CBRE A/S

Rued Langgaards Vej 8, 5., DK-2300 København S

Annual Report for 2024

CVR No. 14 79 90 79

The Annual Report was presented and adopted at the Annual General Meeting of the company on 26/3 2025

Anne-Marie Thygesen
Chairman of the general meeting

Contents

Management's statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of CBRE A/S for the financial year 1 January - 31 December 2024.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and of the results of the Company operations for 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Copenhagen, 26 March 2025

Executive Board

Per Alexandar H.G. Weinreich

Supervisory Board

Marco Stephan Clemens Hekman Chairman	Anne-Marie Thygesen	Paul Robert Shackleton
Per Alexandar H.G. Weinreich	Christopher David Bailey	Christian Bro Jansen

Independent Auditor's report

To the shareholder of CBRE A/S

Opinion

We have audited the Financial Statements of CBRE A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company´s operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company´s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Copenhagen, 26 March 2025

BDO

Statsautoriseret Revisionspartnerselskab

CVR No 20 22 26 70

Søren Søndergaard Jensen

State Authorised Public Accountant

mne32069

Company information

The Company	CBRE A/S Rued Langgaards Vej 8, 5. DK-2300 København S Telephone: + 45 70229601 CVR No: 14 79 90 79 Financial period: 1 January - 31 December Municipality of reg. office: Copenhagen
Supervisory Board	Marco Stephan Clemens Hekman, chairman Anne-Marie Thygesen Paul Robert Shackleton Per Alexandar H.G. Weinreich Christopher David Bailey Christian Bro Jansen
Executive Board	Per Alexandar H.G. Weinreich
Auditors	BDO Statsautoriseret Revisionspartnerselskab Havneholmen 29 1561 København

Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2024	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Gross profit	114,140	88,294	110,961	93,000	74,324
Profit/loss of primary operations	15,341	5,932	17,238	13,214	6,444
Profit/loss of financial income and expenses	749	3,395	557	-34	200
Net profit/loss for the year	12,341	7,140	13,553	9,675	5,125
Balance sheet					
Balance sheet total	124,987	103,265	136,201	95,752	57,603
Investment in property, plant and equipment	1,457	946	832	387	125
Equity	70,088	57,747	50,607	41,447	31,772
Number of employees	112	93	85	70	78
Ratios					
Return on assets	12.3%	5.7%	12.7%	13.8%	11.2%
Solvency ratio	56.1%	55.9%	37.2%	43.3%	55.2%

Management's review

Key activities

The objective of the Company is transaction procurement, leasing services, property valuations, property management, advisory services and analyses regarding commercial and investment properties, property portfolios, property companies and ESG advisory regarding properties.

Financial review

The income statement of the Company for 2024 shows a profit of TDKK 12,341 compared to TDKK 7,140 last year, and at 31 December 2024 the Company's balance sheet amounted to TDKK 124,081 against 103,265 in 2023. The balance sheet shows a positive equity of TDKK 70,088 against TDKK 57,747.

In last year's annual report management expected a profit for 2024 of DKK 6-8 mio. The annual profit exceeded management's expectations with DKK 4 mio outlined in last year's Annual Report as the result for 2024 shows a profit of DKK 12,341. Market conditions in 2024 showed a slight improvement as anticipated. We experienced an increase in market share across all business segments, particularly in Capital Markets where the number of transactions increased both where we were seller and buyer adivisors and Property Management where existing clints expanded their portfolios as well as the arrival of new clients, which contributed to higher revenue and EBITDA.

CBRE A/S is a part of CBRE, which is the world's largest commercial real estate services and investment company, with the #1 global market position in leasing, property sales, outsourcing, property management and valuation. CBRE is also the largest commercial property developer in the United States and has more than USD 150 billion of Assets Under Management within our Investment Management business. Our more than 115,000 employees (excluding Turner & Townsend employees) serve clients in over 100 countries, including over 95 of the Fortune 100.

In CBRE A/S we are +120 employees in our two offices in Copenhagen and Aarhus.

