FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT OF THE GfK GROUP

IN ACCORDANCE WITH IFRS IN € '000 FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2015

	Notes ref.	2014	2015
Sales	5.	1,452,923	1,543,426
Cost of sales	6.	−990,586	−1,061,934
Gross income from sales		**462,337**	**481,492**
Selling and general administrative expenses	7.	−301,002	−302,229
Other operating income	8.	7,818	19,813
Other operating expenses	9.	−101,171	−94,925
Operating income[1]		**67,982**	**104,151**
Income from associates	3.	4,428	1,800
Other income from participations	3.	−463	206
EBIT		**71,947**	**106,157**
Other financial income	12.	10,057	30,167
Other financial expenses	13.	−34,414	−48,432
Income from ongoing business activity		**47,590**	**87,892**
Tax on income from ongoing business activity	14.	−28,212	−47,163
CONSOLIDATED TOTAL INCOME		**19,378**	**40,729**
Attributable to equity holders of the parent		5,859	36,773
Attributable to minority interests		13,519	3,956
CONSOLIDATED TOTAL INCOME		**19,378**	**40,729**
Basic earnings per share in €	15.	**0.16**	**1.01**
Diluted earnings per share in €	15.	**0.16**	**1.01**

1) Reconciliation to internal management indicator "adjusted operating income" amounting to € 187,579 thousand (2014: € 178,832 thousand) is shown in the Group Management Report.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF THE GfK GROUP

IN ACCORDANCE WITH IFRS IN € ’000 FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2015

	Notes ref.	2014	2015
Consolidated total income		**19,378**	**40,729**
Items that will not be reclassified to profit or loss:			
Actuarial gains/losses on defined benefit plans	26.	−11,328	−3,003
Items that will be reclassified to profit or loss in future periods:			
Currency translation differences	25.	64,706	63,760
Valuation of net investment hedges for foreign subsidiaries	30.	−618	−252
Changes in fair value of cash flow hedges (effective portion)	30.	−147	−26
Changes in fair value of equity securities available for sales	3.	9	−12
Other comprehensive income (net of taxes)		**52,622**	**60,467**
TOTAL COMPREHENSIVE INCOME		**72,000**	**101,196**
Attributable to:			
Equity holders of the parent		56,819	99,760
Minority interests		15,181	1,436
TOTAL COMPREHENSIVE INCOME		**72,000**	**101,196**

CONSOLIDATED BALANCE SHEET OF THE GfK GROUP

IN ACCORDANCE WITH IFRS IN € '000 AS AT DECEMBER 31, 2015

ASSETS	Notes ref.	Dec. 31, 2014	Dec. 31, 2015
Goodwill	16.	772,709	774,003
Other intangible assets	16.	266,719	271,790
Tangible assets	17.	115,859	105,241
Investments in associates	18.	11,669	651
Other financial assets	18.	8,988	5,613
Deferred tax assets	14.	41,373	43,578
Non-current other assets and deferred items	19.	14,038	20,829
Non-current assets		**1,231,355**	**1,221,705**
Trade receivables	20.	384,694	396,257
Current income tax assets	14.	17,413	15,654
Current securities and fixed-term deposits	21.	945	1,456
Cash and cash equivalents	22.	93,180	129,459
Current other assets and deferred items	19.	39,850	38,362
Assets held for sale	23.	0	39,408
Current assets		**536,082**	**620,596**
ASSETS		**1,767,437**	**1,842,301**

EQUITY AND LIABILITIES	Notes ref.	Dec. 31, 2014	Dec. 31, 2015
Subscribed capital		153,316	153,316
Capital reserve		212,403	212,403
Retained earnings		330,818	320,721
Other reserves		−44,847	18,140
Equity attributable to equity holders of the parent		**651,690**	**704,580**
Minority interests		**53,589**	**15,930**
EQUITY	25.	**705,279**	**720,510**
Long-term provisions	26.	79,316	80,577
Non-current interest-bearing financial liabilities	27.	359,215	256,362
Deferred tax liabilities	14.	75,522	86,373
Non-current other liabilities and deferred items	28.	9,757	17,419
Non-current liabilities		**523,810**	**440,731**
Short-term provisions	26.	36,642	17,258
Current income tax liabilities	14.	15,522	13,545
Current interest-bearing financial liabilities	27.	63,728	208,169
Trade payables	3.	95,534	90,864
Liabilities on orders in progress	3.	152,584	167,015
Current other liabilities and deferred items	28.	174,338	176,635
Liabilities held for sale	23.	0	7,574
Current liabilities		**538,348**	**681,060**
LIABILITIES		**1,062,158**	**1,121,791**
EQUITY AND LIABILITIES		**1,767,437**	**1,842,301**

CONSOLIDATED CASH FLOW STATEMENT OF THE GfK GROUP

IN ACCORDANCE WITH IFRS IN € '000 FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2015

	Notes ref.	2014	2015
Consolidated total income		**19,378**	**40,729**
Write-downs/write-ups of intangible assets	16.	104,192	97,749
Write-downs/write-ups of tangible assets	17.	26,062	27,321
Write-downs/write-ups of other financial assets		1,625	3,724
Total write-downs/write-ups		131,879	128,794
Change in inventories and trade receivables		−1,564	−9,346
Change in trade payables and in liabilities on orders in progress		7,920	5,083
Change in other assets not attributable to investing or financing activity		1,495	−6,066
Change in other liabilities not attributable to investing or financing activity		−1,306	−10,651
Profit/loss from disposal of non-current assets		543	−13,044
Non-cash income from associates	3.	2,708	−3,150
Change in long-term provisions		2,549	4,197
Other non-cash income/expenses		21,462	14,418
Net interest income	12., 13.	18,649	15,787
Change in deferred taxes	14.	−4,500	4,843
Current income tax expenses	14.	32,713	42,319
Taxes paid		−34,998	−42,979
a) Cash flow from operating activity	31.	**196,928**	**170,934**
Cash outflows for investment in intangible assets		−52,081	−67,763
Cash outflows for investment in tangible assets		−37,112	−26,363
Cash outflows for acquisitions of consolidated companies and other business units		−6,490	−12,269
Cash outflows for investments in other financial assets		−4,003	−2,208
Cash inflows from the disposal of intangible assets		169	130
Cash inflows from the disposal of tangible assets		300	5,840
Cash inflows from the sale of consolidated companies and other business units		25	26,039
Cash inflows from the disposal of other financial assets		257	272
b) Cash flow from investing activity	31.	**−98,935**	**−76,322**
Dividend payments to equity holders of the parent	25.	−23,728	−23,728
Dividend payments to minority interests and other equity transactions		−5,973	−65,446
Cash inflows from loans raised		15,938	153,366
Cash outflows from the repayment of loans		−44,489	−105,657
Interest received		1,866	1,473
Interest paid		−19,162	−19,417
c) Cash flow from financing activity	31.	**−75,548**	**−59,409**
Changes in cash and cash equivalents (total of a), b) and c))		22,445	35,203
Changes in cash and cash equivalents owing to exchange gains/losses and valuation		1,029	1,599
Cash and cash equivalents at the beginning of the period	22.	69,706	93,180
Cash and cash equivalents at the end of the period	22.	**93,180**	**129,982**
Less cash and cash equivalents included in assets held for sale	23.	0	523
Cash and cash equivalents at the end of the period as reported in the consolidated balance sheet		**93,180**	**129,459**

CONSOLIDATED EQUITY CHANGE STATEMENT OF THE GfK GROUP

IN ACCORDANCE WITH IFRS IN € '000 FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2015

	Attributable to equity holders of the parent		
	Subscribed capital	Capital reserve	Retained earnings
BALANCE AT JANUARY 1, 2014	**153,316**	**212,403**	**349,176**
Total comprehensive income:			
Consolidated total income			5,859
Other comprehensive income:			
Currency translation differences			
Valuation of net investment hedges for foreign subsidiaries, net of tax			
Effective portion of changes in fair value of cash flow hedges, net of tax			
Change in fair value of securities available-for-sale, net of tax			
Actuarial gains and losses on defined benefit plans, net of tax			
Other comprehensive income	0	0	0
Total comprehensive income	**0**	**0**	**5,859**
Transactions with owners, recorded directly in equity:			
Contributions by and distributions to owners			
Dividends to shareholders			–23,728
Change in ownership interests in subsidiaries that do not result in a change of control			
Acquisition of minority interests			–285
Other changes			–204
Transactions with owners, recorded directly in equity	0	0	–24,217
BALANCE AT DECEMBER 31, 2014	**153,316**	**212,403**	**330,818**
BALANCE AT JANUARY 1, 2015	**153,316**	**212,403**	**330,818**
Total comprehensive income:			
Consolidated total income			36,773
Other comprehensive income:			
Currency translation differences			
Valuation of net investment hedges for foreign subsidiaries, net of tax			
Effective portion of changes in fair value of cash flow hedges, net of tax			
Change in fair value of securities available-for-sale, net of tax			
Actuarial gains and losses on defined benefit plans, net of tax			
Other comprehensive income	0	0	0
Total comprehensive income	**0**	**0**	**36,773**
Transactions with owners, recorded directly in equity:			
Contributions by and distributions to owners:			
Dividends to shareholders			–23,728
Change in ownership interests in subsidiaries that do not result in a change of control			
Acquisition of minority interests			–22,832
Other changes			–310
Transactions with owners, recorded directly in equity	0	0	–46,870
BALANCE AT DECEMBER 31, 2015	**153,316**	**212,403**	**320,721**
Notes ref.	25.	25.	25.

	Attributable to equity holders of the parent						
	Other reserves						
	Translation reserve	Hedging reserve	Fair value reserve	Actuarial gains and losses on defined benefit plans	Total	Minority interests	Total equity
	−96,655	**18,891**	**3**	**−18,046**	**619,088**	**44,621**	**663,709**
					5,859	13,519	19,378
	63,030				63,030	1,676	64,706
		−618			−618		−618
		−147			−147		−147
			9		9		9
				−11,314	−11,314	−14	−11,328
	63,030	−765	9	−11,314	50,960	1,662	52,622
	63,030	**−765**	**9**	**−11,314**	**56,819**	**15,181**	**72,000**
					−23,728	−6,213	−29,941
					−285	−42	−327
					−204	42	−162
	0	0	0	0	−24,217	−6,213	−30,430
	−33,625	**18,126**	**12**	**−29,360**	**651,690**	**53,589**	**705,279**
	−33,625	**18,126**	**12**	**−29,360**	**651,690**	**53,589**	**705,279**
					36,773	3,956	40,729
	66,343				66,343	−2,583	63,760
		−252			−252		−252
		−26			−26		−26
			−12		−12		−12
				−3,066	−3,066	63	−3,003
	66,343	−278	−12	−3,066	62,987	−2,520	60,467
	66,343	**−278**	**−12**	**−3,066**	**99,760**	**1,436**	**101,196**
					−23,728	−5,411	−29,139
					−22,832	−34,609	−57,441
					−310	925	615
	0	0	0	0	−46,870	−39,095	−85,965
	32,718	**17,848**	**0**	**−32,426**	**704,580**	**15,930**	**720,510**
	25.	30		26.		25.	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Contents

1. General information

GfK SE is a listed Societas Europaea company with its registered office at Nordwestring 101, Nuremberg, Germany. Recorded under HR B 25014 in the commercial register of the Nuremberg district court, GfK SE was established from GfK Aktiengesellschaft on February 2, 2009, as a result of a change in the firm's legal form. GfK SE and its subsidiaries (GfK Group) are among the world's leading market research organizations. The GfK Group provides information services to its clients in the consumer goods, retail and services industries as well as media, which they use in marketing decision-making.

The consolidated financial statements of GfK SE for financial year ending on December 31, 2015, include the company itself and all its consolidated subsidiaries. These statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as they must be applied within the European Union (EU).

All IFRS that are mandatory for financial year 2015 and the announcements of the International Financial Reporting Interpretations Committee (IFRIC) adopted by the EU have been implemented.

Additionally, the accounting principles set forth in Section 315a (1) of the German Commercial Code (HGB) have been considered when preparing the consolidated financial statements.

The consolidated financial statements have been prepared in euro and rounded up to the nearest thousand euros. All figures are specified in thousand euros (€ thousand), unless otherwise indicated.

The annual financial statements of the parent company GfK SE have been prepared in line with the German Commercial Code (HGB) and have been published in the online Federal Gazette (Bundesanzeiger) under HR B 25014.

Section 37 "Changes to IFRS standards and interpretations" of these Notes describes standards, interpretations and amendments to the IFRS that have already been adopted by the EU and that have been applied for the first time or not yet applied.

2. Consolidation principles

The annual financial statements of GfK SE, produced for consolidation purposes, and all material subsidiaries, whose financial and operating policies are controlled directly or indirectly, are included in GfK SE's consolidated financial statements. The financial statements of all companies included in the consolidated financial statements have been prepared according to uniform accounting principles.

Companies, in which the GfK Group holds a stake of at least 20 percent but no more than 50 percent and in which significant influence can be exercised, are generally accounted for at equity as associates. All other companies in the GfK Group are reported at acquisition cost.

A list of GfK SE shareholdings is provided in Section 41 of these Notes.

Capital consolidation is carried out in accordance with IFRS 3, Business Combinations, on the basis of purchase accounting. Acquisition costs of the shareholdings are charged against the parent company's pro rata share of the subsidiary's revalued equity as at the acquisition date. Intangible assets acquired in business combinations and identified as part of the purchase price allocation are entered on the balance sheet at fair value.

Any difference arising on the assets side after this charging and purchase price allocation is reported under non-current assets as goodwill.

Under purchase price allocations following an acquisition, identifiable assets, liabilities and contingent liabilities are applied at fair value at the time of acquisition. The calculation of fair value must therefore involve estimates. Where intangible assets have been identified under purchase price allocation and depending on the type of assets, the degree of complexity in calculating fair value and the transaction volume, either the opinion of an independent external consultant is sought or the fair values are determined internally. If the calculation is performed internally, it is based on an appropriate evaluation technique. Related evaluations are closely linked to assumptions and estimates made by the Management Board in relation to the future development of the identified assets and regarding the discount interest rate used.

Any non-controlling shares are reported as minority interests.

In terms of gradual acquisitions, goodwill is determined at the time control was gained and constitutes the difference between the recalculated carrying value of the investments plus acquisition costs for buying the new shares minus the pro rata net assets attributable to GfK. Changes in the share quota without change of control are recorded solely as equity transactions.

Incidental acquisition costs in connection with business combinations are not capitalized but recognized as expenses.

All transactions and balances between entities of the GfK Group, which are included in the consolidated financial statements, are eliminated when preparing the consolidated financial statements. Differences arising from debt consolidation are recorded in the income statement. Deferred tax on debt consolidation is recorded at a rate of 30 percent, which is the expected Group tax rate excluding exceptional effects. Intercompany results and intracompany asset movements are eliminated with impact on the income statement if they are significant.

Associates are included at equity (one-line consolidation). They are stated for the first time on the acquisition date. First-time valuation is in line with full consolidation. Any difference on the assets side arising from offsetting the carrying amount of the stake against the pro rata equity capital at initial valuation is included in the equity carrying value.

Profits or losses from mergers arising from the merger of two consolidated companies in the GfK Group are eliminated. Mergers therefore have no impact on the consolidated income statement of the GfK Group. Company mergers involving external minority shareholders do not give rise to any change in the total minority interests or the consolidated total income.

Shares in the equity of subsidiaries attributable to external minority interests are shown separately under equity. Shares in the subsidiaries' results attributable to external minority interests are listed as a separate item in the consolidated income statement.

3. Accounting policies

3.1 CURRENCY TRANSLATION

Transactions in foreign currencies are translated into the functional currency of the reporting company at the exchange rate on the date on which they were carried out. As at the balance sheet date, monetary items are translated at the exchange rate on that date and non-monetary items are valued at the historical rate on the transaction date. Differences resulting from these conversions are, in principle, reported with an impact on the income statement.

