total movements	**-2,599**	-
Cost	**-**	3,300
Impairment	**-**	-701
Carrying amount at 31 December	**-**	2,599

The change in the carrying amount of goodwill relates to an internal restructuring of the group companies within Telegraaf Media Groep.

3. Non-current financial assets

In thousands of euros	**2015**	2014
Subsidiaries		
Share in equity	**280,724**	282,912
Intercompany	**117,773**	-
	398,497	282,912
Deferred tax assets	**27,696**	26,148
Total	**426,193**	309,060

Deferred tax assets relate to the accumulated losses of the fiscal unity for income taxes TMG, see note 29 of the consolidated financial statements.

Movements in non-current financial assets can be shown as follows:

In thousands of euros	Subsidiaries	Deferred tax assets	Total
Carrying amount as at 1 January 2015	**282,912**	**26,148**	**309,060**
Share in result of investments	-10,023	-	-10,023
Share in actuarial results	-662	-	-662
Effect of acquisition non-controlling interest	-118	-	-118
Tax asset on tax loss 2015	-	7,036	7,036
Origination and reversal of temporary differences	-	-5,488	-5,488
Intercompany	8,615	-	8,615
Loans granted	117,773	-	117,773
Carrying amount as at 31 December 2015	**398,497**	**27,696**	**426,193**

The increase in carrying amount of subsidiaries through intercompany is the result of the restructuring of legal entities in 2015.

An overview of the information based on art. 379 and 414 of Book 2 of the Netherlands Civil Code has been filed with the Chamber of Commerce in Amsterdam.

4. Shareholders' equity

The company's equity is equal to the consolidated equity attributable to shareholders of Telegraaf Media Groep N.V. (zie pag 87).

The movements in shareholders equity is as follows:

In thousands of euros	Issued capital	Legal reserve	Other reserves	Retained earnings	Total
Balance as at 1 January 2015	**11,588**	**2,051**	**278,886**	**-33,806**	**258,719**
Distibution of losses	**-**	**-**	**-33,806**	**33,806**	**-**
Net result for the year	-	-	-	-22,760	-22,760
Other comprehensive income	-	-	-661	-	-661
Total comprehensive income for the year	**-**	**-**	**-661**	**-22,760**	**-23,421**
Acquisition of minority interest	-	-	-118	-	-118
Result subsidiaries not distributable	-	-1,512	1,512	-	-
Balance as at 31 December 2015	**11,588**	**539**	**245,813**	**-22,760**	**235,180**

The statutory reserve is maintained for non-distributable profits of associates The change in 2015 shows the capitalisation of internally developed assets in subsidiaries offset by a release to the Retained earnings (distributable) because of the depreciation on the same assets in 2015, and legally required reserves held by subsidiaries abroad. The reservation is based on Art. 2:365 BW of the Dutch Civil Code.

5. Non-current liabilities

In thousands of euros	**2015**	2014
Subsidiaries	**177,824**	177,824
Acquisition payables	**-**	310
Total	**177,824**	178,134

The non-current liability Subsidiaries relates to a loan from TMG Investeringen B.V. (2014: TM Investeringen N.V.)

6. Current liabilities

In thousands of euros	**2015**	2014
Subsidiaries	**13,889**	89,795
Borrowings and other financing	**310**	-
Other current liabilities	**370**	162
Total	**14,569**	89,957

The liability to Susidiaires relates to intercompany liabilities within the group as a result of intra-group transactions.

7. Off-balance sheet liabilities

Joint and several liability and guarantees

Pursuant to Article 403, paragraph 1, subparagraph f of Book 2 of the Dutch Civil Code, the company is liable for the debts arising from the legal transactions of the Dutch group companies in which it holds an interest of 95% or more. A list of group companies has been filed with the Chamber of Commerce and will be made available by the company upon request.

Fiscal unity

TMG, along with almost all of its wholly-owned subsidiaries in the Netherlands, is a single fiscal unity for both income tax and VAT. Within the fiscal unity, TMG companies are jointly and severally liable for tax liabilities to the Tax Authorities.

8. Remuneration of executive board and supervisory board members

Remuneration

The variable short-term component consists of a maximum of 50% of the basic salary, 60% of which is determined on the basis of the degree to which the collective objectives of the Executive Board are realised and 40% on the basis of the degree to which the individual objectives of the relevant member of the Executive Board are realised. The 2015 objectives of Mr Van der Snoek consisted of strategic, financial, HR, communication-related and operational objectives. Mr Epskamp's objectives were primarily financial in nature. For 2015, 90 percent of the targets set were achieved by both board members. Mr. van der Snoek has received a variable remuneration of € 202,500 (2014: € 60,000) over 2015. Mr. Epskamp has received a variable remuneration over 2015 of € 168,750 (2014: € 35,000).

In 2015, the phantom share plan was introduced as part of the long term compensation benefits of the Executive Board. Under this plan, the board of directors are entitled to receive a cash payment equal to the value of the number of shares that have vested at the end of the performance period (31 December 2018) multiplied by the average share price of TMG during the last quarter of the plan period (fourth quarter of 2019). These cash-settled phantom shares are conditional on completing four years of service (the vesting period) and four additional set targets. These targets are the performance of the share price of TMG compared to a peergroup (weighting 30%), revenue target for the year 2018 (weighting 15%), EBITDA margin target for the year 2018 (weighting 25%) and 2 ESG criteria, being the reduction of CO_2 and the implementation of an internal Talent Management Program (weighting 30%).

On 31 December 2015 the fair value of the conditionally granted phantom shares is € 3,75 per share. The outstanding liability with regard to the phantom share plan is 76 (2014: nil). The costs charged to the profit and loss amount to 76 (2014: nil). The maximum number of phantom shares that can be granted under the plan is 135.091.

Underlying breakdown is on accrual basis and including secondary salary conditions.

In euros	Fixed remuneration	Variable remuneration	Deferred remuneration	Redundancy scheme	Other short-term employee benefits[1]	Total
						2015
Members of the Executive Board						
G.J.E. van der Snoek	**450,000**	**202,500**	**56,366**	**-**	**82,978**	**791,844**
L.N.J. Epskamp	**375,000**	**168,750**	**49,427**	**-**	**70,271**	**663,448**
Former members of the Executive Board						
F.Th.J. Arp[2]	**-**	**-**	**-**	**-**	**-**	**-**

1 concerns: car lease costs, expenses and compensation for limitation of accrual of pension rights.
2 Resigned 1 November 2014. Service ended by March 1, 2015.