Expected development of the company

CBRE anticipates a modest improvement in market conditions in 2025; however, ongoing geopolitical uncertainties complicate precise forecasts for that year. The company expects revenue growth across all business lines in 2025. Largest increase in revenue in Capital Markets and Property Management, while growth in the other business lines is expected to be more moderate. Due to organic growth and a net inflow of employees in 2024 in all business lines, management projects profit (before financial income and expenses) for 2025 to be at or slightly above the anticipated 2024 level, 12,341 estimated at DKK 14-15 million.

Changes in activities

In 2024, CBRE made strategic organic investments in existing and new business lines, increased its workforce, and expanded office facilities. In addition to expanding the existing business, new business lines were also added as separate departments. ESG, Work Place solutions and Debt and Structured Finance/Investment Banking are all areas were we hired specialist in 2024

Research and development

CBRE A/S have no R&D activities.

External environment – Company goals

CBRE as a company has a strong commitment to Sustainability and this is enhanced by a Environmental Sustainability Policy.

CBRE Global Environmental Sustainability Policy - https://mediaassets.cbre.com/-/media/project/cbre/dotcom/global/about/corporate-responsibility/planet/cbre-global-environmental-sustainability-policy.pdf?rev=dc8a5bc3e3744e04b9c1e4948dd74640

Global Environmental Sustainability Commitment Statement - https://mediaassets.cbre.com/-/media/project/cbre/dotcom/global/about/corporate-responsibility/global-environmental-sustainability-commitment-statement_71522.pdf?rev=f8f1f8eaed6b4b35b3687f2e5af158cf

Management's review

CBRE has an ambitious Net Zero goal, aiming to be Net Zero by 2040. To reach that goal, CBRE is reporting internally on the most important parameters that affect our emissions, such as transport and vehicle emissions, emissions from occupying the offices we use and emissions from events. By reporting on these parameters yearly and on a local level we can set the right goals to mitigate the total emissions of the company. CBRE has also developed 4 main focus areas to support the transition. These are:

1. Maximize resource efficiency
2. Increase renewable energy
3. Electrify operations
4. Decarbonize supply chain

To read more about this approach, one can find the Net Zero Strategy here:

Low Carbon Future | CBRE - https://www.cbre.com/about-us/corporate-responsibility/report/low-carbon-future

2023 Corporate Responsibility Report: Sustainable Commercial Real Estate | CBRE - https://www.cbre.com/about-us/corporate-responsibility/report-2023

CBRE Releases Holistic Climate Transition Strategy to Achieve Net Zero Emissions by 2040 and Near-Term Targets for 2030 | CBRE - https://www.cbre.com/press-releases/cbre-releases-holistic-climate-transition-strategy

CBRE has a Science Based Target that is in line with the SBTi and the global strategy. Specifically for Denmark we report our consumption to the main sustainability team once a year. This team reports further to the SBTi according to the guidelines. The strategy can be found here:

Climate Transition Strategy - https://mediaassets.cbre.com/-/media/project/cbre/dotcom/global/about/corporate-responsibility/planet/climate-transition-strategy.pdf?rev=096c5bfdf87a4fe490b67a56ef418784

Regarding our customers, we strive to consult them on ESG and sustainability in terms of for example ESG strategies, energy reduction and optimization, data collection, sustainable materials, embodied carbon, and more. We are focusing always to be part of the solution to the climate crisis and are proactively consulting our customers towards greener solutions. We have a large team of more than 1000 ESG experts globally and more than 300 of them are in Europe. Additionally, CBRE has a research team that provides insights to our customers on ESG data and statistics to support good decision making.

CBRE has also last year managed to create strategic partnerships with Deepki, Emitwise, Climate X (among others) and has acquired a renewable energy advisory company and brokerage group called NRG Energy. Through these collaborations and acquisitions CBRE aims to be in the forefront of ESG and be able to give the best and most optimal solutions to its clients.