The balance sheets of foreign subsidiaries not generated in euro as well as hidden reserves disclosed under purchase price allocation and goodwill from mergers and acquisitions are converted into euro in accordance with the concept of functional currency, based on the mean exchange rate on the reporting date. The annual average euro exchange rate, calculated as the mean of all month-end exchange rates, is applied to the income statements of these subsidiaries.

Differences resulting from the translation of asset and liability items at the exchange rate on the reporting date compared with the translation on the prior reporting date are reported in other comprehensive income (OCI). Exchange rate differences due to capital consolidation and differences arising from translation of the annual result in the balance sheet (reporting date rate) and the income statement (average rate) are reported in other reserves.

The exchange rates of key currencies for the GfK Group against the euro are indicated in the table below.

Main currencies		Mean euro rate on balance sheet date		Average euro rate during reporting year	
Country	Currency unit	Dec. 31, 2014	Dec. 31, 2015	2014	2015
USA	1 USD	0.82	0.92	0.76	0.91
UK	1 GBP	1.28	1.36	1.25	1.38
Switzerland	1 CHF	0.83	0.92	0.82	0.94
Singapore	1 SGD	0.62	0.65	0.60	0.66
China	1 CNY	0.13	0.14	0.12	0.14
Japan	100 JPY	0.69	0.76	0.71	0.75

Currency gains and losses, which result from similar transactions, are netted at the level of each subsidiary.

3.2 CONSOLIDATED INCOME STATEMENT

The consolidated income statement is prepared in accordance with the cost of sales accounting method. Expenses are shown by function.

3.3 SALES

The method of recognizing sales is largely determined according to IAS 18, Revenue, and depends on the nature of the underlying transaction:

Panel business involves surveying individuals, households and companies and is characterized by the fact that the same circumstances are analyzed at the same regular intervals on the basis of the same sample and always deploying the same methods. For business involving panels, the GfK Group recognizes sales pro rata temporis according to the progress of the project. The sales for a given project are therefore distributed evenly over its duration. Each month during the term of a contract, the same sales are recognized in terms of amount.

Ad hoc business is the systematic empirical research used as the basis of marketing decisions in all areas of the marketing mix. This includes tests and surveys on product and pricing policy, brand positioning and brand management as well as traditional and modern forms of communication with consumers and users. It is employed with the goal of optimizing distribution and enhancing customer loyalty and retention. Ad hoc research business is valued by performing the percentage of completion method. The progress of the project is determined as the ratio of actually accumulated costs to the overall anticipated costs of the project. The estimate of total cost is continuously checked during the life of the project. Changes in the estimate of total cost are included in the calculation of recognizable sales at the time at which they can be anticipated. Costs integrated in this calculation comprise all direct personnel expenses and other cost of sales as well as pro rata indirect costs.

Syndicated business analyzes markets and market players without this being specifically commissioned by a client to whose requirements the survey would be tailored. The completed study is marketed without client-specific adjustments. Syndicated surveys may be conducted once or on a recurring basis without fulfilling the distinct and highly specific features of a panel. Various market participants may be questioned in repeated surveys or the studies may be published at different intervals. In terms of determining sales, syndicated business is treated like panel business if it is comparable to panel business in nature. This is because it involves repeated surveys where the cost behavior pattern is relatively evenly distributed over the term.

For other syndicated business, the method of sales recognition depends on the empirical estimate of the respective survey's profitability:

- If a profit from the survey is probable, it is valued the same as an ad hoc research contract.
- If it is not yet sufficiently certain that enough purchasers will be found for a survey, the sale is recognized as follows, corresponding to the accumulated costs: If the value of the actual incoming orders is below that of the costs accumulated, recognizable sales are limited to the value of incoming orders. As soon as there is no doubt that the value of orders exceeds the costs, sales are recognized according to the method used for ad hoc research contracts.

In all **other business transactions**, sales are only recognized once the work has been completed and invoiced.

For sales recognition based on the percentage of completion method, the estimation of the completion level is significant. Estimates are also necessary in relation to the extent of payables required for the fulfillment of contractual obligations. The fundamental estimates may concern those including total contractual costs, costs to be incurred up to completion, total sales from the contract and contractual risks. Management continually reviews all estimates associated with relevant contracts and adjusts parameters where necessary. Changes to significant parameters can lead to an increase or reduction in sales for the respective reporting period.

Provisions are set up for expected losses on orders in progress when an estimation of the obligation is sufficiently reliable.

3.4 COST OF SALES, SELLING AND GENERAL ADMINISTRATIVE EXPENSES

In addition to personnel expenses, services rendered and scheduled amortization and depreciation of tangible and intangible assets, cost of sales, selling and general administrative expenses comprise all other costs directly linked to the GfK Group's operations.

3.5 RESEARCH AND DEVELOPMENT COSTS

Research and development costs are basically recorded as expenses at the time they are incurred and shown under cost of sales.

Development costs incurred within the GfK Group, particularly for setting up new panels, are provided under other intangible assets if the capitalization criteria are met.

Internally generated intangible assets are only capitalized if they have resulted from the development phase and not the research phase and if further precisely defined preconditions have been cumulatively fulfilled. These include the technical viability of the project completion, planned completion and use, as well as the usefulness to the company or salability of the intangible asset. Future economic benefits and the availability of the necessary technical, financial and other resources to complete the project must also be documented. The reliable calculation of the costs associated with the intangible asset during its development phase is also a precondition for the capitalization of internally generated intangible assets.

3.6 OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses comprise income and expenses related to operations, for which the allocation to sales or functional costs would not be appropriate. They mainly include exchange rate gains and losses from non-financial transactions, profit and loss from the disposal of fixed assets, impairments and reversals of impairment not attributable to functional costs, income and expenses in connection with reorganization and improvement projects, income and expenses in connection with share and asset deals, and expenses for legal disputes.

3.7 OPERATING INCOME

Operating income in the GfK Group consists of gross income from sales, less selling and general administrative expenses and net other income constituting other operating income and other operating expenses.

3.8 ADJUSTED OPERATING INCOME

The adjusted operating income indicator is used internally to manage the GfK Group's business. It is derived from operating income. To calculate adjusted operating income, the following income and expense items are excluded: goodwill impairment, write-ups and write-downs of additional assets identified on acquisitions, income and expenses in connection with share and asset deals, income and expenses in connection with reorganization and improvement projects, personnel expenses for share-based incentive payments, currency conversion differences, as well as income and expenses related to one-off effects and other exceptional circumstances.

3.9 INCOME FROM ASSOCIATES

Income from associates encompasses income and expenses resulting from the valuation of pro rata shares in associates at equity.

3.10 OTHER INCOME FROM PARTICIPATIONS

Other income from participations essentially contains dividends from non-consolidated affiliated companies and other participations of the GfK Group, profit and loss from the disposal of such companies, and income and expenses from profit transfer agreements with these companies.

3.11 EBIT

The performance indicator EBIT (earnings before interest and taxes) has been included as a subtotal in the consolidated income statement. EBIT is determined by adding the income from associates and other income from participations to operating income.

3.12 OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses consist of interest income and interest expenses, income and expenses resulting from the valuation of derivative financial instruments used to hedge against interest rate risks, transaction costs for bank loans, expenses arising from the write-off of loans, currency gains and losses incurred from financial transactions such as loans and financial liabilities in foreign currency, and other financial income. Interest expenses also include additional interest on previously discounted debt. Such additional interest relates to items such as future purchase price components from acquisitions, which are stated on the liabilities side at fair value.

Interest is recorded as income or expense at the time it is incurred. Interest is deferred on the basis of the effective interest method.

3.13 INCOME FROM ONGOING BUSINESS ACTIVITY

The amount of income from ongoing business activity was stated as a subtotal in the consolidated income statement. The income from ongoing business activity corresponds to the consolidated total income before consideration of tax on income.

3.14 TAX ON INCOME

Tax on income from ongoing business activity comprises the current and deferred tax expense.

Companies in the GfK Group operate in many different countries. The GfK Group is therefore subject to a multitude of tax authorities with the most varying regulations. The tax items contained in the consolidated financial statements are calculated by considering the relevant tax laws and the respective tax administration statements. The complexity of certain factors can lead to differing interpretations by the taxpayer and the local tax authorities.

Deferred taxes are calculated based on the balance sheet liability method whereby deferred tax assets and liabilities are entered in the balance sheet for temporary differences between the carrying amounts attributed to the consolidated financial statements and the tax basis of the assets and liabilities. Any effects on deferred taxes from changes in tax law are incorporated in the income statement from the date on which the tax law is passed.

Deferred tax assets are only entered on the balance sheet if it is probable that they can be realized at a future date. This is generally the case when the relevant company is sufficiently likely to achieve enough taxable profit to utilize the tax benefit. Also taken into account are factors including the planned results from operational business, effects on results of the changes in taxable temporary differences and existing tax strategies.

The intrinsic value of deferred tax assets is estimated by the Management Board at every reporting date. Estimation of planned taxable income and tax benefits achievable through possible strategies is naturally subject to some uncertainty. Furthermore, limitations regarding the extent and time frame to realize future tax benefits can arise from changes in tax legislation. Estimates are adjusted in the period in which there is sufficient notice for adjustments.

Value adjustments for deferred tax assets are recorded when there are indications that deferred tax assets may only be realized partially or not at all. Applying its discretionary powers, the Management Board assumes a maximum period of time for the realization of deferred tax assets of five years for subsidiaries which are not suffering a sustained loss, otherwise the time period is expected to be shorter.

Tax on items recognized in other comprehensive income (OCI) is not included in the consolidated income statement. No deferred taxes are amortized in relation to currency differences from intra-Group loans in foreign currency reported under OCI, which represent a net investment in the business operations of subsidiaries, because the temporary differences are not intended to be realized in the near future.

3.15 IMPAIRMENTS

If an asset is impaired and is therefore depreciated, the impairment expense is included in the income statement.

The intrinsic value of assets with an indefinite life and intangible assets under development is checked once a year by means of an impairment test. An impairment test is also carried out if triggering events occur, which may significantly affect the value of the assets concerned.

Impairments on intangible assets are applied if the recoverable amount is below the amortized cost of acquisition or production. The recoverable amount is defined as the higher of the two sums of the fair value less costs to sell or value in use of an asset whose expected future cash flows at the GfK Group are based on a minimum three-year period, planned in detail and discounted on the basis of a discount rate to be determined individually at market conditions. The growth rate of the cash flows beyond the period of detailed planning is usually taken into account by reducing the discount interest rate by one to two percentage points. This method is employed to determine the fair value of level 3.

Expenses arising from the decline in the value of goodwill and brands are reported in the consolidated income statement under other operating expenses, while impairments on surveys, panels, customer relations, long-term contracts and software are shown under functional costs. Any impairment of goodwill, that has been recognized, will not be reversed.

While reviewing other intangible assets or tangible fixed assets for impairments, the process for ascertaining the recoverable amount for these assets is also subject to estimates and assumptions by the Management Board, made with some uncertainty. Estimates and assumptions can have considerable influence on the respective values and ultimately on the extent of a possible impairment. Additional impairments or write-ups can result from a change in assumptions or future circumstances.

More detailed explanations of the impairments applied to financial assets can be found within this chapter in Section "Financial instruments" below.

3.16 EARNINGS PER SHARE

The earnings per share (EPS) reported in the consolidated income statement illustrate the proportion of consolidated total income attributable to equity holders of the parent, which relates to the weighted average number of shares in the reporting period.

The average number of shares does not have to be adjusted by the options exercised and expired during the reporting year to calculate diluted earnings per share since there are no longer any GfK stock options that can be exercised. Consequently, diluted earnings per share correspond to earnings per share.

3.17 LONG-TERM INCENTIVE PLANS FOR EMPLOYEES AND EXECUTIVES OF THE GFK GROUP

A new long-term incentive plan has been in place for GfK SE Management Board members since fiscal year 2010 and for selected Group executives since fiscal year 2012. Claims from the previous model were paid out for the last time in 2014. Participants are granted an individual bonus amount, half of which is converted into virtual shares and half into a performance-based, long-term cash bonus. The entire individual bonus amount for participants in the 2015 tranche is translated into virtual shares.

The conversion into virtual shares of the target amount of virtual shares is based on the GfK share price of the 20 trading days preceding the start of the performance period. If a dividend is paid to shareholders, the number of virtual shares increases correspondingly in value.

Management Board members are entitled to exercise their virtual shares upon expiry of a four-year retention period. This must be done during certain trading windows within a two-year exercise period. Half of the virtual shares of the 2015 tranche can be exercised upon expiry of a four-year retention period and the other half can be exercised upon expiry of a six-year retention period. In both cases, this must be done during certain trading windows within a two-year exercise period. If the shares are not exercised by the end of this period, they are paid out on the final day of the final exercise window.

This two-year exercise period does not apply to executives. For these participants, upon expiry of a four-year retention period, the calculation of the amount paid out is based on the GfK share price of the last 20 days before expiry of the performance period.

The following applies to the performance-based long-term cash bonus: After expiry of a four-year performance period, the beneficiary is entitled to payment of a bonus. The amount is determined by the extent to which the specified performance target (average return on capital employed of GfK, or GfK ROCE, for the four-year period) was achieved by December 31 of the third year following the year in which the bonus was granted. Payment for the corresponding term is calculated on the basis of the audited annual financial statements.

The bonus is not granted if employment is terminated before expiry of the performance period due to dismissal or resignation.

3.18 INTANGIBLE ASSETS

Goodwill

Goodwill from the capital consolidation of subsidiaries and goodwill that was transferred from subsidiaries' financial statements to the consolidated financial statements is recorded by the GfK Group under intangible assets.

In business combinations, goodwill represents the remaining difference in assets after the acquisition costs of the shareholding are offset against the proportion of acquired revalued equity.

Goodwill occurring from the acquisition of companies which do not report in euros is recorded in the reporting currency of the acquired subsidiary. The exchange rate at the time of first consolidation is used to calculate the goodwill at initial recognition. Subsequent measurements are based on the mean rate as at the reporting date.

The GfK Group checks the intrinsic value of its cash-generating units, including goodwill, as part of an impairment test once a year or when triggering events or changed circumstances arise. The intrinsic value of goodwill is subjected to regular review on September 30. For this purpose, goodwill is allocated to cash-generating units, which correspond to a structure comprising the two sectors, each with six regions supplemented by Other.

The intrinsic value of goodwill is indicated when the recoverable amount is not less than the carrying amount of the cash-generating unit.

The recoverable amount corresponds to the fair value less costs to sell or the value in use if higher. Since only one of the two values has to exceed the carrying amount of the relevant cash-generating unit, GfK generally only applies the fair value less costs to sell. This is established with the impairment test using a discounted cash flow method. The expected future cash flows from the relevant five-year budget are used in calculations. The relevant forecasts take into account past experiences and are based on the best possible Management Board estimate of future development. The growth in cash flow after the five-year period (perpetuity) is considered by reducing the discount interest rate by 1.3 percentage points (2014: 1.5 percentage points). Similar to the discount interest rate, this growth rate is derived from externally available capital market data. This method is used to determine the fair value of level 3.

The discount interest rate is determined by carrying out a weighted average capital costs calculation, taking into account the standard industry capital structure and standard industry financing costs. The discount interest rate takes into account the expectations of the equity investors and the relevant country risk. Depending on the cash-generating unit, the resulting discount interest rate was 6.4 percent to 12.1 percent as at December 31 (December 31, 2014: 6.5 percent to 11.8 percent). The discount interest rate before tax as at December 31 was 8.3 percent to 16.8 percent (December 31, 2014: 9.1 percent to 14.5 percent).

Estimates are involved in determining the recoverable amount of cash-generating units to which goodwill has been allocated. Primary assumptions on which calculations of recoverable amounts are made include estimated growth rates, weighted average capital cost rates and tax rates. Estimates are especially necessary in connection with the forecasting and discounting of future cash flows and thus expected economic development. Capital market volatility, interest rates and currency fluctuations also influence valuation. Estimates made and underlying methods can have a considerable impact on respective values and therefore on the extent of a possible goodwill impairment.