In euros	Fixed remuneration	Variable remuneration	Deferred remuneration	Redundancy scheme	Other short-term employee benefits	Total
						2014
Members of the Executive Board						
G.J.E. van der Snoek[1]	225,000	60,000	37,192	-	16,275	338,467
L.N.J. Epskamp[2]	125,000	35,000	20,545	-	8,720	189,265
Former members of the Executive Board						
F.Th.J. Arp	404,619	74,929	95,261	683,984	14,248	1,273,041
C.J.J van Steijn a.i.[3]	-	-	-	-	-	-

1 Appointed 1 July 2014.
2 Appointed 1 September 2014.
3 The fee in 2014 amounted to 186 300 incl. compensation Boer Croon management.

Remuneration of the (former-) Supervisory Board

In euros	**2015 Periodical remuneration**	2014 Periodical remuneration
Members of the Supervisory Board		
M.A.M. Boersma , chairman	**51,510**	51,000
M.A.M. Boersma , delegate commissioner	**-**	60,000
J.J. Nooitgedagt, vice-voorzitter	**47,975**	47,500
A.R. van Puijenbroek, secretaris	**45,955**	45,500
mevr. A.G. van den Belt[1]	**40,905**	27,000
mevr. S.G. Brummelhuis[1]	**45,955**	30,333
Former members of the Supervisory Board		
D.H.H.D. Ropers[2]	**-**	11,894
M. Tiemstra[2]	**-**	13,727
J.G. Drechsel[2]	**-**	13,894

1 Joined by April 24, 2014.
2 Resignation by April 24, 2014.

Deferred remuneration is not granted to (former-) executive board members.

On 1 July 2014, Mr G.J. van der Snoek was appointed as chairman of the Executive Board. On this date Mr. Boersma resigned of his duties as delegate commissioner. Mr. Boersma was in average 1.5 days a month working for TMG as delegate commissioner. Furthermore he is on average two days a month active as chairman of the Supervisory Board. Based on the average time worked and the remuneration of the chairman of the Supervisory Board the total remuneration for both roles was about € 14,250 a month.The remuneration of the Supervisory Board and its committees has been changed in the General Meeting of Shareholders in 2014 and is now in line with the average applied by Dutch small caps. As of 2015 the remuneration will be indexed based on the CPI-index.

Share ownership at 31 December 2015

The executive board members and the supervisory board members do not hold any shares in Telegraaf Media Groep N.V. per the balance sheet date (2014: nil).

9. Service fee external auditor

The service fee recognised in the financial statements for the external auditor Deloitte Accountants B.V. and its affiliated audit firms, pursuant to art. 382 BW2 is as follows:

In thousands of euros	**2015**	2014
Audit of the financial statements	**584**	557
Other assurances services	**109**	194
Tax advisory	**-**	-
Other non-audit services	**-**	-
Total	**693**	751

The external auditor has not received fees for tax and / or other non-audit services.

Amsterdam, 8 march 2016

Executive Board
Geert-Jan van der Snoek, chairman and CEO
Leo Epskamp, CFO

Supervisory Board
Michiel Boersma, chairman
Jan Nooitgedagt, vice-chairman
Guus van Puijenbroek, secretary
Annelies van den Belt
Simone Brummelhuis

Other information

Subsequent events

On January 15, 2016, TMG announced a strategic partnership with Talpa in the field of radio, TV and Over The Top (OTT). Through the cooperation, the positions of TMG and Talpa be further strengthened in these areas. The collaboration takes shape through three initiatives:

- A strong Dutch commercial radio company with a comprehensive quality range. TMG acquires an interest of 22.85% in this new radio company. TMG's interest can be increased to up to 25% if certain targets are met;
- A TV company which is an important strategic step for TMG to take place in Dutch TV landscape. TMG hereby acquires a 15% stake in the share of Talpa in SBS;
- A platform for joint development of OTT offerings. This is a strategic value for TMG given its plan to launch at least two OTT channels this year.

As part of the collaboration TMG will contribute the radio stations Sky Radio and Radio Veronica, as well as € 27 million cash.

The transaction is subject to approval by the competent supervisory authorities and the opinion of the works councils concerned.

On January 21, 2016 TMG took over the minority stake and shareholder loan of V-Ventures B.V. (See note 25 and 26), resulting in a 100% beneficial ownership in Sienna Holding B.V.

Independent Auditor's Report

For the independent auditor’s report we refer to page 142 in the Dutch version of the annual report 2015.

Provisions in the Articles of Association concerning the appropriation of profit

In relation to the appropriation of profit, Article 33 of the articles of association of the Telegraaf Media Groep N.V. stipulates that:

1. Each year the Executive Board, subject to the approval of the Supervisory Board and the Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V. [TMG Preference Shares Trust], determines the portion of the profit – the positive balance on the income statement – that will be transferred to the reserves.

2. A dividend is made payable on the preference shares from the profit remaining after the transfer to reserves in accordance with the previous paragraph, at a percentage equal to the Euribor interest rate (Euro Interbank Offered Rate) for a period of twelve months (the 'Rate'), applicable on the date on which the relevant preference shares were issued. The Rate is subsequently reviewed each year by the Executive Board, for the first time on the day one year after the date of issue of the relevant preference shares and subsequently on the day one year after the date on which the Rate was set in the previous calendar year. The Rate is increased by three (3) percentage points. The dividend is calculated on the basis of the average of the applicable Rates in the relevant financial year, weighted by the number of days to which the applicable Rates applied. If the Rate cannot be determined on the relevant day, the Rate will be reviewed on the next day on which it can be determined. The dividend on preference shares will only be paid on the number of days that the relevant shares were actually in issue in the relevant financial year.

3. If in any financial year the dividend on preference shares as provided for in paragraph 2 above, cannot or can only partially be paid, due to a lack of sufficient income, the shortfall is paid from the distributable portion of equity. The dividend is calculated on the paid-up portion of the nominal amount.

4. A dividend is subsequently paid to the holders of priority shares in the amount of five percent of the nominal value of their shares.

5. The profit then remaining is at the disposal of the General Meeting of Shareholders. No additional dividend may however be paid from this amount on the priority shares or the preference shares.