CBREs Climate Transition Strategy can be found here:

Environmental Sustainability | CBRE - https://www.cbre.com/about-us/corporate-responsibility/environmental-sustainability

CBRE has received a Sustainability Rating from Ecovadis of a level gold in 2024 (top 5%) and we report also to SBTi, TCFD and CDP (where we got a score A- in 2023).

Intellectual capital resources

As the world's leading adviser within commercial real estate, our business and activities are based on

employees who have the best skills, education, training, and knowledge. Most of our employees have a higher education in the form of a bachelor's or master's. Everyone follows our mandatory internal continuing education program, which ensures that knowledge is maintained and developed. It's therefore a fundamental condition for our business to recruit, invest and develop the best professionals in the sector.

Management's review

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2024 of the Company and the results of the activities of the Company for the financial year for 2024 have not been affected by any unusual events.

Subsequent events

No events materially affecting the Company's financial position have occurred after the financial yearend.

Income statement 1 January - 31 December

	Note	2024	2023
		TDKK	TDKK
Gross profit		**114,140**	**88,294**
Staff expenses	1	-98,070	-81,863
Depreciation and impairment losses of property, plant and equipment	2	-729	-499
Profit/loss before financial income and expenses		**15,341**	**5,932**
Financial income	3	1,443	3,467
Financial expenses	4	-694	-72
Profit/loss before tax		**16,090**	**9,327**
Tax on profit/loss for the year	5	-3,749	-2,187
Net profit/loss for the year	6	**12,341**	**7,140**

Balance sheet 31 December

Assets

	Note	2024	2023
		TDKK	TDKK
Other fixtures and fittings, tools and equipment		2,471	1,743
Property, plant and equipment	7	**2,471**	**1,743**
Fixed assets		**2,471**	**1,743**
Trade receivables		63,550	46,816
Receivables from group enterprises		7,590	5,486
Other receivables		1,830	1,542
Deferred tax asset	8	2,159	177
Prepayments	9	933	1,908
Receivables		**76,062**	**55,929**
Cash at bank and in hand		**46,454**	**45,593**
Current assets		**122,516**	**101,522**
Assets		**124,987**	**103,265**

Balance sheet 31 December

Liabilities and equity

	Note	2024	2023
		TDKK	TDKK
Share capital	10	2,000	2,000
Retained earnings		68,088	55,747
Equity		**70,088**	**57,747**
Other payables		1,030	1,168
Long-term debt	11	**1,030**	**1,168**
Trade payables		869	1,054
Payables to group enterprises		12,986	9,183
Corporation tax		2,233	200
Other payables	11	37,781	33,913
Short-term debt		**53,869**	**44,350**
Debt		**54,899**	**45,518**
Liabilities and equity		**124,987**	**103,265**
Contingent assets, liabilities and other financial obligations	12		
Related parties	13		
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Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	2,000	55,747	57,747
Net profit/loss for the year	0	12,341	12,341
Equity at 31 December	**2,000**	**68,088**	**70,088**

Notes to the Financial Statements

1. Staff expenses

	2024	2023
	TDKK	TDKK
Wages and salaries	88,780	71,860
Pensions	8,515	9,446
Other social security expenses	775	557
	98,070	**81,863**

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

	2024	2023
Average number of employees	**112**	**93**

2. Depreciation and impairment losses of property, plant and equipment

	2024	2023
	TDKK	TDKK
Depreciation of property, plant and equipment	729	499
	729	**499**

3. Financial income

	2024	2023
	TDKK	TDKK
Other financial income	1,443	1,974
Exchange adjustments	0	1,493
	1,443	**3,467**

4. Financial expenses

	2024	2023
	TDKK	TDKK
Other financial expenses	14	72
Exchange loss	680	0
	694	**72**

Notes to the Financial Statements

5. Income tax expense

	2024	2023
	TDKK	TDKK
Current tax for the year	5,731	1,524
Deferred tax for the year	-1,982	663
Adjustment of tax concerning previous years	0	-445
Adjustment of deferred tax concerning previous years	0	445
	3,749	**2,187**