Other intangible assets

The GfK Group's other intangible assets consist of internally generated intangible assets and miscellaneous intangible assets. To a very large extent, they consist of software and market research panels, which have either been acquired externally or generated internally. Other key components are client relationships and brands capitalized as part of the purchase price allocation.

Where an intangible asset has been subject to impairment, there is a reversal if a higher amount is recoverable at a later date. The carrying value after the reversal may not exceed the carrying value, which would have resulted, had the impairment not taken place in the past. The write-up is reported in the income statement in the item which previously included the impairment.

Internally generated intangible assets

At the GfK Group, internally generated intangible assets mainly comprise software and panel set-up costs.

As a rule, software developed by companies in the GfK Group is used internally for analyzing and processing market research data. In some cases, it is destined for external users and was written specifically to meet user requirements. Internal costs of software development are capitalized under non-current assets if the criteria according to IAS 38, Intangible Assets, are met. Amortization commences upon completion of the software.

Panel set-up costs generally involve capitalized development costs for setting up new panels or expanding existing panels. Capitalized panel set-up costs include:

- Spending on materials and services used in constructing panels
- Wages and salaries and other employment expenses for staff directly involved in setting up panels
- Overheads necessarily incurred in panel set-up which can reasonably and regularly be allocated to this, based on cost accounting

Costs from the preparation and application phases and maintenance costs for current panels cannot be capitalized. They are included in expenses.

Panel set-up costs are only written down if they are directly incurred in conjunction with a specific, fixed-term current client order. As a rule, the amortization period in such cases is based on the duration of the contract or the useful life. In all other cases, the useful life of panels is indefinite and they are not subject to scheduled amortization. The value of panels is reviewed at least once a year as part of an impairment test.

Expenses for research activities are reported as expenses in the period under review. Development costs, which did not result in a capitalizable intangible asset, are also reported as expenses.

Miscellaneous intangible assets

Miscellaneous intangible assets primarily include panels acquired externally, customer relations, software and brands.

Miscellaneous intangible assets are entered on the balance sheet at amortized cost and are subject to straight-line amortization. This does not apply to customer relations, and brands are only amortized in individual cases. As a rule, the useful life of software and miscellaneous intangible assets is three to ten years.

Customer relations are generally subject to diminishing balance amortization over a period of 6 to 20 years at an individually determined customer churn rate of between 5 percent and 30 percent.

As a rule, brands are not subject to amortization and have an indefinite useful life. Where acquired brands are replaced by the GfK brand over a set period of time, they are subject to straight-line amortization. In such cases, the useful life is three years.

Intangible assets with an indefinite useful life are subject to an impairment test at least once a year.

The interest on borrowing in terms of qualifying assets is capitalized.

3.19 TANGIBLE ASSETS

Tangible assets are valued at acquisition or manufacturing costs less the cumulative depreciation. The interest on borrowing with respect to qualifying assets is capitalized. Cumulative depreciation generally involves straight-line depreciation up to the balance sheet date and any impairment recorded. The depreciation period corresponds to the useful life. Assets in the course of set-up are not subject to depreciation.

The GfK Group normally observes the useful life periods illustrated in the following table:

Asset	Useful life in years
Administrative building	50
IT equipment	3 to 5
Cars and other vehicles	5
Office equipment	3 to 5
Office furniture	10 to 13

The item "fixtures and fittings" also includes unfinished technical equipment.

Lease arrangements are entered on the balance sheet according to IAS 17, Leases, with either a finance or operating lease depending on the type of contract.

Finance lease is characterized by the fact that the risks and rewards of the leased asset are usually transferred to the lessee. If there is a finance lease, the leasing item is capitalized by the lessee, and a corresponding leasing liability is recorded. The leasing liability is equivalent to either the present value of the minimum lease payments or the fair value of the leased asset at the start of the lease arrangement depending on which one is lower.

The capitalized lease asset is subject to straight-line depreciation. The depreciation period is the lease term or the economic useful life, whichever is shorter. Subject to fulfillment of the preconditions, an impairment is recorded beyond that period.

The lease liability is amortized over the contractual period through lease payments. Discounts are written up by applying a constant interest rate to the remaining debt and recorded in interest expenses within other financial expenses.

With respect to operating leases, the leased assets are entered on the lessor's balance sheet. The lessee records the regular payments as rental expenses.

3.20 FINANCIAL INSTRUMENTS

Financial instruments are contracts which result in a financial asset with one company and a financial liability or an equity instrument with another.

Financial assets comprise, in particular, cash and cash equivalents, equity instruments held in other companies (e.g. shareholdings), trade receivables, other loans granted and receivables, as well as primary financial instruments and derivatives held for trading purposes.

Financial liabilities regularly result in a return entitlement in cash or other financial liabilities. At the GfK Group, they primarily consist of liabilities to banks, trade liabilities, liabilities under finance lease agreements and derivative financial instruments.

At the GfK Group, financial instruments are entered on the balance sheet as bought or sold on the trade date, i.e. on the date on which the obligation to buy or sell a financial instrument was entered into.

With regard to interest-bearing financial instruments, interest rate changes may lead to a change in fair value and in the case of variable-rate financial instruments, in fluctuations in interest payments. In principle, current receivables and liabilities are not subject to interest rate risks.

Financial assets and financial liabilities are recorded if the GfK Group is a contractual party in relation to a financial instrument.

Financial assets are valued at fair value when they are first recognized. With regard to financial assets which are not subsequently valued at fair value and recognized in profit and loss, the transaction costs directly attributable to the acquisition are taken into account. The fair values listed on the consolidated balance sheet regularly correspond to the market prices of financial assets. If they cannot be determined directly on the basis of an active market, they are valued using standard market procedures (valuation models). These are based on instrument-specific market parameters. The fair value of financial instruments that are entered on the balance sheet at amortized cost is calculated in the same way. Non-interest-bearing and low-interest financial assets with a term of more than one year are discounted in principle. For financial assets with a remaining term of less than one year, it is assumed that the fair value corresponds to the nominal value.

Financial assets are taken off the books if the contractual rights to payments arising from the financial assets expire or if the financial assets are transferred with all material risks and rewards.

The loans and non-current fixed-term deposits reported under other financial assets are assigned to the "loans and receivables" category. They are valued at amortized cost using the effective interest rate method.

Financial assets held for trading purposes are valued at fair value. They include derivative financial instruments which are not linked to an effective hedge agreement and whose classification as financial assets held for trading is therefore mandatory. Any gain or loss resulting from the subsequent valuation of financial assets that are held for trading is reported in the consolidated income statement.

In terms of the accounting policies applied to financial investments, the Management Board has stipulated at its discretion as the competent body that financial instruments are never classified as held to maturity but instead always as available for sale.

At the GfK Group, the category of financial assets available for sale represents the residual amount of primary financial instruments, which were not allocated to a different category. They comprise investments in affiliated companies reported under other financial assets, other participations and other available-for-sale securities.

In principle, the valuation is based on the fair value derived from the market price where a price quoted in an active market is available. Any gains and losses resulting from the valuation at fair value are recognized in other comprehensive income. This does not apply if the item relates to permanent or material impairments or exchange- rate-related changes in the value of debt instruments. These are reported in the income statement.

The accumulated gains and losses from the valuation at fair value, which can be found in other reserves, are only reported in the consolidated income statement on disposal of the financial assets. If the fair value cannot be reliably determined for equity instruments that are not quoted on the stock exchange, shareholdings are valued at acquisition cost in particular (less impairments where applicable).

Impairment expenses are provided if the carrying value of a financial asset is higher than the present value of future cash flows. An impairment test is conducted on every reporting date. In order to ascertain and objectively verify impairment, the following triggering events are considered:

› The debtor faces considerable financial difficulties.

› Observable data show that a measurable reduction in expected future cash flows has occurred since the asset was first recognized.

To decide if an impairment is required, the existing loans, which are allocated to the "loans and receivables" category and therefore subsequently valued at amortized cost, are analyzed. On the relevant reporting date, checks are performed to determine if there is an objective indication of impairment that should be taken into account on the balance sheet. The impairment amount is calculated on the basis of the difference between the carrying value and the recoverable value, which equals the present value of the expected future cash flows. It is discounted at the original effective interest rate of the financial instrument. To simplify matters, cash flows from current receivables are not discounted. Impairments on financial instruments in the "loans and receivables" category are supplied in separate value adjustment accounts. The relevant value adjustment is removed upon disposal of the financial instrument and no direct decrease or increase in the carrying value of financial instruments in the "loans and receivables" category takes place in principle.

Reclassifications between the levels of the valuation hierarchy of financial assets and financial liabilities, that are valued at fair value, are carried out at the end of the financial year in which they occurred.

Financial liabilities are valued at fair value when they are recognized for the first time. The directly attributable transaction costs are also listed for financial liabilities that are not subsequently valued at fair value and amortized over the term using the effective interest rate method.

In principle, primary financial liabilities are valued at amortized cost. They include financial liabilities and trade liabilities as well as financial other liabilities and deferred items. Non-interest-bearing and low-interest liabilities with a term of more than one year are discounted. With regard to liabilities with a term of less than one year, it is assumed that the fair value corresponds to the repayment value.

It is mandatory to classify any derivative financial instruments which are not linked to effective hedge agreements as "held for trading". Accordingly, they must be included in the balance sheet at fair value through profit or loss. If the fair value is negative, a financial liability is reported.

Financial liabilities are taken off the books if the contractual obligations have been settled, extinguished or have expired.

Borrowing costs are recorded as expenses in the period in which they were incurred.

The market value of financial instruments to be assessed at fair value is generally established on the basis of stock exchange prices. If no stock exchange prices are available, the financial instruments are valued using standard market procedures (valuation models) based on instrument-specific market parameters. The discounted cash flow method is used to calculate the fair value, taking into account individual credit ratings and other market circumstances in the form of prevailing market credit ratings and liquidity spreads for determining the present value.

There are no liquid markets for financial instruments in the "loans and receivables" category, which are valued at amortized cost. For short-term loans and receivables, the assumption is that the market value corresponds to the carrying value. Regarding all other loans and receivables, the market value is determined by discounting the expected future cash flows. The interest rates applied for loans are those which would have been used for new loans with a similar risk structure, original currency and loan term.

In terms of shares in unlisted companies, the carrying value is assumed to correspond to the market value. The market value could only be reliably established on the basis of concrete acquisition negotiations.

Trade payables and financial current other liabilities generally have a remaining term of less than one year, so the carrying value is approximately consistent with the fair value.

For financial non-current liabilities, the fair values are determined as the present values of the payments associated with the liabilities.

3.21 DERIVATIVE FINANCIAL INSTRUMENTS, HEDGE ACCOUNTING

The GfK Group completes transactions throughout the world in different currencies, which may result in an exchange risk. Short-term investments, investments in securities and the establishment of bank loans are also carried out in different currencies. This may result in risks from the change in exchange rates, interest rates and market prices.

More detailed information on currency and interest rate risks as well as the goals, strategies and processes of risk management is provided in the risk report, which is part of the Group Management Report.

The GfK Group uses forward currency transactions as well as interest rate swaps to hedge against currency and interest rate risks.

Derivative financial instruments are reported at acquisition cost as asset or liability at the time of the transaction and subsequently valued at fair value. The valuation of derivative financial instruments is performed using standard market procedures based on instrument-specific market parameters. Market prices are calculated on the basis of present value and option price models. Where possible, the relevant market prices and interest rates on the balance sheet date are used as input parameters for these models.

In hedge accounting, changes in the value of derivative financial instruments are recorded differently, depending on whether the instrument is a fair value hedge, cash flow hedge or net investment hedge.

If the derivative financial instrument is used to hedge against the risk of changes in the value of assets or liabilities, it represents a fair value hedge. In this case, changes in the value of both the underlying hedged item and the derivative financial instrument are taken to the income statement.

With changes in the value of cash flow hedges used to hedge underlying transactions against risks from fluctuations in future payment flows, the effective portions of the fair value fluctuations are initially listed under other comprehensive income (OCI). If the effectiveness of a hedge is not within the range of 80 percent to 125 percent, the hedge is liquidated. The ineffective parts of hedges are charged directly to the income statement. The risk regarding the amount of future cash flows applies, in particular to variable rate loans and planned transactions that are highly likely to occur.

Once the hedged transaction affects the income statement, the accumulated gains and losses recognized in other reserves are released with an impact on the income statement.

Net investment hedges can be used to secure net investments in foreign subsidiaries. This may, for example, involve a foreign currency loan in the local currency of the acquired shareholding. Any exchange gains or losses from the reporting date valuation of the foreign currency loan pertaining to the effective portion are recognized in OCI, as is the case for cash flow hedges.

If the hedge is regarded as highly effective, the exchange gains and losses from the hedging instrument are posted in OCI. The release with an impact on the income statement of this item does not occur at the end of the term of the hedging instrument but rather only upon sale or liquidation of the hedged item.

The prerequisite for any type of hedge accounting is that the correlation between the hedged item and the hedging instrument is accurately documented. In addition, the means by which the hedging instrument used compensates the risk associated with the hedged item in a highly effective manner must be documented along with the methods used to substantiate the effectiveness.

Generally, the part of the changes in value not covered by the hedged item is taken to the consolidated income statement.

In addition, the GfK Group enters into hedge agreements which cannot be reported according to the rules of hedge accounting. From a financial point of view, these hedge agreements also comply with risk management principles. Furthermore, hedge accounting is not applied to foreign currency hedges relating to reported cash assets and liabilities. This is because the gains and losses realized on the underlying instruments as a result of currency translation are linked to the gains and losses on the derivative hedging instruments. They virtually offset each other in the consolidated income statement.

3.22 RECEIVABLES AND OTHER ASSETS

Receivables are stated at nominal value or, in the case of identifiable specific risks, at the lower attributable value. This lower attributable value takes sufficient account of the default risk. Group-wide guidelines regulate hedging against the risk of non-payment. In calculating the required value adjustment for risky loans, a significant level of estimation and assessment is necessary. The main factors here are client credit rating, current economic development and historical default rates.

A credit check of new clients should be obtained from a recognized credit agency, if the order volume exceeds € 50 thousand. If no satisfactory information about the client is available, two-thirds of the order value is payable prior to delivery. The credit rating of existing clients must also be monitored based on the specified rules. In addition, the credit risk is minimized through issuing invoices for prepayments and on-account payments.

3.23 INVENTORIES

Inventories are valued at the lower end of acquisition or manufacturing costs and net realizable value. Due to their lesser importance to the consolidated financial statements of the GfK Group, inventories are reported under current other assets and deferred items.

3.24 CASH AND CASH EQUIVALENTS

Cash and cash equivalents contain cash on hand and in banks as well as liquid investments with a remaining term of less than three months.

3.25 ASSETS AND LIABILITIES HELD FOR SALE

Assets and liabilities with an affiliated carrying value that is primarily realized through a sale transaction and not through continued usage are identified in the consolidated balance sheet separately from the other assets and debts in the balance positions "Assets held for sale" and "Liabilities held for sale". A sale within a year must be highly probable.

Non-current assets that are classified as held for sale are assessed at the lower value from the carrying value and the fair value minus costs to sell. Their regular amortization is suspended. If there is depreciation, it will initially be assigned to the goodwill, then proportionately to the remaining assets and liabilities. The depreciation expenditures are identified in the income statement. The fair value less costs to sell is calculated based on estimations and assumptions, which are surrounded by uncertainty.

3.26 EQUITY

Capital reserve
GfK SE's equity which is not part of subscribed capital attributable to the capital contributions of shareholders and which does not originate from generated income is reported under the capital reserve. Services linked to deposits for the purposes of acquiring shares or granting privileges as well as other services aimed at strengthening equity are also provided under the capital reserve.

Retained earnings
Amounts created from income in the financial year under review or prior financial years are reported as retained earnings. This includes a statutory reserve to be created from income.