6. Distribution of profit is limited to the distributable portion of the shareholders' equity.

7. If a loss is incurred in any one year, no dividend is then paid in that year. In addition, in subsequent years a dividend may only be paid after sufficient profit has been made to cover the loss. Based on a proposal submitted by the Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V., the General Meeting of Shareholders may however decide to extinguish such a loss against the distributable portion of the shareholders' equity or also make a dividend payable from the distributable portion of the shareholders' equity.

8. Profit is distributed after the financial statements, showing that the distribution is permissible, have been adopted.

9. The Executive Board, subject to the approval of the Supervisory Board and the Priority Share Management Trust, can decide to proceed with the payment of an interim dividend, provided that the interim statement of assets and liabilities demonstrates compliance with the provision in paragraph six. This statement is related to the capital position on at the earliest the first day of the third month prior to the month in which the decision to proceed with the payment of an interim dividend is announced. This statement is prepared in accordance with the application of generally accepted valuation standards. The statement of assets and liabilities includes the amounts that are to be included as reserves pursuant to the law. The statement is signed by the members of the Executive Board. If the signature of one or more of the members is missing, this is clearly stated together with the reason for it. The statement of assets and liabilities is deposited within eight days following the day on which the decision to proceed with payment is made, at the offices of the Commercial Register.

10. The shares held by the company in its own capital do not count in determining the distribution of profit.

Profit appropriation

The Executive Board, with the approval of the Supervisory Board, proposes that the General Meeting of Shareholders resolves to charge the loss over the 2015 financial year in the amount of € 22,760 to the other reserves. This proposal has not yet been recognised in the Financial Statements.

TMG Preference Shares Trust and TMG Priority Share Management Trust

Overview of all outstanding and potentially available defensive measures to guard against a possible takeover of control of Telegraaf Media Groep N.V. This summary identifies the circumstances under which these defensive measures would likely be able to be invoked.

STICHTING PREFERENTE AANDELEN TELEGRAAF MEDIA GROEP N.V.

The purpose of the Stichting Preferente Aandelen TMG N.V. (TMG Preference Shares Trust) is as follows:

1. To protect the interests of the Telegraaf Media Groep N.V., vested in Amsterdam, hereinafter also referred to as the Company, with its affiliated companies and all involved parties, whereby, among other things, such measures are taken as required to protect to the maximum possible extent against influences that could threaten continuity, independence or identity, in conflict with these interests.
2. To protect against the influence of third parties that could affect the editorial independence, as well as the principles that serve as the basis on which the opinion-forming publications of the companies within the group are formulated.

The Trust attempts to achieve this goal:

- By acquiring preference shares in the company and by exercising the rights associated with these shares.
- By exercising other rights that are granted to the Trust pursuant to the law, articles of association or an agreement.

The Trust takes the purpose for which the preference shares may be issued into consideration in relation to the provisions stated under 1) above, in accordance with the explanation provided in support of the proposal to amend the articles of association approved by the General Meeting of the Company on 20 December 1983. The disposal, encumbrance or in any other way disposing of shares falls outside such purpose, except:

- By disposal to the company itself or to an affiliated group company to be designated by the company.
- By collaboration in the repayment and withdrawal of shares.
- By encumbering shares (without transfer of voting right) for the purpose of acquiring a loan or credit, with the sole objective of depositing (part) of the nominal value of the preference shares in the Company to be acquired by the Trust.

The right to issue preference shares in the Telegraaf Media Groep N.V. is granted by the Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V. (TMG Priority Share Management Trust).

The Stichting Preferente Aandelen Telegraaf Media Groep N.V. has the right to acquire, in part or in whole, a number of preference shares in the capital of Telegraaf Media Groep N.V. for the exercise of these rights that corresponds to 50% of the total number of ordinary shares issued before the exercise of (a portion of) these rights.

The Stichting Preferente Aandelen Telegraaf Media Groep N.V. is an independent trust as defined in Section 5:71 subsection 1 under c of the Financial Supervision Act (Wft).

On 21 March 2008, Telegraaf Media Groep N.V. granted the Trust the authority to submit a request for inquiry on the basis of Article 2:346, opening words, and under e of the Dutch Civil Code.

The Management Board consists of a minimum of three and a maximum of five members. As at 31 December 2014 the composition of the Management Board was as follows:

Members	
ir. J.H.M. Lindenbergh	Chairman
J.G. Bruijniks	Vice-chairman
mr. J.P. Witsen Elias	Secretary
mevrouw prof.mr.drs. C.H. Sieburgh	Member

The remuneration of the Trust's Management Board members consists of € 6,000 per year for the Chairman and € 5,000 per year for the other board members, paid on an after-the-fact basis and per calendar year. The other costs of the Trust consist of banking, consulting and auditing fees. The total expenses of the Trust, including VAT, over 2015 amounted to € 37.584 (2014: € 41,179).

No preference shares were outstanding on the balance sheet date.

The Trust meets on two occasions during the year. In 2015, these meetings were held on 9 April and 7 October. Among the topics discussed at these meetings were the semi-annual and annual figures of Telegraaf Media Groep N.V. in the presence of TMG's CFO, the issue of preference shares scenarios, the extension of the loan agreement to finance the acquisition of preferred shares, and the appointment of Mrs Sieburgh as a new board member.

The Trust can autonomously and independently decide whether and when there is a need to exercise its option right.

In the opinion of the Trust's Management Board, as well as the Company's Executive Board, the Trust is independent as defined in Section 5.71 (1c) of the Financial Supervision Act (Wft).

Stichting Preferente Aandelen Telegraaf Media Groep N.V.,
J.H.M. Lindenbergh, Chairman

Telegraaf Media Groep N.V.
Geert-Jan van der Snoek, CEO

STICHTING BEHEER VAN PRIORITEITSAANDELEN TELEGRAAF MEDIA GROEP N.V.

The objective of the Management Trust is to acquire and manage the priority shares of the Company and, partly on this basis, to ensure the continuity of the company's management, ward off any influences on the Company's management that could affect the independence of the Company in conflict with its interests and to promote sound policy in the interests of the Company.

The authorities associated with the priority shares include the decision to issue shares, set the number of directors and the right to propose an amendment to the articles of association or dissolution of the Company before the General Meeting can decide on such matters.