6. Profit allocation

	2024	2023
	TDKK	TDKK
Retained earnings	12,341	7,140
	12,341	**7,140**

7. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	TDKK
Cost at 1 January	4,977
Additions for the year	1,457
Cost at 31 December	6,434
Impairment losses and depreciation at 1 January	3,234
Depreciation for the year	729
Impairment losses and depreciation at 31 December	3,963
Carrying amount at 31 December	**2,471**

8. Deferred tax asset

	2024	2023
	TDKK	TDKK
Deferred tax asset at 1 January	177	1,285
Amounts recognised in the income statement for the year	1,982	-1,108
Deferred tax asset at 31 December	**2,159**	177

9. Prepayments

Prepayments consist of prepaid expenses concerning subsequent financial years.

10. Share capital

There have been no changes in the share capital during the last 5 years.

11. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2024	2023
	TDKK	TDKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	1,030	1,168
Long-term part	1,030	1,168
Other short-term payables	37,781	33,913
	38,811	**35,081**

12. Contingent assets, liabilities and other financial obligations

	2024	2023
	TDKK	TDKK
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Rental obligations in the notice period	27,175	3,797
Lease obligations	277	0
	27,452	**3,797**

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK

12. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The company is jointly taxed with the other Danish companies in the CBRE group. The Danish companies of the group are jointly and severally liable for the Group's jointly taxed income etc. CBRE A/S is the adminstration company in relation to the joint taxation. Furthermore, the Danish companies of the Group are jointly and severally liable for the Danish withholding taxes in the form of dividend tax, royalty tax and interest tax. Any future corrections to the corporate taxes and withholdings taxes may result in the company's tax increasing.

13. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
CBRE Group Inc.	Ultimate parent company
Relam Amsterdam Holdings B.V.	Parent company

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(6) of the Danish Financial Statements Act.

All transactions with related parties are conducted at arm's length.

Ownership

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Relam Amsterdam Holdings B.V., Basisweg 101043 AP, Amsterdam, Netherlands

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
CBRE Group Inc.	2121 N. Pearl Street, Suite 300, Dallas, TX 75201, USA

The Group Annual Report of CBRE Group Inc. may be obtained at the following address:

2121 N. Pearl Street, Suite 300, Dallas, TX 75201, USA

Notes to the Financial Statements

14. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

15. Accounting policies

The Annual Report of CBRE A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in TDKK.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of CBRE Group Inc., the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

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

Notes to the Financial Statements

Income statement

Revenue

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue related to real estate services is recognised in the income statement at the final acquisition of the right to the fee, when the agreed services have been delivered, point in time. Revenue from Asset Services is recognized on a straight line basis upon contract signing. The fees are recognised excluding VAT, taxes and discounts in connection with the delivery of services.

Other external expenses

Other external expenses comprise expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Staff expenses

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with the other Danish companies in the CBRE group. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Notes to the Financial Statements

The company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. Subsidiaries participate in the joint taxation arrangement from the time when they are included in the consolidated financial statements and until the time when they withdraw from the consolidation.

The company is subject to the Danish rules on compulsory joint taxation.

The company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Receivables for which there is no objective evidence of individual impairment are tested for impairment on a portfolio basis. The portfolios are primarily based on debtors' domicile and credit ratings in accordance with the Company's credit risk management policy. The objective indicators used for portfolios are determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received, using the effective interest rate of individual receivables or portfolios of receivables as discount rate.

Notes to the Financial Statements

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Equity

Dividend

Proposed dividends are disclosed as a separate item under equity. Dividends are recognised as a liability when declared by the annual general meeting of shareholders.

Deferred tax assets and liabilities

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Current tax receivables and liabilities

As management company, CBRE A/S is liable for payment of the Group's Danish subsidiaries corporate income taxes to the tax authorities.

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

Joint taxation contributions payable and receivable are recognised in the balance sheet as 'Joint taxation contributions receivable' or 'Joint taxation contributions payable'.

Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

Financial Highlights

Explanation of financial ratios

Return on assets	Profit/loss of primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end