Other reserves
Other reserves comprise changes in Group equity, which are initially listed in other comprehensive income and which do not involve contributions by shareholders or distributions to shareholders.

These changes result from exchange rate differences, unrealized profits and losses from available-for-sale securities, the valuation of hedging instruments (cash flow hedges and net investment hedges) and actuarial gains and losses on defined benefit plans.

Minority interests
Any non-controlling shares are reported as total minority interests.

3.27 PROVISIONS

In principle, provisions are established when an obligation to a third party will probably result in an outflow of funds. In addition, the level of the obligation needs to be estimated reliably. Long-term interest-free or low-interest provisions are discounted.

Provisions for pensions are valued in line with the projected unit credit method, in which future compensation increases are taken into consideration. The amount shown in the balance sheet represents the present value of the obligation, adjusted by the unrecognized past-service costs after offsetting the fair value of the plan assets. The discount interest rate is based on the interest rate for prior-ranking fixed-income corporate bonds.

Based on the net defined benefit liability or the net defined benefit asset, net interest is calculated on the net liability (net asset) from a defined benefit plan by multiplying the net liability (the net asset) at the beginning of the period with the discount interest rate, on which the defined benefit obligation, i.e. the gross liability, is based at the beginning of the period.

Pensions and similar obligations are accounted for using actuarial valuation methods. Underlying factors include actuarial assumptions such as discount rates, expected salary increases, mortality rates and increased rates for healthcare costs. Changed conditions can mean that actuarial assumptions may differ greatly from actual developments and therefore lead to significant changes in obligations connected to payments to employees.

Payments for defined contribution plans are recorded as expenses when they occur.

GfK Group companies are occasionally involved in legal disputes. The Management Board regularly analyzes the latest information on legal risks. Provisions are set up for likely obligations, including estimated costs of legal consultation. The likelihood of an outcome unfavorable to the GfK Group, the extent of related liabilities and the possibility of being able to estimate the extent of the relevant obligations sufficiently are taken into account. For the purposes of legal risk assessment, the GfK Group appoints internal and external legal counsel.

Provisions are created for additional obligations to third parties, which are likely to lead to an outflow of funds in future but which are not liabilities, if there is more militating in favor of the existence of a present obligation than against and when the anticipated amount of the claim can be estimated within a certain range. The most probable amount is applied within this range.

3.28 FINANCIAL LIABILITIES

Financial liabilities include interest-bearing liabilities related to financing, particularly loans from banks and other lenders, liabilities under finance leases and other interest-bearing liabilities.

The GfK Group reports put options held by minority shareholders and variable purchase prices in connection with buying shares as purchase price elements which depend on future events and are impacted by future sales and EBIT. The minority interests affected by this are not recorded as minority interests. The associated non-current or current financial liabilities are generally assessed at fair value. Interest added to payment obligations is reported under interest expenses.

For possible adjustments to acquisition costs, as a result of future events which are recognized as liabilities at the time of acquisition, changes in the value of liabilities from earn-outs and put options held by minority shareholders on or after January 1, 2010, are listed in other financial income in the income statement. The profit or loss resulting therefrom is corrected in the cash flow statement under the item "Other non-cash income/expenses" within the cash flow from operating activity.

3.29 TRADE LIABILITIES AND OTHER LIABILITIES

Trade liabilities and other liabilities are stated at repayment value. Obligations under invoices outstanding are recorded under trade payables.

3.30 LIABILITIES ON ORDERS IN PROGRESS

Liabilities on orders in progress comprise payments on account and accrued amounts from the recognition of sales. As part of this item, sales are accrued which are tied to contractually agreed invoices for prepayments or payments on account, but cannot yet be recognized as sales according to the above-described sales recognition methods.

3.31 OVERVIEW OF THE VALUATION PRINCIPLES APPLIED

The following table shows the most important valuation principles that are applied in preparing the consolidated financial statements of the GfK Group.

ASSETS	
Goodwill	Impairment-only approach
Other intangible assets	
with limited useful life	Amortized acquisition or production costs
with indefinite useful life	Impairment-only approach
Tangible assets	Amortized acquisition or production costs
Financial assets	
Shares in affiliated companies, other participations	Acquisition costs
Loans and non-current fixed-term deposits	Amortized costs
Held for trading purposes	Fair value through profit or loss
Other financial assets available for sale	Fair value recognized directly in equity
Trade receivables and other receivables	Amortized costs
Financial other assets	
Derivative financial instruments used as hedges	Fair value recognized directly in equity
Derivative financial instruments not used as hedges	Fair value through profit or loss
Miscellaneous financial other assets	Amortized costs
Non-financial current other assets	Amortized costs
Current securities and fixed-term deposits	Amortized costs
Cash and cash equivalents	Amortized costs

LIABILITIES	
Provisions	
Pension provisions	Projected unit credit method
Other provisions	Discounted amount most likely to be paid
Interest-bearing financial liabilities	
Liabilities from finance lease	Present value of minimum lease payments
Purchase price components which depend on future events	Fair value through profit or loss
Other interest-bearing financial liabilities	Amortized costs
Financial other liabilities	
Derivative financial instruments used as hedges	Fair value recognized directly in equity
Derivative financial instruments not used as hedges	Fair value through profit or loss
Miscellaneous financial other liabilities	Amortized costs
Trade payables	Amortized costs
Liabilities on orders in progress	Amortized costs
Non-financial other liabilities	Amortized costs

3.32 CONSOLIDATED CASH FLOW STATEMENT

The cash flow statement shows the changes to the balance sheet item “Cash and cash equivalents” due to cash flows from operating activity, investing activity and financing activity.

The cash flow from operating activity is derived indirectly from changes to the balance sheet entries. They are adjusted for the effects of currency translation and changes in the scope of consolidation. Consequently, only a limited reconciliation is possible between the changes in the balance sheet items according to the consolidated cash flow statement and the arithmetical changes in the consolidated balance sheet, schedule of movements in non-current assets and other information in the Notes to the consolidated financial statements.

3.33 ESTIMATES

The production of the GfK Group’s consolidated financial statements in compliance with IFRS requires the use of assumptions and estimates. Some of these estimates involve circumstances where uncertainty is inherent and that may be subject to change. These estimates and assumptions were made by the Management Board, taking into account all known facts to the best of their knowledge in order to gain an accurate situational picture of the net assets, financial position and results of operations. However, actual figures for assets and liabilities as well as contingencies on the balance sheet date as well as the income and expenses for the financial year can differ from this.

Estimates are employed in the realization of sales under the percentage of completion method, in connection with the required value adjustment for risky loans and in impairment tests for goodwill as well as for other intangible or tangible assets. In addition, estimates are made in the purchase price allocation following business combinations, to assess the intrinsic value of deferred tax assets and in the recognition and valuation of conditional purchase price obligations and provisions. More precise explanations on the type of estimates necessary in these areas and on making estimates in the GfK Group can be found in the earlier clarification of the accounting and valuation methods. The parameters applied in the reporting year to the impairment test for intangible assets and for the valuation of pension provisions are listed in these Notes under Section 16 "Intangible assets" and Section 26 "Provisions".

The most important estimates regarding the GfK Group's future performance and its business environment are described in the Outlook section of the Group Management Report.

4. Scope of consolidation and major acquisitions

4.1 FULLY CONSOLIDATED COMPANIES

As at December 31, 2015, the scope of consolidation in accordance with IFRS included nine (2014: ten) domestic and 130 (2014: 127) foreign subsidiaries, in addition to the parent company.

The table below shows the changes in fully consolidated subsidiaries between January 1, 2015, and December 31, 2015.

FULLY CONSOLIDATED SUBSIDIARIES
(number)

	Jan. 1, 2015	Additions	Disposals	Dec. 31, 2015
Germany	10	0	–1	9
Abroad	127	4	–1	130
Total	**137**	**4**	**–2**	**139**

Shortly after acquisition, wholly-owned subsidiary NORM Research & Consulting AB, Stockholm, Sweden, and its affiliate Norm Research & Consulting B.V., Amsterdam, Netherlands, were consolidated for the first time on September 1, 2015. Both companies operate in the Consumer Experiences sector.

The purchase price of this acquisition amounted to € 8,044 thousand, of which € 6,839 thousand was paid in cash during the year under review. The remaining purchase price is not yet due. It involves obligations from subsequent purchase price adjustments. Goodwill of € 4,343 thousand resulted from this acquisition, which relates to the Consumer Experiences sector. The goodwill primarily represents the expertise of employees in the subsidiaries acquired, which cannot be capitalized separately.

As yet unreported intangible assets and the associated deferred taxes in the amount of € 1,391 thousand on balance were identified during the acquisition process. This mainly involves the customer relations and software.

	Pre-merger	At the date of acquisition
Non-current assets	599	2,367
Current assets	1,474	1,474
Cash and cash equivalents	1,656	1,656
Liabilities and provisions	1,414	1,791

These companies contributed € 1,851 thousand to the GfK Group's consolidated sales in the 2015 financial year. The accumulated net income from these companies since they have been part of the GfK Group amounts to € –356 thousand.

For the period from January 1, 2015, to the time of first consolidation on September 1, 2015, the two above-mentioned companies achieved sales of € 4,422 thousand and reported income of € –36 thousand.

The GfK Philippines Corporation, Makati City, Philippines, which was founded in the previous year, was consolidated for the first time with effect from January 1, 2015. Furthermore, GfK – Retail and Technology Colombia Limitada, Bogotá, Colombia, which was founded in 2009, was included in the scope of consolidation with effect from January 1, 2015. Both companies operate in the Consumer Choices sector.

With effect from May 11, 2015, GfK nurago GmbH, Hanover, which operates in the Consumer Experiences sector, was merged with GfK SE, Nuremberg. In addition, INCOMA GfK, s.r.o., Prague, Czech Republic, which operates in the Consumer Experiences sector, was merged with GfK Czech, s.r.o., Prague, Czech Republic, with effect from September 1, 2015.

These mergers within the Group served solely to simplify the Group structure and have no immediate financial impact.

4.2 COMPANIES OF MINOR IMPORTANCE

During the year under review, the GfK Group did not include 29 (2014: 31) companies in the consolidated financial statements due to their minor significance for the net assets, financial position and results of operations of the Group.

Overall, external sales, annual income, total assets and cash flows from these companies are of minor importance, as in the previous year, compared with the corresponding figures in the consolidated financial statements.

4.3 ASSOCIATED COMPANIES

In the consolidated financial statements as at December 31, 2015, shareholdings in nine (2014: 12) associated companies abroad are reported and, as in 2014, in one associated company in Germany.

On March 5, 2015, a shareholding of around 22 percent was purchased in YouEye Inc., Mountain View, California, USA.

On July 30, 2015, MarketingScan International SAS, Suresnes, France, was merged with its subsidiary MarketingScan SAS, Suresnes, France. MarketingScan SAS, Suresnes, France, was previously a member of the subgroup valued at equity under MarketingScan International SAS, Suresnes, France, and therefore not reported as a separate associated company. On August 20, 2015, Consumer Zoom SAS, Suresnes, France, was merged with MarketingScan SAS, Suresnes, France.

The shares in Oz Toys Marketing Services Pty. Ltd., Sydney, Australia, Sports Tracking Europe B.V., Amstelveen, Netherlands, and NPD Intelect, L.L.C., Port Washington, New York, USA, were sold on November 23, 2015. These companies were assigned to the Consumer Choices sector.

4.4 OTHER PARTICIPATIONS

The number of other participations increased from three to four following the indirect acquisition of a minority share in ZecoByte AB, Stockholm, Sweden, as part of the acquisition of NORM Research & Consulting AB, Stockholm, Sweden.

5. Sales

Sales are broken down according to type as shown in the table below:

	2014	2015
Sales to third parties	1,448,015	1,537,528
Sales to Group companies	2,635	3,206
Sales to related parties	2,273	2,692
Sales	**1,452,923**	**1,543,426**

The breakdown of sales according to sector and region is shown under Section 34 “Segment reporting”.

6. Cost of sales

The breakdown of cost of sales is shown in the table below:

	2014	2015
Personnel expenses	491,960	537,941
Other cost of sales	424,257	461,125
Amortization/depreciation and impairments	48,131	39,498
Cost of sales relating to Group companies	9,042	6,252
Cost of sales (before research and development costs)	**973,390**	**1,044,816**
Research and development costs	17,196	17,118
Cost of sales (including research and development costs)	**990,586**	**1,061,934**

Other cost of sales mainly comprises services purchased.

7. Selling and general administrative expenses

The breakdown of selling and general administrative expenses is shown in the table below:

	2014	2015
Personnel expenses	198,253	198,889
Other selling and general administrative expenses	80,172	81,219
Amortization/depreciation and impairments	21,634	22,118
Selling and general administrative expenses relating to Group companies	943	3
Selling and general administrative expenses	**301,002**	**302,229**

Amortization/depreciation and impairments include value adjustments on operating receivables in addition to amortization/depreciation and impairments on other intangible assets and tangible assets.

Other selling and general administrative expenses mainly consist of rental expenses, fees for consulting and other external services, travel expenses, charges for telecommunications, data transmission and processing as well as maintenance expenses.

8. Other operating income

Other operating income includes the items listed in the following table:

	2014	2015
Currency exchange gains	2,950	2,306
Reversal of impairments	1,120	0
Miscellaneous	3,748	17,507
Other operating income	**7,818**	**19,813**

Currency exchange gains mainly contain profits from foreign currency transactions in U.S. dollars and pound sterling as well as from foreign currency transactions of a company with the Turkish lira as functional currency in euro and U.S. dollars.

The reversal of impairments related to write-ups on brands amounting to € 1,084 thousand in the previous year.

Miscellaneous other operating income mainly comprises income from the dissolution of the cross-shareholding with The NPD Group, Inc., USA, explained in detail in Section 25.4 “Equity change statement” as well as rental income from property.

9. Other operating expenses

Other operating expenses include the items listed in the table below, which cannot be assigned to functional costs.

	2014	2015
Goodwill impairment	59,498	39,418
Personnel expenses	10,842	14,504
Currency exchange losses	4,093	4,545
Amortization/depreciation and other impairments	1,963	24,376
Miscellaneous	24,775	12,082
Other operating expenses	**101,171**	**94,925**

The goodwill impairment amounting to € 39,418 thousand (2014: € 59,498 thousand) resulted from a reassessment of growth prospects in the Consumer Experiences sector.

Personnel expenses primarily relate to severance payments in connection with positions, which were no longer filled as a result of restructuring in line with the new strategic orientation of the relevant business divisions (€ 13,897 thousand; 2014: € 10,782 thousand).

Currency exchange losses mainly comprise losses on foreign currency transactions of companies with a functional currency other than the euro, in euro, U.S. dollars, pound sterling and Swiss francs as well as on foreign currency transactions of companies with the euro as functional currency in U.S. dollars, pound sterling, Singapore dollars, Australian dollars and Japanese yen.

Amortization/depreciation and other impairments of € 20,034 thousand (2014: € 0 thousand) pertain to impairments of intangible assets which resulted from discontinued new product development (Mobile Insight/Location Insight) as well as discontinued individual modules of the existing CPIMS/NEO analysis and production platform. During the year under review, no impairments of intangible assets were stated in connection with the irregularities in 2012 at GfK Arastirma Hizmetleri A.S., Istanbul, Turkey (2014: € 1,097 thousand). However, the same situation resulted in further expenses amounting to € 1,349 thousand (2014: € 10,962 thousand), included in miscellaneous other operating expenses. These mainly comprise legal and consulting costs.

Furthermore, miscellaneous other operating expenses comprise expenses related to lease agreements and relocation (€ 4,447 thousand; 2014: € 2,713 thousand) as well as expenses in connection with share and asset deals (€ 3,164 thousand; 2014: € 215 thousand). In contrast, expenses for legal disputes (€ 84 thousand; 2014: € 3,196 thousand) and social security risks in various countries (€ 160 thousand; 2014: € 2,722 thousand) only played a subordinate role.