The priority shares are held by the Stichting Beheer van Prioriteitsaandelen Telegraaf Media Groep N.V., whose Management Board at 31 December 2015 consisted of A.J. van Puijenbroek (Chairman), J.J. Nooitgedagt (Secretary), M.A.M. Boersma and E.H. van Puijenbroek.

Annual report 2015 of the Telegraaf Media Groep N.V. Share Administration Trust

Telegraaf Media Groep N.V. is a listed company. The receipts for depositary shares in Telegraaf Media Groep N.V. are traded on the Euronext Amsterdam N.V.

One of the purposes of the Telegraaf Media Groep N.V. Share Administration Trust (hereinafter: the Trust) is to issue convertible bearer depositary receipts for shares in exchange for which the Trust acquires and holds ordinary shares in its own name, for administration. The Trust administers the ordinary shares acquired for administration and exercises the rights associated with these shares, including the voting rights.

In exercising the rights associated with the shares, the Trust primarily focuses on the interests of the holders of depositary receipts with due consideration to the interests of Telegraaf Media Groep N.V. and its affiliated companies. The issue of depositary receipts for shares is a measure designed to prevent the absence of shareholders at the General Meeting of Shareholders from resulting in a minority of shareholders, by happenstance or otherwise, that is subsequently able to take over control of the meeting.

Shareholders are entitled to attend the General Meeting of Shareholders, and to speak and vote at this meeting. Holders of depositary receipts are entitled to attend and speak at this meeting. Holders of depositary receipts may obtain a voting proxy for the duration of this meeting from the Management Board of the Telegraaf Media Groep N.V. Share Administration Trust that entitles them to vote. Telegraaf Media Groep N.V.'s depositary receipts for shares can be converted without limitation. The issue of depositary receipts for shares therefore does not constitute an anti-takeover measure for Telegraaf Media Groep N.V.

The notes explaining the variance from Principle IV.2 of the Corporate Governance Code: Issue of Depositary Receipts for Shares may be found at www.tmg.nl under Corporate Governance.

n 2015, the number of convertible depositary receipts for shares in Telegraaf Media Groep N.V. issued by the Telegraaf Media Groep N.V. Share Administration Trust on balance increased by 380,011 depositary receipts and amounted to 29.487.785 (at a nominal value of € 0.25) as at 31 December 2015, corresponding to a nominal amount of € 7.371.946,25. An equal number of shares was administered by the Trust against these depositary receipts.

Two meetings took place on 9 April 2015. The items discussed during the regular Management Board meeting (minutes available on the Trust's website: http://administratiekantoor.tmg.nl) include the Trust's financial statements and report for the 2014 financial year, and the Trust's accounts. Telegraaf Media Groep N.V.'s financial statements were extensively discussed with Mr L.N.J. Epskamp, CFO of the Executive Board of the Telegraaf Media Groep N.V. In this meeting the succession of Mr. prof. W. P. Moleveld was also discussed, as well as the agenda for both subsequent meetings of certificate holders and the General Meeting of Shareholders raised on April 23, 2015. During this meeting, in addition to Mr Epskamp, Mr G J van der Snoek, CEO of TMG and Mr M.A.M. Boersma, Chairman of the Supervisory Board of TMG were partially present.

The Meeting of the Holders of Depositary Receipts for Shares subsequently took place in the afternoon (minutes available on the Trust's website: http://administratiekantoor.tmg.nl). This year only one holder of depositary receipts for shares was present at this meeting.

Agenda items included a discussion of the minutes of the Meeting of Holders of Depositary Receipts for Shares held on 8 April 2014, a review of the Telegraaf Media Groep N.V. General Meeting of Shareholders held on 24 April 2014, the activities of the Executive Board during 2014, and preparations for the Telegraaf Media Groep N.V. General Meeting of Shareholders held on 23 April 2015. During the meeting, the questions of the certificate holder and the questions of the board to be made in the shareholders meeting, were discussed. The questions were among others related to the strategy of TMG, the financial performance of TMG, the long-term remuneration policy and the subject of certification.

Telegraaf Media Groep N.V.'s Annual General Meeting of Shareholders was held on 23 April 2015 in Amsterdam (www.tmg.nl). The Trust's Management Board issued voting proxies for the duration of the meeting to the holders of depositary receipts for shares present during the meeting. The Management Board represented over 19,87%, while the holders of depositary receipts for shares with proxies represented almost 43% of the votes during this meeting.

The question from Mr De Waard (chairman of the board of the Foundation)) in the shareholders meeting concerned among other things TMG's strategy and communication about this with the shareholders of TMG, cooperation with Dasym and figures of TMG. In particular cost allocation and managing the cash position.

On October 7, 2015, the second regular board meeting was held by the Foundation (minutes available on the Foundation's website: http://administratiekantoor.tmg.nl). The agenda included: discussion of the half year report 2015 of TMG (in the presence of the CFO of TMG, Mr. LNJ Epskamp), discussing the investor relations policy of TMG, appointment of the Vice President of the Foundation and the financial position of the Foundation. At this meeting were, next to Mr. Epskamp, Mr G J van der Snoek, CEO of TMG and Mr M.A.M. Boersma, Chairman of the Supervisory Board of TMG partially present.

The annual remuneration, excluding VAT, of the Trust's Management Board members consists of € 9,000 for the Chairman and € 7,000 for the other board members, paid in arrears and per calendar year. The annual costs of the activities of the Share Administration Trust include VAT and consist, in addition to the remuneration of directors, primarily of expenses related to stock exchange listings and processing costs for a total of € 15,523 and auditing costs in the amount of € 4,095. The total expenses of the Trust over 2014 amounted to € 64.927 (2014: € 72,228).

The Board of the Telegraaf Media Groep N.V. Share Administration Trust is independent in the sense of Article 2:118a paragraph 3 of the Dutch Civil Code and consists of the following members, including mention of former and/or current functions held:

Member	Functions held
T. de Waard,chairman	Solicitor at DeWaardSinke Advocaten
E.S. Schneider, secretary	Independent Organisation Consultant, specialising in publishers and printers (to 2006)
W. Ruijgrok	Former Managing Director of VNO-NCW
J.F.H.M. van Exter	Former Managing Director Tata Steel Nederland Services B.V.
E.J. Cornelissen	Solicitor at DeWaardSinke Advocaten

Amsterdam, march 2016

Stichting Administratiekantoor van aandelen Telegraaf Media Groep N.V.
p/a Basisweg 30
1043 AP Amsterdam

Key figures by year

	2015	2014[1]	2013	2012[2]	2011	2010	2009	2008	2007	2006
Shareholders' equity x € 1,000[3]	**235,180**	258,719	298,786	424,760	465,828	531,075	465,962	411,576	866,815	498,041
TMG equity in percentage of the total equity and liabilities	**52.7%**	54.4%	53.7%	53.1%	55.6%	66.7%	61.1%	54.0%	70.3%	47.8%
Current ratio	**0.61:1**	0.72:1	0.7:1	0.45:1	0.50:1	0.72:1	0.78:1	0.7:1	2.64:1	1.04:1
Current gearing	**1.12:1**	1.19:1	1.16:1	1.13:1	1.25:1	2.00:1	1.57:1	1.17:1	2.37:1	0.91:1
Revenue TMG x € 1,000	**481,333**	512,701	542,230	555,850	577,200	592,297	611,840	684,204	738,795	784,460
Cash flow from operating activities x € 1,000	**16,312**	24,129	-15,465	21,977	17,485	59,569	49,252	64,962	62,130	60,195
Net result x € 1,000 **	**-22,760**	-33,806	177,597	-10,602	-32,590	81,826	70,505	-359,988	400,097	49,599
Net result TMG in percentage of the total revenues	**-4.7%**	-6.6%	32.8%	-1.9%	-5.6%	13.8%	11.5%	-52.6%	54.2%	6.3%
Operating result in percentage of the total revenues	**-4.4%**	-6.1%	-1.9%	2.9%	-14.3%	3.8%	-0.5%	-5.4%	-3.8%	-2.1%
Average total revenues per employee (fte)	**227,366**	219,009	209,760	204,658	204,536	207,751	204,743	207,272	201,590	188,981
Personnel end of year (fte)	**2,049**	2,259	2,459	2,745	2,940	2,851	2,988	3,278	3,594	3,782
Return on equity	**-9.7%**	-13.1%	59.4%	-2.5%	-7.0%	15.4%	15.1%	-87.5%	46.2%	9.9%
Pay out ratio	**p.m.**	p.m.	169.6%	p.m.	p.m.	26.3%	23.7%	p.m.	11.9%	50.0%
Per TMG share with a nominal value of € 0.25										
(rounded to whole euro cents):										
Shareholders' equity	**5.07**	5.58	6.45	9.16	9.99	11.12	9.76	8.62	17.43	9.96
Cash flow from operating activities	**0.35**	0.52	-0.33	0.47	0.37	1.25	1.03	1.35	1.24	1.20
Net result	**-0.49**	-0.73	3.83	-0.23	-0.69	1.71	1.48	-7.49	8.00	0.99
Dividend	**p.m.**	0.00	6.50	0.00	0.47	0.45	0.35	0.35	1.00	0.50
Lowest closing share price	**3.60**	5.61	7.92	6.60	9.10	14.52	8.95	8.86	19.69	19.00
Highest closing share price	**6.49**	9.11	14.85[4]	10.49	16.45	16.45	14.80	24.86	26.87	23.00
Closing share price as at 31 December	**3.75**	6.09	9.11	8.00	9.95	14.95	13.14	12.45	25.00	19.85

1 Exclusive Relatieplanet.nl (held for sale in 2014 and 2013)
2 Adapted for IAS19R.
3 Attributable to shareholders of Telegraaf Media Groep N.V.
4 Before interim-dividend payment of € 6.00.

Supplementary information

Annual report 2015

Glossary and abbreviations

Calculated consumption
Energy consumption that may potentially be reduced by implementing energy-saving measures, for which purpose the energy savings of the measures are calculated according to the general calculation method as laid down in the Handbook Monitoring MJA3 covenant.

Carbon Disclosure Project (CDP)
An independent non-profit organisation that aims to mitigate the emission of greenhouse gases at a global level. For more information, see http://www.cdp.net.

Centraal Bureau Fondsenwerving (Central Fundraising Agency) (CBF)
CBF provides information about charitable causes and promotes responsible fund raising and spending. For more information, see http://www.cbf.nl.

Certified paper
Paper originating from sustainably managed forests and with a PEFC, FSC, EU Ecolabel or similar certificate.

CertiQ
CertiQ certifies power generated by the renewable energy sources of solar, water, wind and biomass. CertiQ has been appointed is for this task by the Dutch government. The Certificates of Origin are provided electronically by CertiQ and are the only valid proof in the Netherlands of sustainably generated power. Certificates issued by CertiQ can be traded within Europa. For more information, see http://www.certiq.nl.

CO_2emissiefactoren.nl
The list of CO_2 emission factors is an initiative of SKAO, Stichting Stimular, Connekt, Milieu Centraal and the Dutch Ministry of Infrastructure and the Environment. It was created in collaboration with various stakeholders pursuant to a Green Deal with the parties involved. For more information, see http://www.co2emissiefactoren.nl.

CPU
The Central Processor Unit of a server. Because chips nowadays have more than one processor, the term CPU Cores is now used.

DAB+
Digital Audio Broadcasting. System for digitised radio broadcasts.

DIP (Deinked Pulp)
Recycled paper fibres that are processed with chemicals to remove the printing inks and other undesirable elements from the paper fibres. The process is referred to as ‘deinking’.

Sustainable reporting
Sustainable themes that are professionally and clearly reported in various ways, including in specials, advertisements, branded content and current affairs.

Energy Efficiency Plan (EEP)
A tool for implementing energy efficiency improvement measures as part of companies' internal planning process. The plan identifies which measures will be implemented when. It is a mandatory element of a company's long-term agreements on energy efficiency.

EBITDA
Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) is a standard to measure result development. EBITDA is the operating result excluding depreciation, amortisation and impairments.

FSC
The Forest Stewardship Council (FSC) is an international organisation dedicated to preserving and responsible forest stewardship throughout the world. FSC speaks about responsible forest stewardship when there is a balanced approach to the ecological, social and economic aspects that form part of forest management. For more information, see: http://www.fsc.nl.

Greenhouse Gas Protocol
An international standard for measuring, calculating and reporting the emission of greenhouse gases. For more information, see: http://www.ghgprotocol.org/.

GRI
The Global Reporting Initiative (GRI) focuses on achieving sustainability reporting by all organisations. GRI produces the world's most comprehensive Sustainability Reporting Framework as a means of effecting greater transparency by organisations. For more information see: https://www.globalreporting.org.