10. Personnel expenses

The expense items in the consolidated income statement include the personnel expenses listed in the following table.

	2014	2015
Wages and salaries	590,274	646,255
Social security contributions and expenses for pensions	115,110	119,599
Personnel expenses	**705,384**	**765,854**

11. Adjusted operating income

Adjusted operating income is the internal management indicator of the GfK Group, which is explained in detail in the Group Management Report. It is derived as follows:

	2014	2015
Operating income	67,982	104,151
Goodwill impairment	59,498	39,418
Write-ups and write-downs of additional assets identified on acquisitions	11,391	4,314
Income and expenses in connection with share and asset deals	1,010	-8,655
Income and expenses in connection with reorganization and improvement projects	17,058	22,772
Personnel expenses for share-based incentive payments	1,005	1,896
Currency conversion differences	1,142	2,240
Income and expenses related to one-off effects and other exceptional circumstances	19,746	21,443
Adjusted operating income	**178,832**	**187,579**

11.1 WRITE-UPS AND WRITE-DOWNS OF ADDITIONAL ASSETS IDENTIFIED ON ACQUISITIONS

The composition of write-ups and write-downs of additional assets identified on acquisitions as well as their allocation to items in the consolidated income statement are shown in the following table.

	2014	2015
Amortization		
Cost of sales	3,554	1,171
Selling and general administrative expenses	3,859	3,731
Impairments		
Cost of sales	6,778	919
Selling and general administrative expenses	1,622	1,208
Other operating expenses	0	1,288
Reversal of impairments		
Cost of sales	-1,954	-3,131
Selling and general administrative expenses	-1,385	-872
Other operating income	-1,083	0
Write-ups and write-downs of additional assets identified on acquisitions	**11,391**	**4,314**

Further details are provided in Section 16.6 “Amortization, impairments and reversal of impairments of intangible assets”.

11.2 INCOME AND EXPENSES IN CONNECTION WITH REORGANIZATION AND IMPROVEMENT PROJECTS

Income and expenses in connection with reorganization and improvement projects primarily relate to expenses for severance payments within the scope of reorganization projects amounting to € 13,897 thousand (2014: € 10,782 thousand). This item also includes expenses amounting to € 3,397 thousand (2014: € 4,033 thousand) for the global standardization project REACH (formerly SCOPE).

11.3 PERSONNEL EXPENSES FOR SHARE-BASED INCENTIVE PAYMENTS

A long-term incentive program, which is described in detail in Section 3.17 “Long-term incentive plans for employees and executives of the GfK Group”, has been in place for GfK SE Management Board members since financial year 2010 and for selected GfK Group executives since financial year 2012. The following table shows the number, term and value of the virtual shares issued under this long-term incentive program.

Tranche	**1**	**2**	**3**	**4**	**5**	**6**
Year issued	2010	2011	2012	2013	2014	2015
Year of payment	2014	2015	2016	2017	2018	2019
Number of virtual shares issued (quantity)	15,693	16,498	49,886	46,458	44,906	72,373
Fair value of a virtual share in €	30.90	30.90	30.90	30.90	30.90	30.90

Total expenses for the program during the financial year amounted to € 1,896 thousand (2014: € 1,005 thousand).

11.4 INCOME AND EXPENSES RELATED TO ONE-OFF EFFECTS AND OTHER EXCEPTIONAL CIRCUMSTANCES

Income and expenses from one-off effects and other exceptional circumstances include impairments, which are related to the discontinuation of network-based development activities for Mobile Insight/Location Insight, as well as two modules of the digital analysis and production platform CPIMS/NEO (€ 20,034 thousand, 2014: € 0 thousand).

The expenses resulting from irregularities at GfK Arastirma Hizmetleri A.S., Istanbul, Turkey, amounted to € 1,349 thousand in 2015 (2014: € 12,059 thousand). For other legal disputes and social security risks, total expenses of € 244 thousand (2014: € 5,918 thousand) were incurred during the financial year.

Total income of € 1,102 thousand (2014: € 0 thousand) was reported in connection with the sale of an office building at GfK Switzerland AG, Hergiswil, Switzerland.

12. Other financial income

Other financial income breaks down as follows:

	2014	**2015**
Interest and similar income due from banks	712	897
Other interest income	1,350	1,277
Interest income	**2,062**	**2,174**
Miscellaneous other financial income	7,995	27,993
Other financial income	**10,057**	**30,167**

Miscellaneous other financial income mainly includes currency exchange gains on financial assets, financial receivables and financial liabilities, bank balances in foreign currency, as well as income from currency hedging transactions amounting to a total of € 24,275 thousand (2014: € 7,431 thousand). These amounts and their development must be seen in connection with the corresponding currency losses in other financial expenses.

Furthermore, other financial income essentially includes income from valuation adjustments of purchase price commitments for the acquisition of participations or assets (put options or obligations) amounting to € 3,681 thousand (2014: € 564 thousand) taken to the income statement.

13. Other financial expenses

Other financial expenses are composed as follows:

	2014	**2015**
Interest and similar expenses due to banks	7,715	5,272
Other interest expenses	13,729	13,456
Interest expenses	**21,444**	**18,728**
Miscellaneous other financial expenses	12,970	29,704
Other financial expenses	**34,414**	**48,432**

Other interest expenses include € 10,100 thousand (2014: € 10,115 thousand) in interest expenses on a bond with a volume of € 186 million issued on April 1, 2011, on which interest is fixed at 5.0 percent. In addition, this item comprises € 1,120 thousand (2014: € 1,309 thousand) in interest expenses on future purchase price liabilities for acquisitions.

Miscellaneous other financial expenses mainly comprise currency exchange losses on financial assets, financial receivables and financial liabilities as well as bank accounts held in foreign currency amounting to € 26,678 thousand (2014: € 10,975 thousand). These amounts and their development must be seen in connection with the corresponding currency gains in other financial income.

Further information about the use of derivative financial instruments is provided in Section 29 “Financial instruments” and Section 30 “Risk management relating to market, credit and liquidity risks”.

14. Tax on income from ongoing business activity

The main elements of the Group's income tax are shown in the following table:

	2014	2015
Actual tax expenses/income		
Tax on income for the current year	37,123	44,760
Tax income from the utilization of previously non-utilized tax losses	−5,335	−1,301
Tax on income for previous years	924	−1,139
Actual tax expenses/income	**32,712**	**42,320**
Defered tax expenses/income		
from the utilization of losses carried forward and interest carried forward or tax credits	8,429	17,348
from the formation or reversal of temporary differences	7,472	4,111
from write-ups and write-downs of additional assets identified on acquisitions	−3,955	−1,205
based on previously not included tax losses and interest carried forward or tax credits	−2,598	−1,226
from tax rate changes/new taxes	355	−1,435
based on the reassessment of the realizability of tax losses	−9,633	−2,256
based on newly incurred and recognized tax losses and interest carried forward or tax credits	−5,259	−10,992
Other deferred tax expenses	689	498
Deferred tax expenses/income	**−4,500**	**4,843**
Tax on income from ongoing business activity	**28,212**	**47,163**

Income taxes are divided between Germany and other countries as follows:

	2014	2015
Actual tax expenses/income	**32,712**	**42,320**
of which Germany	3,106	1,147
of which abroad	29,606	41,173
Deferred tax expenses/income	**−4,500**	**4,843**
of which Germany	10,089	−4,805
of which abroad	−14,589	9,648

The tax rate used to calculate deferred taxes for GfK SE and its German subsidiaries that form part of a tax group is composed of a corporation tax rate of 15 percent plus a solidarity surcharge of 5.5 percent on the specified corporation tax as well as the effective trade tax rate of 15.645 percent. This results in an unchanged tax rate of 31.470 percent as at December 31, 2015.

The deferred taxes of the remaining German companies are calculated according to the relevant municipal factor of the trade tax rate. The deferred taxes of the companies outside Germany are calculated according to the country-specific tax rates.

The table below contains a reconciliation of the expected income tax expense on the income tax stated in financial year 2015. To calculate the expected tax expense, the tax rate valid during the year under review for the parent company, GfK SE, amounting to 31.470 percent (2014: 31.470 percent) is multiplied by the income before taxes.

	2014	2015
Total tax rate in percent	31.470	31.470
Expected tax expense	**14,977**	**27,659**
Increase/decrease in income tax expense resulting from:		
Tax-exempt income	−4,316	−4,429
Adjustment of deferred tax due to changes in tax rates	355	−1,435
Tax from prior years	988	−976
Change in temporary differences, losses carried forward, interest carried forward and tax credits not recognized as deferred tax assets	−13,773	−683
Effects from purchase price obligations	239	−541
Change in permanent differences	−39	−276
Deferred tax assets on new tax credits	−13	−10
Income from at-equity participations that cannot be utilized for tax purposes	−21	165
Differences in tax rate	2,756	1,019
Consolidation of taxable income from participations	1,271	3,060
Deviating tax base	2,128	3,312
Non-deductible expenses	6,309	5,820
Goodwill impairment	18,724	12,405
Other	−1,373	2,073
Tax expenses reported	**28,212**	**47,163**

The following actual income tax assets and liabilities are recorded in the consolidated balance sheet:

	Dec. 31, 2014	Dec. 31, 2015
Non-current income tax assets	4,051	3,811
Current income tax assets[1]	17,413	15,654
Total income tax assets	**21,464**	**19,465**
Non-current income tax liabilities	0	0
Current income tax liabilities	15,522	13,545
Total income tax liabilities	**15,522**	**13,545**

1) Additionally, current income tax assets amounting to € 51 thousand were included in assets held for sale as at December 31, 2015.

Non-current income tax assets are reported under the balance sheet item "non-current other assets and deferred items".

Non-current income tax liabilities are included in the balance sheet item "non-current other liabilities and deferred items".

The deferred taxes result from the balance sheet items shown in the following table:

	Dec 31, 2014	Dec 31, 2015
Goodwill	485	508
Other intangible assets	1,369	1,236
Tangible assets	2,136	1,852
Investments in affiliates	4	3
Investments in associates and other participations	25	257
Other financial assets	2,202	1,240
Non-current other assets and deferred items	1,355	804
Non-current assets	**7,576**	**5,900**
Receivables and current other assets	1,063	778
Current securities and fixed-term deposits, cash and cash equivalents	0	12
Current assets	**1,063**	**790**
Long-term provisions	9,206	9,405
Non-current other liabilities and deferred items	834	5,130
Non-current liabilities	**10,040**	**14,535**
Short-term provisions	850	1,321
Current other liabilities and deferred items	21,804	23,794
Current liabilities	**22,654**	**25,115**
Losses carried forward	42,530	43,031
Interest carried forward/tax credits	16,306	13,349
Deferred tax assets	**100,169**	**102,720**
Goodwill	–37,967	–46,032
Other intangible assets	–74,365	–75,628
Tangible assets	–2,520	–2,190
Investments in affiliates	–2,904	–4,514
Investments in associates and other participations	–32	–66
Other financial assets	–3,655	–2,622
Non-current other assets and deferred items	–732	–1,420
Non-current assets	**–122,175**	**–132,472**
Receivables and current other assets	–9,813	–11,253
Current securities and fixed-term deposits, cash and cash equivalents	–25	–4
Current assets	**–9,838**	**–11,257**
Long-term provisions	–524	–174
Non-current other liabilities and deferred items	–460	–274
Non-current liabilities	**–984**	**–448**
Short-term provisions	–380	–201
Current other liabilities and deferred items	–941	–1,137
Current liabilities	**–1,321**	**–1,338**
Deferred tax liabilities	**–134,318**	**–145,515**
NET DEFERRED TAX LIABILITIES	**–34,149**	**–42,795**

The change in net deferred tax liabilities is included in the consolidated income statement in the amount of € –4,843 thousand (2014: € 4,500 thousand). An amount of € 2,082 thousand (2014: € 3,662 thousand) was posted to other comprehensive income. An effect amounting to € –5,301 thousand (2014: € –4,501 thousand) resulted from the currency valuation of the balance sheet items “Deferred tax assets”, “Deferred tax liabilities” and from taxes in other comprehensive income.

Deferred taxes are reported in the consolidated balance sheet as shown in the following table:

	Dec 31, 2014	Dec 31, 2015
Deferred tax assets	41,373	43,578
Deferred tax liabilities	–75,522	–86,373
Net deferred tax liabilities	**–34,149**	**–42,795**
Deferred tax assets included in assets held for sale	0	397
Deferred tax liabilities included in liabilities held for sale	0	–282
Net deferred tax liabilities including assets and liabilities held for sale	**–34,149**	**–42,680**

The change in income tax amounts connected with components of other comprehensive income are shown in the following table:

	2014	2015
Taxes in other reserves from currency translation	0	1,891
Taxes in the other reserves from net investment hedges	284	117
Taxes in the other reserves from actuarial gains/losses on defined benefit plans	3,314	58
Taxes in other reserves from cash flow hedges	67	12
Taxes in other reserves from securities	–3	4
Taxes posted to other comprehensive income	**3,662**	**2,082**

The breakdown of domestic and foreign tax loss carryforwards is shown in the following tables:

Dec. 31, 2014	Germany	Abroad	Total
Total tax loss carryforwards	**24,311**	**177,993**	**202,304**
Tax loss carryforwards – recognized as deferred tax –	**16,806**	**128,427**	**145,233**
Expiry within the next 5 years	0	26,834	26,834
Expiry within 5 to 10 years	0	42,638	42,638
Expiry within 10 to 15 years	0	31,178	31,178
Expiry in more than 15 years	0	16,340	16,340
No time limit	16,806	11,437	28,243
Tax loss carryforwards – not recognized as deferred tax –	**7,505**	**49,566**	**57,071**
Expiry within the next 5 years	0	15,747	15,747
Expiry within 5 to 10 years	0	4,599	4,599
Expiry within 10 to 15 years	0	0	0
Expiry in more than 15 years	0	0	0
No time limit	7,505	29,220	36,725

Dec. 31, 2015	Germany	Abroad	Total
Total tax loss carryforwards	**30,715**	**170,827**	**201,542**
Tax loss carryforwards – recognized as deferred tax –	**28,987**	**116,145**	**145,132**
Expiry within the next 5 years	0	23,004	23,004
Expiry within 5 to 10 years	0	20,627	20,627
Expiry within 10 to 15 years	0	42,010	42,010
Expiry in more than 15 years	0	12,865	12,865
No time limit	28,987	17,639	46,626
Tax loss carryforwards – not recognized as deferred tax –	**1,728**	**54,682**	**56,410**
Expiry within the next 5 years	0	15,942	15,942
Expiry within 5 to 10 years	0	11,055	11,055
Expiry within 10 to 15 years	0	101	101
Expiry in more than 15 years	0	243	243
No time limit	1,728	27,341	29,069

The estimate of future realizability governs the recognition and valuation of deferred tax assets. This is dependent on the generation of future taxable profits during accounting periods in which tax valuation differences are reversed and tax loss carryforwards, interest carried forward and tax credits can be applied.

In view of expected future performance, it is assumed probable that the relevant benefits of the recognized deferred tax assets will be realized, according to the provisions of IFRS. For companies which reported deferred tax assets for tax loss carryforwards and which were in a loss-making situation in the year under review or the previous year, a deferred tax asset surplus of € 11,691 thousand (2014: € 6,672 thousand) was stated, since there is sufficient assumption of future profits. Of this, € 327 thousand are related to companies held for sale.

To assess this profit expectation, the Management Board has drawn upon past earnings situations and forecasted future results, calculated on the basis of approved business plans. Tax planning, information on as yet unused tax losses and tax credits from previous years as well as any other significant considerations were also used to test the intrinsic value.

In addition to the unrecognized tax loss carryforwards mentioned above, there are temporary differences amounting to € 11,481 thousand (2014: € 13,234 thousand) and interest carried forward or tax credits of € 390 thousand (2014: € 350 thousand) in the Group, for which no deferred tax assets have been recognized. The interest carried forward and tax credits not recognized as deferred tax assets have no time limit on their use.