GRPs
Gross Rating Points. Measuring unit for viewing and listening density.

HOI
Het Oplage Instituut (HOI) is Dutch for the Circulation Institute, which collects, verifies and publishes circulation figures for media published in the Netherlands. On 1 January 2015, it was acquired by NOM (Nationaal Onderzoek Multimedia (National Multimedia Research)).

International Labour Organization (ILO)
The International Labour Organization is a specialised United Nations organisation. The promotion of social justice in work-related situations is one of the ILO's most important objectives. For more information, see: http://www.ilo.org.

MVO (CSR)
Maatschappelijk Verantwoord Ondernemen (Corporate Social Responsibility).

NOM
Nationaal Onderzoek Multimedia (National Multimedia Research) (see HOI).

NMR
Nielsen Media Research.

NLO/Intomart
Nationaal Luister Onderzoek (National Listening Research)/Intomart.

OESO Guidelines
The OECD Guidelines clearly specify what the Dutch government (and 45 other countries) expects from companies in the area of corporate social responsibility (CSR) when they conduct business (including international business). The guidelines provide a frame of reference for companies to deal with issues such as supply chain responsibility, human rights, child labour and the environment. For more information, see: http://www.oesorichtlijnen.nl/

Online product hosting
The hosting of online products developed by TMG in-house. The hosting of purchased SAAS and back-office products fall outside this definition.

PEFC
The Programme for the Endorsement of Forest Certification schemes is a global non-profit, independent quality mark designed to promote sustainable forest management. For more information, see: http://pefcnederland.nl.

Private marketplace
A Private Marketplace is an invite-only marketplace where publishers offer their ad inventory to a selected group of advertisers, via real-time bidding. It gives publishers control over which kinds of media buyers, advertisers and creatives will be displayed on their sites, while not having to manage individual advertisers like they would in a direct buy.

PUE
Power Usage Effectiveness is a value used by data centres to determine the energy efficiency of a company.

RAB
Radio Advies Bureau, marketing organisation for all national and regional, public and commercial radio stations.

SKAO
Stichting Klimaatvriendelijk Aanbesteden & Ondernemen (Independent Foundation for Climate-Friendly Procurement & Business) is an organisation that publishes a methodology for measuring the CO_2 performance of companies. As part of this methodology, the company also publishes CO_2 emission factors.

Total Cost of Ownership
Total Cost of Ownership (TCO) is an approach designed to provide full insight into all costs related to the acquisition, use and removal/reuse of purchased goods and services.

Transparency Benchmark
The Transparency Benchmark is an annual research into the quality of corporate social responsibility reporting by Dutch companies.

UN Global Compact
An initiative of the United Nations in which governments, the business community and various kinds of institutions collaborate to develop and apply universal principles concerning human rights, labour conditions, the environment and the combat of corruption. For more information, see: https://www.unglobalcompact.org.

Integrated reporting notes

Transparency is one of our strategic sustainability themes. One of the ways in which we demonstrate this is the next step we took towards producing an integrated annual report for TMG, in which we report on our strategic, financial and non-financial (i.e., sustainability) performance.

TMG believes that sustainability and achieving healthy financial results go hand in hand, and actually enhance each other. In this annual report, we therefore provide insight into the impact TMG has in terms of the economy, the environment and society in general.

We report on relevant activities in the period from 1 January 2015 up to and including 31 December 2015. To ensure transparent and integrated reporting, TMG follows the guidelines of the International Integrated Reporting Council (IIRC), which has developed a framework for this purpose.

Other accepted guidelines, too, are a source of inspiration for the composition of this report. These are:

- The Transparency Benchmark established by the Dutch Ministry of Economic Affairs;
- The guidelines of the Global Reporting Initiative (GRI G4). The guidelines have been applied at core level. This means that we report on the basis of the GRI indicators that are material to TMG's business operations. The GRI table shows which GRI indicators have been included and where they can be found in the report;
- The Carbon Disclosure Project (CDP).

Scope
All TMG business units, both in the Netherlands and abroad, fall within the scope of this report. For the scope of TMG's financial performance, reference is made to the notes to the consolidated financial statements. With regard to non-financial performance, TMG only reports on those business units of which it owns more than 50%. The report does not include data related to other stakeholders in the chain, such as customers or suppliers.

Sustainability themes
In this report, a number of material sustainability themes are dealt with. These themes have been determined by combining the interests of TMG's stakeholders with the impact the sustainability themes have on TMG's business success. See the materiality analysis.

In 2015, TMG established its enhanced sustainability policy, in 'TMG actively engaged every day'. In this Annual Report, we report on our sustainability performance in 2015 with regard to our material sustainability themes in detail. In 2016, the new policy will be further implemented, resulting in a more elaborated report as of 2016, including sustainability objectives and key performance indicators.

Validity of the data
The sustainability data presented in this report have not yet been verified by an external party. At the moment, TMG gives priority to implementing sustainability initiatives within the organisation.

The data reported on in the report have been calculated on the basis of data requested from the responsible business units, departments and staff departments. The data have been verified as to plausibility by the responsible officers.

For the calculation of CO_2 emissions, TMG uses the current well-to-wheel data on CO2emissiefactoren.nl at the end of the year. This website offers a clear list of core figures on CO_2 emissions, which makes comparisons between organisations easier.

The non-financial data included in this report have not been audited, nor has any other form of assurance by the external auditor been applied to this report.

We look forward to receiving your feedback on our report. Questions or remarks can be sent to corporatecommunication@tmg.nl.

GRI Table

GRI - G4 Sustainability Reporting Guidelines - General standard disclosures

Ref.	Description of GRI G4 indicator	Section in annual report	Explanation and reference
Strategy and analysis			
G4-1	Statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy.	Foreword (see page 5); Ambition and strategy (see page 16)	
G4-2	Description of key impacts, risks, and opportunities.	The world around us (see page 14)	
Organisational profile			
G4-3	Name of the organisation.	Who we are (see page 1)	
G4-4	Primary brands, products and/or services.	Who we are (see page 1)	
G4-5	Location of the organisation's headquarters.	Back cover	
G4-6	The number and names of countries where the organisation operates.	Who we are (see page 1)	
G4-7	The nature of ownership and legal form.	Who we are (see page 1); The TMG share (see page 62)	
G4-8	The markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	Who we are (see page 1)	
G4-9	Scale of the organisation.	Who we are (see page 1); Facts and figures 2015 (see page 2)	
G4-10	The number of employees by gender and age.	Our people (see page 10); Segment reporting (see page 100); Personnel costs (see page 104)	We do not report on the following matters: *a) The total workforce by employees and supervised workers and by gender.* *b) The total workforce by region and gender.* *c) Percentage of the organisation's work that is performed by workers who are legally recognised as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.* *d) Significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).* Last year, our reporting structure was not yet designed to incorporate the exact distribution of data as mentioned under c. The other data do, in our opinion, not increase the value of the report, or are irrelevant. Significant variations in employment numbers due to seasonal variations, for example, are not relevant to us.
G4-11	Percentage of total employees covered by a collective bargaining agreement.	Our people (see page 10)	1,515 of 2,230 = 68%
G4-12	Description of the organisation's supply chain.	Stakeholders and value creation (see page 19)	
G4-13	Any significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain.	Foreword (see page 5); Supervisory Board report (see page 73)	
G4-14	Description of whether and how the precautionary approach or principle is addressed by the organisation.	Sustainability and materiality (see page 22); Risk management (see page 64)	
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or which it endorses.	Energy and efficiency (see page 22) Environmental management (see page 22)	Multi-year agreement 3 ISO14001
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organisations.		TMG is a member of several media-related sector organisations, such as KVGO, NVJ and MVO Nederland
Identified material aspects and boundaries			
G4-17	• Overview of all entities included in the organisation's consolidated financial statements or equivalent documents.	Integrated reporting notes (see page 154);	

Ref.	Description of GRI G4 indicator	Section in annual report	Explanation and reference
	• Overview of all entities included in the organisation's consolidated financial statements or equivalent documents, but not in the GRI report.	Segment reporting (see page 100)	
G4-18	• Process for defining the report content and the aspect boundaries.	Sustainability and materiality (see page 22); Stakeholders and value creation (see page 19); Integrated reporting notes (see page 154)	
	• Explanation of how the organisation has implemented the GRI Reporting Principles for Defining Report Content.		
G4-19	Overview of all the material aspects identified in the process for defining report content.	Sustainability and materiality (see page 22);	
G4-20	Report on the aspect boundary within the organisation for material aspects.	Integrated reporting notes (see page 154)	
G4-21	Report on the aspect boundary outside of the organisation for material aspects.	Integrated reporting notes (see page 154)	
G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements.	Integrated reporting notes (see page 154); Significant accounting policies (see page 88)	
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries.	Integrated reporting notes (see page 154); Significant accounting policies (see page 88)	
Stakeholder engagement			
G4-24	List of stakeholder groups engaged by the organisation.	Stakeholders and value creation (see page 19)	
G4-25	The basis for identification and selection of stakeholders with whom to engage.	Stakeholders and value creation (see page 19)	
G4-26	The organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and whether any of the engagement was undertaken specifically as part of the reporting process.	Stakeholders and value creation (see page 19)	The structure of our reporting process has not yet been designed to involve all main stakeholder groups specifically in the context of our reporting. We aim to optimise the structure of this process to this end in the future.
G4-27	The key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	Stakeholders and value creation (see page 19); Integrated reporting notes (see page 154)	
Report profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	Integrated reporting notes (see page 154)	
G4-29	Date of most recent previous report (if any).		10 March 2015
G4-30	Reporting cycle (such as annual, biennial).		Annual
G4-31	The contact point for questions regarding the report or its contents.	Integrated reporting notes (see page 154)	corporatecommunicatie@tmg,nl
G4-32	• The 'in accordance' option the organisation has chosen.	Here	GRI G4, application level Core. The non-financial data included in this report have not been audited by the external auditor (nor has any other external assurance taken place).
	• The GRI Content Index for the chosen option.		
	• Reference to the External Assurance Report, if the report has been externally assured.		
G4-33	• The organisation's policy and current practice with regard to seeking external assurance for the report.	Integrated reporting notes (see page 154)	Current practice is described; the other items do not apply.
	• The scope and basis of any external assurance provided, if not included in the assurance report accompanying the sustainability report.		
	• The relationship between the organisation and the assurance providers. • Statement of whether the highest governance body or senior executives are involved in seeking assurance for the organisation's sustainability report.		
Governance			

Ref.	Description of GRI G4 indicator	Section in annual report	Explanation and reference
G4-34	The governance structure of the organisation, including committees of the highest governance body. Identification of any committees responsible for decision-making on economic, environmental and social impacts.	Sustainability and materiality (see page 22); Corporate Governance (see page 71); Composition of the Executive Board (see page 9); Composition of the Supervisory Board (see page 74)	See also http://www.tmg.nl/nl/management-structuur http://www.tmg.nl/nl/organogram
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided, including a statement of whether conflicts of interest are disclosed to stakeholders.	Corporate Governance (see page 71)	
Ethics and integrity			
G4-56	Description of the organisation's values, principles, standards and norms of behaviour, such as codes of conduct and codes of ethics.	Sustainability and materiality (see page 22); Corporate Governance (see page 71)	See also http://www.tmg.nl/nl/corporate-governance
G4- 58	Description of the internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	Sustainability and materiality (see page 22); Corporate Governance (see page 71)	See also http://www.tmg.nl/nl/corporate-governance

GRI - G4 Sustainability Reporting Guidelines - Specific standard disclosures

Ref.	Description of GRI G4 indicator	Section in annual report	Explanation and reference
Economy			
G4-DMA	Description of why the aspect is material and the impacts that make this aspect material.	Risk management (see page 64); Corporate Governance (see page 71); Sustainability and materiality (see page 22)	
	Description of how the organisation manages the material aspect or its impacts.		
	Evaluation of the management approach.		
Economic performance			
G4-EC	Direct economic value generated and distributed.	Facts and figures 2015 (see page 2); Financial performance (see page 31); Results of the business units (see page 37); Financial statements (see page 81)	
G4-EC4	Significant financial assistance received from government.		No financial assistance received.
G4-EC7	Development and impact of infrastructure investments and services supported.	Foreword (see page 5); Ambition and strategy (see page 16); Results of the business units (see page 37)	
Environment			
G4-DMA	Description of why the aspect is material and the impacts that make this aspect material.	Sustainability and materiality (see page 22); Integrated reporting notes (see page 154)	
	Description of how the organisation manages the material aspect or its impacts.		
	Evaluation of the management approach.		
Raw materials			
G4-EN2	Percentage of materials used that are recycled input materials.	Raw and residual materials	Percentage recycled and percentage certified
Energy			
G4-EN3	Direct energy consumption.	Energy and emissions	