The GfK Group recognizes deferred taxes on retained profits from foreign subsidiaries, provided that these profits are distributable and are to be distributed in the foreseeable future. No tax liabilities were deferred in relation to temporary differences amounting to € 17,780 thousand (2014: € 19,864 thousand) since there is no pay-out intention.

Pay-outs to shareholders of GfK SE do not result in income tax consequences at the level of GfK SE.

15. Earnings per share

The earnings per share are derived as shown below:

	2014	2015
Consolidated total income attributable to equity holders of the parent	5,859	36,773
Weighted average of shares outstanding (number) – non-diluted –	36,503,896	36,503,896
Weighted average of shares outstanding (number) – diluted –	36,503,896	36,503,896
Earnings per share in €	**0.16**	**1.01**
Earnings per share (diluted) in €	**0.16**	**1.01**

There are no circumstances that may result in dilution.

16. Intangible assets

The movement in intangible assets is shown in the table below:

	Goodwill	Internally generated intangible assets	Miscellaneous intangible assets	Total intangible assets
ACQUISITION AND MANUFACTURING COSTS				
As at January 1, 2014	930,097	177,326	427,216	1,534,639
Exchange rate changes	62,135	839	32,950	95,924
Additions from business combinations	5,139	0	2,542	7,681
Other changes in the scope of consolidation	0	49	−83	−34
Additions	0	45,514	5,718	51,232
Disposals	−1,985	−624	−1,767	−4,376
Reclassifications	0	−2,856	2,932	76
As at December 31, 2014	**995,386**	**220,248**	**469,508**	**1,685,142**
As at January 1, 2015	995,386	220,248	469,508	1,685,142
Exchange rate changes	58,692	−1,626	31,075	88,141
Additions from business combinations	4,437	398	3,525	8,360
Other changes in the scope of consolidation	0	0	0	0
Additions	0	59,696	8,856	68,552
Disposals	−1,433	−2,143	−8,437	−12,013
Reclassification as assets held for sale	−6,907	−7,799	−31,981	−46,687
Reclassifications	0	458	−279	179
As at December 31, 2015	**1,050,175**	**269,232**	**472,267**	**1,791,674**
CUMULATIVE AMORTIZATION				
As at January 1, 2014	151,115	63,024	295,244	509,383
Exchange rate changes	12,064	596	21,658	34,318
Additions from business combinations	0	0	27	27
Other changes in the scope of consolidation	0	0	−28	−28
Additions	0	21,281	18,203	39,484
Disposals	0	−474	−1,753	−2,227
Impairments	59,498	136	9,496	69,130
Reversal of impairments	0	0	−4,422	−4,422
Reclassifications	0	−1,254	1,303	49
As at December 31, 2014	**222,677**	**83,309**	**339,728**	**645,714**
As at January 1, 2015	222,677	83,309	339,728	645,714
Exchange rate changes	14,173	848	20,885	35,906
Additions from business combinations	0	122	1,535	1,657
Other changes in the scope of consolidation	0	0	0	0
Additions	0	20,827	16,280	37,107
Disposals	−96	−2,013	−8,517	−10,626
Reclassification as assets held for sale	0	−1,990	−22,694	−24,684
Impairments	39,418	20,337	4,889	64,644
Reversal of impairments	0	0	−4,003	−4,003
Reclassifications	0	220	−54	166
As at December 31, 2015	**276,172**	**121,660**	**348,049**	**745,881**
CARRYING VALUES				
As at January 1, 2014	778,982	114,302	131,972	1,025,256
As at December 31, 2014	**772,709**	**136,939**	**129,780**	**1,039,428**
As at January 1, 2015	772,709	136,939	129,780	1,039,428
As at December 31, 2015	**774,003**	**147,572**	**124,218**	**1,045,793**

Additions from business combinations into goodwill result from company acquisitions in the reporting year. Further information on this is available in Section 4 “Scope of consolidation and major acquisitions”.

16.1 GOODWILL

At the beginning of 2015, the carrying value of goodwill amounted to € 772,709 thousand (2014: € 778,982 thousand). At year-end, the carrying value stood at € 774,003 thousand. This represents an increase in goodwill of € 1,294 thousand (2014: decrease of € 6,273 thousand). Exchange-rate-related changes accounted for € 44,519 thousand (2014: € 49,592 thousand). Impairments on goodwill in the Consumer Experiences sector amounted to € 39,418 thousand (2014: € 59,498 thousand) and disposals from the revaluation of purchase price obligations for the acquisition of participations to € 1,337 thousand (2014: € 1,506 thousand). The planned sale of market research activities in the area of crop protection and animal health reduced goodwill by € 6,907 thousand, because it was reclassified as an asset held for sale. Business combinations resulted in additions of € 4,437 thousand (2014: € 5,139 thousand).

The reported reduction in goodwill in the balance sheet based on the impairment converted with the average rate on the balance sheet date amounted to € 39,820 thousand (2014: € 62,524 thousand).

16.2 INTERNALLY GENERATED INTANGIBLE ASSETS

The breakdown of internally generated intangible assets is as follows:

Dec. 31, 2014	With limited useful life	With indefinite useful life	Total
Software	101,134	0	101,134
Capitalized panel set-up costs	6,766	28,328	35,094
Other	711	0	711
Internally generated intangible assets	**108,611**	**28,328**	**136,939**

Dec. 31, 2015	With limited useful life	With indefinite useful life	Total
Software	95,482	0	95,482
Capitalized panel set-up costs	18,368	31,116	49,484
Other	2,606	0	2,606
Internally generated intangible assets	**116,456**	**31,116**	**147,572**

Capitalized panel set-up costs have only a limited useful life if the panel was created for a specific, fixed-term client contract. Otherwise, capitalized panel set-up costs have an indefinite useful life.

16.3 MISCELLANEOUS INTANGIBLE ASSETS

The breakdown of miscellaneous intangible assets is represented in the following tables:

Dec. 31, 2014	With limited useful life	With indefinite useful life	Total
Acquired panels	986	63,742	64,728
Customer relations	26,583	0	26,583
Brands	176	16,862	17,038
Software	14,847	0	14,847
Studies	152	0	152
Other	6,432	0	6,432
Miscellaneous intangible assets	**49,176**	**80,604**	**129,780**

Dec. 31, 2015	With limited useful life	With indefinite useful life	Total
Acquired panels	409	64,676	65,085
Customer relations	24,547	0	24,547
Brands	0	17,357	17,357
Software	13,590	0	13,590
Studies	0	0	0
Other	3,639	0	3,639
Miscellaneous intangible assets	**42,185**	**82,033**	**124,218**

16.4 INTANGIBLE ASSETS WITH AN INDEFINITE USEFUL LIFE

Details of the allocation of significant goodwill to cash generating units are provided in the table below. The goodwill of cash generating units where the goodwill amounts to more than 5 percent of the total goodwill of the GfK Group is shown separately. The impairment as a result of the impairment test amounts to € 39,418 thousand (2014: € 59,498 thousand). This decline was more than compensated for by an exchange-rate-related increase in goodwill, so that an increase of € 1,294 thousand occurred in the current financial year (2014: € –6,273 thousand).

The impairments related to the Consumer Experiences sector in the Central Eastern Europe/META and Southern and Western Europe regions.

	Dec. 31, 2014	Dec. 31, 2015
Consumer Experiences	**413,293**	**402,079**
of which		
Northern Europe	212,070	228,940
North America	71,307	78,477
Central Eastern Europe/META	65,854	41,690
Other	64,062	52,972
Consumer Choices	**359,416**	**371,924**
of which		
Northern Europe	149,880	151,291
North America	89,309	99,560
Southern and Western Europe	58,644	58,690
Other	61,583	62,383
Goodwill	**772,709**	**774,003**

Allocation of capitalized panel set-up costs for internally generated panels with indefinite useful life to the sectors is illustrated in the table below. The increase compared with the previous year in the Consumer Choices sector resulted from the set-up of a Mobile Audience Measurement Panel in the USA as well as the expansion of the Hospital Panel in Germany.

	Dec. 31, 2014	Dec. 31, 2015
Consumer Experiences	20,298	19,595
Consumer Choices	8,030	11,521
Capitalized panel set-up costs with indefinite useful life	**28,328**	**31,116**

Allocation of the acquired panels with indefinite useful life to the sectors is shown in the table below. The change compared with the previous year in the Consumer Choices sector resulted, in particular, from the planned sale of the Crop Protection and Animal Health business. The increase in the Consumer Experiences sector was due to the reversal of impairments of panels which were subject to impairments in previous years as well as positive exchange rate effects.

	Dec. 31, 2014	Dec. 31, 2015
Consumer Experiences	38,245	45,261
Consumer Choices	25,497	19,415
Acquired panels with indefinite useful life	**63,742**	**64,676**

Brands identified and capitalized as part of purchase price allocation generally have an indefinite useful life. These are established, well-known brands.

The allocation of brands with an indefinite useful life to the sectors is indicated in the following table.

	Dec. 31, 2014	Dec. 31, 2015
Consumer Experiences	3,607	2,575
Consumer Choices	13,255	14,782
Brands with indefinite useful life	**16,862**	**17,357**

16.5 INTANGIBLE ASSETS OF MAJOR IMPORTANCE

Intangible assets of major importance in the GfK Group are intangible assets with an individual carrying amount of more than € 5 million. The total values of these intangible assets of major importance that represent a subset of total intangible assets are shown in the following table.

	Dec. 31, 2014	Dec. 31, 2015
Goodwill	772,709	774,003
Panels	36,947	63,711
Software	60,405	41,420
Brands	13,255	14,782

Software mainly contains the internally developed StarTrack analysis and production system in the Consumer Choices sector, which is constantly adjusted to client requirements. The individual components of the analysis and production system have a useful life of five years. In addition, the Drive software is included, which is currently being developed. This is a new end-to-end system of the Consumer Experiences sector.

The software for the measurement of television research data and the ERP software (REACH), which were included last year, are now below the materiality threshold following scheduled amortization. Development activities for the Mobile Insight/Location Insight software were stopped in the previous year, and the software was impaired accordingly.

The brands category relates to a brand from purchase price allocation in connection with the acquisition of the former NOP World. The panels of major importance partially resulted from purchase price allocation under the acquisition of Knowledge Networks Inc., Menlo Park, California, USA. For the first time, the new television research panel in Brazil and the German Hospital Panel, a retail panel in the Consumer Choices sector, are included in this category.

16.6 AMORTIZATION, IMPAIRMENTS AND REVERSAL OF IMPAIRMENTS OF INTANGIBLE ASSETS

Amortization, impairments and reversals of impairment of intangible assets are included in the consolidated income statement under the items shown below:

2014	Amortization	Impairments	Reversal of impairments	Total
Cost of sales	−26,972	−6,913	1,954	−31,931
Selling and general administrative expenses	−12,512	−1,622	1,385	−12,749
Other operating income	0	0	1,083	1,083
Other operating expenses	0	−60,595	0	−60,595
Total	**−39,484**	**−69,130**	**4,422**	**−104,192**

2015	Amortization	Impairments	Reversal of impairments	Total
Cost of sales	−25,484	−919	3,131	−23,272
Selling and general administrative expenses	−11,623	−1,216	872	−11,967
Other operating expenses	0	−62,509	0	−62,509
Total	**−37,107**	**−64,644**	**4,003**	**−97,748**

Impairments are recorded when the carrying amount of the cash generating units tested is higher than the future recoverable amount. This is determined as the higher amount of the fair value less costs to sell and the value in use. The fair value less costs to sell is the amount that could be achieved between knowledgeable, willing parties that are independent of each other after deducting the costs to sell. Due to restrictions in determining the value in use, the fair value less costs to sell usually exceeds the value in use and consequently represents the recoverable amount for the GfK Group.

Where an intangible asset has been subject to impairment, there is a reversal if a higher amount is recoverable at a later date. The carrying value after the reversal must not exceed the carrying value, which would have resulted, had the impairment not taken place in the past.

The impairments result from impairment tests, which were based on updated capital market data as well as business plans. Impairment expenses are as follows:

	2014	2015
Goodwill	−59,498	−39,418
Software	−98	−21,091
Panels	−7,473	−1,629
Brands	0	−1,288
Customer relations	−1,622	−1,208
Concessions	0	−10
Studies	−439	0
Total	**−69,130**	**−64,644**

Compared with the previous year, impairments remained nearly constant, whereby the distribution to the individual intangible assets changed significantly. Impairments on goodwill and panels decreased further during 2015 and totaled € 41,047 thousand (2014: € 66,971 thousand). In contrast, software impairments amounted to € 21,091 thousand (2014: € 98 thousand). These mainly resulted from the termination of network-based development activities for Mobile Insight/Location Insight. In addition, some modules of the CPIMS/NEO digital analysis and production platform were written off, due to a changed assessment of the technical realizability.

To determine if and to what extent an impairment of goodwill exists, an impairment test is carried out at least once a year.

Overall, the write-downs on goodwill in the Consumer Experiences sector included in the balance sheet were attributable to the following regions:

	2014	2015
Central Eastern Europe/META	−36,058	−27,911
Southern and Western Europe	−6,848	−11,909
Asia and the Pacific	−13,187	0
Latin America	−6,431	0
Total	**−62,524**	**−39,820**

The required impairment resulted primarily from adjusted growth prospects in the above-mentioned regions.

The fair values less costs to sell of the cash generating units in the Consumer Experiences sector, which were subject to impairment in the reporting year or in the previous year, are shown in the following table.

	Dec. 31, 2014	Dec. 31, 2015
Central Eastern Europe/META	84,361	62,410
Southern and Western Europe	71,244	70,039
Asia and the Pacific	29,906	48,792
Latin America	19,209	19,602

The following tables provide an overview of the goodwill tested in the impairment test as well as of the significant assumptions used in the impairment test. For reasons of materiality, only the cash generating units which exceed 5 percent of the total goodwill of the GfK Group are listed individually. All other cash generating units were summarized in the following tables in the "Other CE" and "Other CC" columns.

Consumer Experiences (CE)	Northern Europe	North America	Central Eastern Europe/ META	Other CE
Tested goodwill as at December 31, 2015 before impairment	228,940	78,477	69,601	66,401
Duration of the detailed planning period	5 years	5 years	5 years	5 years
Average annual growth of external sales in the detailed planning period	2 %	1 %	3 %	2 %
Average margin (adjusted operating income/ external sales) in the detailed planning period	12 %	11 %	9 %	7 %
Growth per year after the end of the detailed planning period	1.3 %	1.3 %	1.3 %	1.3 %
Discount rate as at December 31, 2015	6.4 %	6.4 %	9.4 %	7.0 % – 12.1 %

Consumer Choices (CC)	Northern Europe	Nord-amerika	Southern and Western Europe	Other CC
Tested goodwill as at December 31, 2015 before impairment	151,291	99,560	58,690	62,905
Duration of the detailed planning period	5 years	5 years	5 years	5 years
Average annual growth of external sales in the detailed planning period	3 %	5 %	3 %	9 %
Average margin (adjusted operating income/ external sales) in the detailed planning period	12 %	32 %	28 %	32 %
Growth per year after the end of the detailed planning period	1.3 %	1.3 %	1.3 %	1.3 %
Discount rate as at December 31, 2015	6.4 %	6.4 %	7.0 %	7.3 % – 12.1 %

Recoverable amounts are determined on the basis of the forecast of future cash flows. Planning figures approved by the Management Board for the next five years are used for this purpose. These are based on past experience, current results of operations and the Management Board assessment of the expected market environment. These planning figures were validated again, both on a sector-specific and regional basis. Thus, the expected average annual growth of external sales is in line with past values and expectations of the management. Due to the uncertainty about future developments, a 20 percent haircut was applied to planned cash flows in the sector Consumer Experiences.

The planned margins are based on past empirical values. Future margin increases are expected in the Consumer Experiences sector from comprehensive use of technologies, further expansion of global operations with resource optimization centers, standardized data collection, improved processes, and a focus on global products. Anticipated additional growth in income is based on measures to increase efficiency and reduce costs.