Ref.	Description of GRI G4 indicator	Section in annual report	Explanation and reference
G4-EN6	Reduction of energy consumption.	Energy and emissions	
G4-EN7	Reductions in energy requirements of products and services.	Energy and emissions	
Emissions			
G4-EN15	Direct greenhouse gas emissions (Scope 1).	Energy and emissions	
G4-EN16	Indirect greenhouse gas emissions (Scope 2).	Energy and emissions	
G4-EN17	Other indirect greenhouse gas emissions (Scope 3).	Energy and emissions	Only air travel
G4-EN19	Reduction of greenhouse gas emissions.	Energy and emissions	
Effluents and waste			
G4-EN23	Total weight of waste by type and disposal method.	Raw and residual materials	
Transport			
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce.	Energy and emissions	
Supplier environmental assessment			
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	Sustainable procurement	Only the percentage of the centrally contracted suppliers who have signed the Code of Conduct for Suppliers. We aim to have more detailed data available in the future.
Social: sub-category Labour practices and decent work			
G4-DMA	• Description of why the aspect is material and the impacts that make this aspect material.	Sustainability and materiality; Integrated reporting notes	
	• Description of how the organisation manages the material aspect or its impacts.		
	• Evaluation of the management approach.		
Employment			
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region.	Our people (composition workforce)	With regard to employee turnover, we do not yet report separately by age group, gender and region.
Occupational health and safety			
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, absenteeism, and total number of work-related fatalities, by region and by gender.	Our people	At central level, only absenteeism rates and work-related injuries are available.
Training and education			
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Our people	
Supplier assessment for labour practices			
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria.	Sustainable procurement	Only the percentages of the centrally contracted suppliers who have signed the Code of Conduct for Suppliers. We aim to have more detailed data available in the future.
Social: sub-category Human rights			
G4-DMA	Description of why the aspect is material and the impacts that make this aspect material.	Sustainability and materiality; Integrated reporting notes	
	Description of how the organisation manages the material aspect or its impacts.		
	Evaluation of the management approach.		
Supplier assessment for human rights			
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	Sustainable procurement	Only the percentage of the centrally contracted suppliers who have signed the Code of Conduct for Suppliers. We aim to have more detailed data available in the future.
Social: sub-category Product responsibility			
G4-DMA	Description of why the aspect is material and the impacts that make this aspect material.	Sustainability and materiality; Integrated reporting notes	
	Description of how the organisation manages the material aspect or its impacts.		
	Evaluation of the management approach.		
Privacy			

Ref.	Description of GRI G4 indicator	Section in annual report	Explanation and reference
G4-DMA	Description of why the aspect is material and the impacts that make this aspect material. Description of how the organisation manages the material aspect or its impacts. Evaluation of the management approach.	Sustainability and materiality; Integrated reporting notes	
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Product responsibility	Numbers have been reported to the relevant institutions.
Content creation			
G4-DMA	Description of why the aspect is material and the impacts that make this aspect material. Description of how the organisation manages the material aspect or its impacts. Evaluation of the management approach.	Sustainability and materiality; Integrated reporting notes	
M2	Methodology for assessing and monitoring adherence to content creation values.	Product responsibility (see page 22)	
Content dissemination			
G4-DMA	Description of why the aspect is material and the impacts that make this aspect material. Description of how the organisation manages the material aspect or its impacts. Evaluation of the management approach.	Sustainability and materiality (see page 22); Integrated reporting notes (see page 154)	
M4	Actions taken to improve performance in relation to content dissemination issues (accessibility and protection of vulnerable audiences and informed decision making) and results obtained.	Product responsibility (see page 22)	
M5	Number and nature of responses (feedback/ complaints) related to content dissemination, including protection of vulnerable audiences and informed decision making and accessibility, and procedures for addressing these responses.	Product responsibility (see page 22)	Numbers are not included in the annual report.

The annual report is available on www.tmg.nl

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Amsterdam, March 2016

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tmg telegraaf media groep

94,2 miljoen
pageviews per maand[2]

281.000
totaal bereik via print en digitaal[1]
(incl. IJmuider Courant)

0,8 miljoen
abonnees[4]

7,0 miljoen
totaal bereik via print en digitaal[1]

18,5 miljoen
video views per maand[6]

925.000
totaal bereik via print en digitaal[1]

0,9 miljoen
gebruikers per maand[3]

3,6 miljoen
totaal bereik via print en digitaal[1]

2,1 miljoen
gebruikers per maand[3]

3,4 miljoen
unieke luisteraars per week[5]

2,4 miljoen
totaal bereik via print en digitaal[1]

266.000
totaal bereik via print en digitaal[1]

0,6 miljoen
gebruikers per maand[3]

1,2 miljoen
totaal bereik via print en digitaal[1]

108,0 miljoen
video views per maand[2]

6,5 miljoen
gebruikers per maand[3]

1,4 miljoen
unieke luisteraars per week[5]

49,0 miljoen
pageviews per maand[2]

246.000
totaal bereik via print en digitaal[1]

1,7 miljoen
abonnees[4]

6,2 miljoen
totaal bereik via print en digitaal[1]

2,4 miljoen
gebruikers per maand[3]

0,7 miljoen
unieke luisteraars per week[5]

Bronnen:
[1] NOM Mediamerken 2015-I (2014-II t/m 2015-I), 13+
[2] Google Analytics, maand december 2015
[3] Google Analytics, maand december 2015, betreft unieke browsers
[4] Interne rapportage TMG Digital
[5] NLO/GfK, ma-zo 06.00-24.00 uur / 2015 jaargemiddelde / 10 jaar en ouder
[6] Streamone, maand december 2015
[7] Google Analytics, maand december 2015, betreft dagbladsites en nieuwsapps

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Our Annual Reports are available online at www.tmg.nl.

This Annual Report is a translation of the Dutch Annual Report, which is the official version. Please note that in case of any discrepancies, the Dutch version will prevail.

If you have any comments on or questions about this Annual Report, please do not hesitate to contact us.