The results of sensitivity checks required by IFRS are illustrated in the following.

A decrease of future cash flows by 10 percent would lead to a further impairment of goodwill of € 22,312 thousand (2014: € 21,507 thousand) in the Consumer Experiences sector. For the cash generating units already subject to impairment, an additional € 11,693 thousand (2014: € 7,554 thousand) would apply to the Southern and Western Europe region and € 9,358 thousand (2014: € 8,719 thousand) to the Central Eastern Europe/ META region. In addition, a write-down of € 1,261 thousand (2014: € 2,024 thousand) would be required for the Latin America region.

An increase of the discount rate by 1 percentage point with unchanged cash flows would lead to an increase of the impairment of goodwill of € 16,753 thousand (2014: € 32,572 thousand) for the cash generating units. For the cash generating units already subject to impairment, an additional € 10,261 thousand (2014: € 10,048 thousand) would apply to the Southern and Western Europe region and € 6,492 thousand (2014: € 10,756 thousand) to the Central Eastern Europe/META region.

Even if the perpetuity growth rate of only 1.3 percent were already applied in the detailed planning for 2019 and 2020 for regions with higher growth rates, with all other planning assumptions unchanged, an additional impairment requirement would arise of € 2,292 thousand (2014: € 8,041 thousand). Of this, € 1,976 thousand (2014: € 4,080 thousand) would apply to the Central Eastern Europe/META region and € 316 thousand (2014: € 0 thousand) to the Southern and Western Europe region.

In the Consumer Choices sector, none of the illustrated parameter changes would lead to a need for impairment.

The recoverability of the capitalized panel set-up costs and brands with an indefinite useful life was also examined within the scope of impairment tests.

The table below provides an overview of material intangible assets with an indefinite useful life examined as at the reporting date within the scope of impairment tests and the material assumptions used in the respective impairment test.

	MRI brand	Knowledge Panel	Hospital Panel	Physician's Consulting Network Panel
Carrying value	14,782	38,485	8,406	5,094
Basis of the recoverable amount	value in use	value in use	value in use	value in use
Duration of the detailed planning period	5 years	5 years	5 years	5 years
Sector	Consumer Choices	Consumer Experiences	Consumer Choices	Consumer Experiences
Average annual growth of external sales in the detailed planning period	2 %	5 %	45 %	4 %
Average margin (adjusted operating income/external sales) in the detailed planning period	33 %	12 %	28 %	10 %
Growth per year after the end of the detailed planning period	1.3 %	1.3 %	1.3 %	1.3 %
Discount rate	6.4 %	6.4 %	6.3 %	6.4 %

17. Tangible assets

The movement in tangible assets is shown in the following table.

	Land and buildings	Fixtures and fittings	Total tangible assets
ACQUISITION AND MANUFACTURING COSTS			
As at January 1, 2014	48,687	259,427	308,114
Exchange rate changes	415	20	435
Additions from business combinations	0	440	440
Other changes in the scope of consolidation	0	−666	−666
Additions	221	37,720	37,941
Disposals	−22	−27,023	−27,045
Reclassifications	−2,257	2,181	−76
As at December 31, 2014	**47,044**	**272,099**	**319,143**
As at January 1, 2015	47,044	272,099	319,143
Exchange rate changes	2,350	−1,383	967
Additions from business combinations	0	128	128
Other changes in the scope of consolidation	0	47	47
Additions	0	25,626	25,626
Disposals	−14,123	−17,976	−32,099
Reclassification as assets held for sale	0	−4,470	−4,470
Reclassifications	−124	−55	−179
As at December 31, 2015	**35,147**	**274,016**	**309,163**
CUMULATIVE DEPRECIATION			
As at January 1, 2014	21,374	183,142	204,516
Exchange rate changes	217	−529	−312
Additions from business combinations	0	406	406
Other changes in the scope of consolidation	0	−650	−650
Additions	1,098	23,891	24,989
Disposals	−22	−26,667	−26,689
Impairments	0	1,109	1,109
Reversal of impairments	0	−36	−36
Reclassifications	−2,080	2,031	−49
As at December 31, 2014	**20,587**	**182,697**	**203,284**
As at January 1, 2015	20,587	182,697	203,284
Exchange rate changes	1,167	1,240	2,407
Additions from business combinations	0	51	51
Other changes in the scope of consolidation	0	23	23
Additions	726	25,651	26,377
Disposals	−7,601	−17,334	−24,935
Impairments	229	714	943
Reversal of impairments	0	0	0
Reclassification as assets held for sale	0	−4,062	−4,062
Reclassifications	0	−166	−166
As at December 31, 2015	**15,108**	**188,814**	**203,922**
CARRYING VALUES			
As at January 1, 2014	27,313	76,285	103,598
As at December 31, 2014	**26,457**	**89,402**	**115,859**
As at January 1, 2015	26,457	89,402	115,859
As at December 31, 2015	**20,039**	**85,202**	**105,241**

17.1 LEASING

The GfK Group is the lessee of office space and business equipment within the scope of long-term lease agreements. The lease installments generally consist of a minimum lease payment plus a contingent lease payment, the amount of which is dependent on the scope of use of the leased asset. In cases in which the GfK Group takes over the risks and opportunities from the use of the leased asset to a substantial extent, they are capitalized (finance lease). Otherwise, the lease installments are recorded as an expense (operating lease).

Operating lease

Within the scope of operating lease agreements, the payments listed in the following table were carried as expenses:

	2014	2015
Minimum lease payments	49,260	49,744
Contingent lease payments	93	110
Less sub-lease payments received	–471	–548
Lease payments	**48,882**	**49,306**

Future minimum lease payments under non-terminable agreements were due as follows:

	Dec. 31, 2014	Dec. 31, 2015
Within 1 year	40,437	46,996
Between 1 and 5 years	99,414	107,091
After more than 5 years	55,513	53,098
Future minimum lease payments from operating leases	**195,364**	**207,185**

The significant operating lease agreements in the GfK Group are land and building lease agreements, some with the option to extend the lease. They expire at different dates in the future.

Finance lease

The carrying values of assets leased and capitalized as part of finance lease agreements stood at € 257 thousand as at December 31, 2015 (2014: € 320 thousand), and mainly related to fixtures and fittings.

The present value and dates on which future minimum lease payments are due were determined as shown in the tables below.

	Dec. 31, 2014		
Payable	Minimum lease payments	Less interest	**Present value of minimum lease payments**
Within 1 year	178	9	169
Between 1 and 5 years	21	2	19
After more than 5 years	0	0	0
Future minimum lease payments	**199**	**11**	**188**

	Dec. 31, 2015		
Payable	Minimum lease payments	Less interest	**Present value of minimum lease payments**
Within 1 year	41	9	32
Between 1 and 5 years	87	21	66
After more than 5 years	0	0	0
Future minimum lease payments	**128**	**30**	**98**

During the year under review, there were no contingent lease installments to be recognized as expenses. There are no sub-lease arrangements under finance lease agreements.

Finance lease liabilities amounted to € 98 thousand (2014: € 188 thousand), of which € 32 thousand (2014: € 169 thousand) have a remaining term of less than one year.

18. Financial assets

18.1 INVESTMENTS IN ASSOCIATES

The GfK Group's investments in associates are shown in the list of shareholdings in Section 41 of these Notes, where is also stated which associated companies are not subject to at-equity valuation for reasons of materiality.

The 25 percent share in NPD Intelect, L.L.C., Port Washington, New York, USA, which was classified as material in the previous year, was sold on November 23, 2015, when the cross-shareholding with The NPD Group, Inc., USA, was terminated. In this connection, the shareholdings in non-material associates Oz Toys Marketing Services Pty. Ltd., Sydney, Australia, and Sports Tracking Europe B.V., Amstelveen, Netherlands, were also sold. Details about this transaction are provided in Section 25.4 "Equity change statement".

During the period under review, NPD Intelect did not distribute any dividends to the parent company, GfK US Holdings, Inc., Wilmington, Delaware, USA (2014: € 6,098 thousand).

The income amounting to € 11,219 thousand from the sale is included in other operating income.

The GfK Group holds shares in various non-material associates.

The table below provides the aggregated financial information of all non-material associates valued at equity:

	2014	2015
Pro rata carrying value as at December 31	3,096	651
Pro rata total income for the peroid	782	−4,310

The interest in non-material USEEDS GmbH, Berlin, Germany, was reclassified as an asset held for sale with a carrying value of € 2,595 thousand, because the process of selling the shares had started as at the reporting date.

The pro rata carrying value and pro rata income for the period include impairments amounting to € 2,168 thousand (2014: € 0 thousand).

The pro rata total income indicated in the table above does not include any unreported shares of losses on non-material associates valued at equity. For the current year, these shares of losses amount to € 348 thousand (2014: € 2,798 thousand). The accumulated loss shares amount to € 348 thousand (2014: € 5,745 thousand).

Disclosures on associates, which are not valued at equity, and two joint operations in the GfK Group were waived for reasons of materiality.

18.2 OTHER FINANCIAL ASSETS

The breakdown of other financial assets is provided in the following table.

	Dec. 31, 2014	Dec. 31, 2015
Shares in affiliated companies	4,734	2,930
Other participations	915	970
Loans to affiliated companies	2,020	1,001
Loans to associates	690	156
Other loans	313	551
Other available-for-sale securities	306	2
Long-term fixed deposits	10	3
Other financial assets	**8,988**	**5,613**

The shares in affiliated, non-consolidated companies and other participations are classified as available for sale and reported at amortized cost, as no market prices exist for them, other methods of realistically estimating the fair value are not practicable, and determining the market value reliably would only be possible as part of concrete acquisition negotiations. A sale of the shares is not currently intended.

Further information on the GfK Group shares in affiliated companies and other participations is provided in the list of shareholdings in Section 41 of these Notes.

19. Other assets and deferred items

The breakdown of non-current and current other assets and deferred items by financial and non-financial other assets and deferred items is shown in the following table.

	Dec. 31, 2014	Dec. 31, 2015
Financial non-current other assets and deferred items	4,757	10,985
Non-financial non-current other assets and deferred items	9,281	9,844
Non-current other assets and deferred items	**14,038**	**20,829**
Financial current other assets and deferred items	10,560	14,228
Non-financial current other assets and deferred items	29,290	24,134
Current other assets and deferred items	**39,850**	**38,362**

Financial other assets and deferred items are as follows:

	Dec. 31, 2014	Dec. 31, 2015
Financial non-current other assets and deferred items with a remaining term of more than 1 year		
Non-derivatives:		
Assets from the sale of real estate	0	3,761
Deposits	2,800	3,405
Interest receivables	359	364
Receivables from suppliers	25	25
Credit balances, refund claims	11	7
Remaining financial non-current other assets and deferred items	33	179
Subtotal: non-derivatives	**3,228**	**7,741**
Derivatives:		
Derivative financial instruments not used as hedges	1,529	3,226
Derivative financial instruments used as hedges	0	18
Subtotal: derivatives	**1,529**	**3,244**
Financial non-current other assets and deferred items	**4,757**	**10,985**
Financial current other assets and deferred items with a remaining term of up to 1 year		
Non-derivatives:		
Receivables from suppliers	2,028	2,908
Deposits	2,978	2,514
Credit balances, refund claims	2,236	2,340
Receivables from customers	174	924
Interest receivables	185	842
Bills receivables	617	588
Remaining financial current other assets and deferred items	960	1,242
Subtotal: non-derivatives	**9,178**	**11,358**
Derivatives:		
Derivative financial instruments not used as hedges	1,382	2,663
Derivative financial instruments used as hedges	0	207
Subtotal: derivatives	**1,382**	**2,870**
Financial current other assets and deferred items	10,560	14,228
Total financial other assets and deferred items	**15,317**	**25,213**
of which non-derivatives	12,406	19,099
of which derivatives	2,911	6,114

The assets from the sale of real estate are related to a payment that is not yet due from the sale of real estate by GfK Switzerland AG, Hergiswil, Switzerland.

The movement in valuation allowances on other assets and deferred items is shown in the table below.

VALUATION ALLOWANCES ON OTHER ASSETS AND DEFERRED ITEMS

	2014	2015
As at January 1	**1,952**	**1,489**
Additions	0	0
Releases	0	0
Utilization	−453	−992
Changes in the scope of consolidation and other effects	−10	−50
As at December 31	**1,489**	**447**

Non-financial other assets and deferred items are as follows:

	Dec. 31, 2014	Dec. 31, 2015
Non-financial non-current other assets and deferred items with a remaining term of more than 1 year		
Receivables from tax and other autorities	3,645	4,606
Receivables from income taxes	4,051	3,811
Deferred items	1,307	1,254
Miscellaneous non-financial non-current other assets and deferred items	278	173
Non-financial non-current other assets and deferred items	**9,281**	**9,844**
Non-financial current other assets and deferred items with a remaining term of up to 1 year		
Deferred items	18,586	16,605
Receivables from tax and other autorities	3,990	4,812
Receivables from employees	2,473	1,577
Miscellaneous non-financial current other assets and deferred items	4,241	1,140
Non-financial current other assets and deferred items	**29,290**	**24,134**
Total non-financial other assets and deferred items	**38,571**	**33,978**

20. Trade receivables

The breakdown of trade receivables is as follows:

	Dec. 31, 2014	Dec. 31, 2015
Trade receivables before valuation allowances	**391,944**	**402,134**
Less valuation allowances	−7,250	−5,877
Trade receivables	**384,694**	**396,257**

The movement in valuation allowances on trade receivables is shown in the table below.

VALUATION ALLOWANCES ON TRADE RECEIVABLES

	2014	2015
As at January 1	**8,038**	**7,250**
Additions	2,383	3,138
Releases	−1,557	−2,230
Utilization	−1,918	−2,347
Changes in the scope of consolidation and other effects	304	66
As at December 31	**7,250**	**5,877**

Any addition to valuation allowances is reported in the consolidated income statement under selling and general administrative expenses.

21. Current securities and fixed-term deposits

Current securities and fixed-term deposits amounting to € 1,456 thousand (2014: € 945 thousand) include money market funds amounting to € 1,435 thousand (2014: € 927 thousand).

22. Cash and cash equivalents

The composition of cash and cash equivalents is shown in the following table.

	Dec. 31, 2014	Dec. 31, 2015
Credit balances with banks	80,138	120,724
Cash equivalents and fixed-term deposits with a term of less than 3 months	13,451	9,639
Checks in transit	−832	−1,252
Cash on hand and checks	423	348
Cash and cash equivalents	**93,180**	**129,459**

There are no significant restrictions on the availability of cash and cash equivalents.

23. Assets and liabilities held for sale

The GfK Group plans to sell the market research business in the area of Crop Protection and Animal Health in the first half of 2016. This comprises GfK Kynetec Group Limited, St. Peter Port, Guernsey, UK, GfK Kynetec Limited, London, UK, and GfK Kynetec France SAS, Saint Aubin, France (share deals), as well as a few asset deals. The process of selling these companies and the assets and liabilities within the scope of the asset deals has started. The assets and liabilities included in the above-mentioned share and asset deals therefore fulfill the prerequisites for recognition as held for sale. The business to be sold is assigned to the Consumer Choices sector. The accumulated income in connection with this disposal group, which is included in other reserves, amounted to € 5,180 thousand on December 31, 2015.

GfK Switzerland AG, Hergiswil, Switzerland, planned to sell the Print Center, its previously in-house printing shop, as part of an asset deal in January 2016. The sale was completed on January 18, 2016. The business sold was previously assigned to Other.

The 50 percent shareholding in associate USEEDS GmbH, Berlin, Germany, is to be sold in the first half of 2016. Concrete negotiations with a potential buyer started at the end of 2015. The sale was completed on March 9, 2016. The USEEDS business is assigned to the Consumer Experiences sector.

All assets of the above-mentioned companies and the assets to be sold as part of asset deals are separately listed in the balance sheet item "Assets held for sale". The debt of the disposal group is reported under "Liabilities held for sale". The table below provides a breakdown of these balance sheet items.

Dec. 31, 2015	Sale of Crop Protection and Animal Health business	Sale of Print Center in Switzerland	Sale of USEEDS shares	Total
Assets held for sale				
Goodwill	6,907	0	0	**6,907**
Other intangible assets	15,096	0	0	**15,096**
Shares in associates	0	0	2,595	**2,595**
Other non-current assets	2,459	242	0	**2,701**
Trade receivables	8,966	319	0	**9,285**
Other current assets	2,824	0	0	**2,824**
Assets held for sale	**36,252**	**561**	**2,595**	**39,408**
Liabilities held for sale				
Non-current liabilities	393	354	0	**747**
Trade payables	1,023	116	0	**1,139**
Liabilities on orders in progress	2,591	0	0	**2,591**
Other current liabilities	3,027	70	0	**3,097**
Liabilities held for sale	**7,034**	**540**	**0**	**7,574**

No impairment of non-current assets that were classified as assets held for sale occurred.

24. Due dates of assets

The trade receivables are due for payment as shown in the table below.

	Dec. 31, 2014	Dec. 31, 2015
Trade receivables	**384,694**	**396,257**
from which: neither impaired nor overdue	258,461	278,880
from which: not impaired and overdue as follows		
by up to 30 days	68,764	70,202
by between 31 and 90 days	39,051	33,006
by between 91 and 180 days	10,663	9,186
by between 181 and 360 days	5,624	3,134
by more than 360 days	1,792	1,582
from which: new terms negotiated as otherwise overdue	339	267

In the GfK Group, a considerable portion of the trade receivables is due on the billing date.

With regard to trade receivables with no impairment, there was at the reporting date no indication of circumstances that may negatively affect their value.

Current other assets and deferred items fall due for payment as shown in the table below.

	Dec. 31, 2014	Dec. 31, 2015
Current other assets and deferred items (excluding inventories and receivables from employees)	**37,369**	**36,750**
from which: neither impaired nor overdue	34,580	32,713
from which: not impaired and overdue as follows		
by up to 30 days	1,773	3,436
by between 31 and 90 days	578	430
by between 91 and 180 days	243	3
by between 181 and 360 days	145	16
by more than 360 days	49	152
from which: new terms negotiated as otherwise overdue	1	0

With regard to non-impaired current other assets and deferred items, there was no indication as at the reporting date that the debtors would be unable to fulfill their payment obligations.

25. Equity

25.1 SUBSCRIBED CAPITAL

GfK SE's share capital was unchanged in financial year 2015.

The 36,503,896 no-par shares issued are fully paid in. Each shareholder is entitled to receive dividends on his shares in accordance with the respective profit distribution resolution. Each of these no-par common shares grants one vote at the Annual General Assembly.

25.2 AUTHORIZED CAPITAL

The authorized capital approved by the Annual General Assembly on May 26, 2011, was canceled by resolution of the Annual General Assembly on May 28, 2015, and the Management Board was authorized, with the consent of the Supervisory Board, to increase the share capital of GfK SE against cash and/or contributions in kind on one or more occasions until May 27, 2020, by up to a total amount of € 55,000 thousand, whereby the shareholders' subscription rights may be excluded.

25.3 CONTINGENT CAPITAL

The contingent capital III approved by the Annual General Assembly on May 16, 2012, was canceled by resolution of the Annual General Assembly on May 28, 2015.

Furthermore, the Annual General Assembly resolved on May 28, 2015, to increase the company's contingent capital by up to € 21,000 thousand divided into up to 5,000,000 new no-par bearer shares which carry dividend rights as of the start of the financial year in which they are issued. The new contingent capital is used to grant shares to holders or creditors of options and/or convertible bonds.

The contingent capital of GfK SE totaled € 21,000 thousand as at December 31, 2015.

25.4 EQUITY CHANGE STATEMENT

The equity change statement precedes these Notes.

The positive change in the difference from currency translation of € 66,343 thousand (2014: € 63,030 thousand) resulted mainly from the devaluation of the euro against the U.S. dollar and pound sterling. The values exclude minority interests.

The change in actuarial gains and losses amounting to € –3,066 thousand (2014: € –11,314 thousand) results mainly from the change in the Swiss franc exchange rate as well as from value adjustments based on experience in the context of the valuation of pension obligations arising from defined benefit plans.

Of the amounts reported under other reserves, no material gains or losses were transferred to the income statement in financial year 2015, as was also the case in 2014.

In the reporting year, € 23,728 thousand (2014: € 23,728 thousand) was distributed to shareholders of the GfK SE. This corresponds to € 0.65 (2014: € 0.65) per share.

A total of € 5,411 thousand (2014: € 6,213 thousand) was paid out to minority interests. Total comprehensive income attributable to minority interests amounted to € 1,436 thousand (2014: € 15,181 thousand). This mainly comprises the share of consolidated total income attributable to minority interests amounting to € 3,956 thousand (2014: € 13,519 thousand) as well as the share of the change in the translation reserve attributable to minority interests amounting to € –2,583 thousand (2014: € 1,676 thousand).

The negative change in the share of the translation reserve attributable to minority interests is due to an equity transaction, which is also reflected in changes in ownership interests in subsidiaries without a change of control.

On November 23, 2015, GfK and The NPD Group, Inc., USA, ended their cross- shareholdings and cooperation in the Consumer Choices sector, and entered into a new contractual strategic partnership. The NPD Group previously held participations in the following fully consolidated GfK subsidiaries with the respectively specified percentage:

- GfK Retail and Technology GmbH, Nuremberg, Germany (5.0 percent)
- ENCODEX International GmbH, Nuremberg, Germany (5.0 percent)
- GfK Retail and Technology Argentina S.A., Buenos Aires, Argentina (3.2 percent)
- GfK Marketing Services Japan K.K., Tokyo, Japan (10.8 percent)
- GFK LATINOAMERICA HOLDING, S.L., Valencia, Spain (32.5 percent)
- GfK Retail and Technology Asia Holding B.V., Amsterdam, Netherlands (10.5 percent)

GfK held shareholdings with significant influence in several subsidiaries of the NPD Group, classified from a GfK Group perspective as associated companies, and participated in the profits of certain business activities. The divestiture resulted in the termination of all reciprocal participations.

This transaction led to a decrease in retained earnings of € 22,610 thousand and in the corresponding minority interests of € 34,678 thousand.

25.5 PROPOSED APPROPRIATION OF PROFITS

In accordance with the German Stock Corporation Act (AktG), the dividend that may be distributed is determined by the retained profit reported in the annual financial statements of the parent company GfK SE. These are prepared under the provisions of the German Commercial Code (HGB). The retained earnings and retained profit of GfK SE reported under the provisions of the HGB are available for distribution to the shareholders in their entirety. The capital reserve may not be distributed to shareholders.

A proposal will be made to the Annual General Assembly to distribute a dividend of € 23,728 thousand (€ 0.65 per no-par share) to shareholders out of the retained profit for 2015 of € 49,577 thousand and to transfer € 25,849 thousand to other retained earnings.

26. Provisions

26.1 LONG-TERM PROVISIONS

The breakdown of long-term provisions is shown in the table below:

	Dec. 31, 2014	Dec. 31, 2015
Pension provisons	64,326	66,357
Other long-term provisions	14,990	14,220
Long-term provisions	**79,316**	**80,577**

Pension provisions

Pension commitments are based on statutory or contractual arrangements or are on a voluntary basis. Pension provisioning within the GfK Group is based both on defined contribution plans and defined benefit plans for each company.

For defined contribution plans, which are financed on the basis of external funds or insurance, there are no further obligations for GfK companies other than paying contributions. Expenses for defined contribution plans also include employer contributions to statutory pension plans.

The basis of assessment for contributions to defined contribution plans is mainly the length of service with the company and the wage or salary level of the employee. However, the benefits can vary depending on the legal, fiscal and economic framework conditions of the country concerned. The expenses for defined contribution plans amounted to € 24,294 thousand in 2015 (2014: € 22,770 thousand).

The pension obligations arising from defined benefit plans are reported according to the projected unit credit method. Actuarial reports are produced annually by independent actuaries for defined benefit plans. The actuaries apply actuarial calculations to determine the level of the pension obligations. The provisions to be reported are the balance from the pension obligations, the asset ceilings and the asset values. Determining the present value of defined benefit plans and pension assets is based on economic and demographic assumptions, such as future salary increases and mortality rates.

Discrepancies between the actual values and the values expected on the basis of the assumptions are expressed as actuarial gains or losses (revaluations). Actuarial gains and losses are recognized in other comprehensive income. In the year under review, actuarial losses of € 3,143 thousand (2014: € 14,620 thousand) were posted in this way. This change also comprises the effects of currency translation. The cumulative amount recognized in other reserves in this respect totaled € –40,556 thousand as at December 31, 2015 (2014: € –37,413 thousand). The values indicated represent the relevant figures before deferred taxes and excluding minority interests.

The calculation of obligations is based on the actuarial and statistical assumptions listed in the table below (weighted averages):

	2014	2015
Discount rate	1.67 %	1.51 %
Rate of salery increase	1.78 %	2.25 %
Fluctuation rate	4.80 %	5.03 %
Expected growth in pension	0.74 %	0.65 %

Mortality rates for GfK companies in Germany were taken from the 2005 G guideline tables by Dr. Klaus Heubeck. The mortality rates for Switzerland were taken from the BVG 2010 actuarial table.

The breakdown of pension provision reported in the consolidated balance sheet is shown below:

	Dec. 31, 2014	Dec. 31, 2015
Present value of overall obligations	133,125	137,239
Fair value of the plan assets	–68,834	–70,903
Net present value of obligations	**64,291**	**66,336**
Pension provisions	64,326	66,357
Other assets	–35	–21
Net amount reported on balance sheet	**64,291**	**66,336**

Pension arrangements for major defined benefit plans are outlined in the following:

GfK Switzerland AG, Hergiswil, Switzerland, accounted for € 80,183 thousand (2014: € 74,084 thousand) of the defined benefit obligation and € 70,207 thousand (2014: € 67,998 thousand) of the plan assets. The plan is a modified contribution plan, where benefits for retirement include a guaranteed minimum interest rate and set conversion rates. The benefits covering risks (invalidity and surviving dependents) are defined benefits. They go beyond the statutory minimum benefits in every case. The pension fund has a legal status as a foundation, which is a legal entity in its own right. The foundation is responsible for capital investments and pursues a more conservative investment strategy within prescribed margins.

GfK SE accounted for € 46,985 thousand (2014: € 48,312 thousand) of the defined benefit obligation and € 262 thousand (2014: € 248 thousand) of plan assets. The benefit obligations are largely based on individual commitments to senior executives. The form of these commitments is explained in greater detail in the remuneration report in Section 4.8 of the Group Management Report.

GfK does not see any unusual company or plan-specific risks for either case, or any significant risk concentration arising from these pension plans.

The movement in the defined benefit obligation (DBO) during the period under review is shown in the table below.

	2014	2015
Present value of defined benefit obligation as at January 1	**108,341**	**133,125**
Changes in the scope of consolidation	−34	0
Current service cost	3,410	5,076
Interest cost	3,033	2,291
Participant contributions	1,589	1,592
Actuarial gain and losses from demographic assumptions	−97	−116
Actuarial gain and losses from financial assumptions	20,067	1,750
Actuarial gain and losses from experience-related assumptions	−155	−2,037
Exchange rate changes	1,527	8,334
Benefits paid	−4,549	−10,222
Reclassification into liabilities held for sale	0	−2,544
Past service cost	82	−28
Company mergers	0	194
Plan reductions	−43	−202
Plan settlements	−46	26
Present value of defined benefit obligations as at December 31	**133,125**	**137,239**

The following sensitivity analysis helps to approximately quantify the risk that can arise under certain assumed conditions if specific parameters change. The table gives an overview of how a change in the relevant actuarial assumptions would affect the present value of the defined benefit obligation while all other factors remain constant. The table below is based on the present value of the defined benefit obligation without taking account of the reclassification into liabilities held for sale.

	2014	2015
Present value of defined benefit obligations as at December 31	**133,125**	**139,783**
Present value of defined benefit obligations, if		
the discount rate was		
0.5 percentage points higher	124,094	131,295
0.5 percentage points lower	142,896	149,460
the salary increase rate was		
0.1 percentage points higher	133,350	139,964
0.1 percentage points lower	132,898	139,602
the pension increase rate was		
0.1 percentage points higher	134,555	140,804
0.1 percentage points lower	132,233	138,772

The table below shows the development of plan assets:

	2014	2015
Fair value of plan assets as at January 1	**58,975**	**68,834**
Expected return on plan assets	1,454	869
Actuarial gains and losses	5,455	-1,320
Exchange rate changes	1,289	7,554
Employer contributions	2,592	2,693
Participant contributions	1,589	1,592
Benefits paid	−2,520	−7,239
Reclassification into liabilities held for sale	0	−2,080
Fair value of the plan assets as at December 31	**68,834**	**70,903**

The exchange rate changes shown in the tables mainly reflect the appreciation of the Swiss franc.

In the next two tables, the fair value of the plan assets is split into various asset classes that distinguish the nature and risks of those assets. There is a further split into assets for which there is a quoted market price in an active market and assets for which this is not the case.

	2014		
	Market price in an active market	**No market price in an active market**	**Total**
Cash and cash equivalents	680	0	680
Equity instruments	19,719	0	19,719
Debt instruments	27,199	0	27,199
Real estate	3,400	11,560	14,960
Investment funds	248	0	248
Insurance contracts	0	259	259
Miscellaneous	5,440	329	5,769
Fair value of the plan assets as at December 31	**56,686**	**12,148**	**68,834**

	2015		
	Market price in an active market	**No market price in an active market**	**Total**
Cash and cash equivalents	702	0	702
Equity instruments	20,360	0	20,360
Debt instruments	28,083	0	28,083
Real estate	3,510	11,935	15,445
Investment funds	262	0	262
Insurance contracts	0	42	42
Miscellaneous	5,617	392	6,009
Fair value of the plan assets as at December 31	**58,534**	**12,369**	**70,903**

The actual results from the plan assets amounted to € −391 thousand (2014: € 6,910 thousand) in the year under review.

According to GfK estimates, contributions of around € 2,526 thousand will be payable into pension plans for Germany and Switzerland over the coming year (2014: € 2,300 thousand). GfK expects pension payments of € 3,758 thousand (2014: € 3,357 thousand) for the year thereafter. The weighted duration of the defined benefit obligation is 14 years (2014: 15 years).

The amounts reported in the consolidated income statement break down as shown in the table below:

	2014	2015
Service cost	3,410	5,076
Interest cost	3,032	2,291
Expected return on plan assets	−1,454	−869
Past service costs	82	−28
Gains and losses from the curtailment or discontinuation of pension plans	−89	−176
Interest cost from asset ceiling	2	0
Pension expenses	**4,983**	**6,294**

Long-term other provisions

The development of long-term other provisions in the period under review is shown in the table below:

	Personnel	Potential contractual losses	Authorities and insurances companies	Legal, consulting and lawsuits	Other	Total
As at January 1, 2015	9,123	1,855	3,164	762	86	14,990
Currency effects	68	201	−574	49	8	−248
Write-ups to discounted provisions	0	63	0	20	0	83
Additions	4,115	907	220	58	1	5,301
Reclassification	−2,424	−1,111	0	−470	0	−4,005
Utilization	−1,049	0	−372	−144	0	−1,565
Release	−304	0	−31	0	−1	−336
As at December 31, 2015	**9,529**	**1,915**	**2,407**	**275**	**94**	**14,220**

Personnel provisions mainly relate to long-term incentive programs of € 5,235 thousand (2014: € 4,053 thousand). They also include commitments relating to employees leaving and from provisions for anniversary expenses based on contractual agreements.

Provisions relating to authorities and insurance companies consist mainly of commitments to social insurance providers.

26.2 SHORT-TERM PROVISIONS

The development of short-term provisions in the year under review is shown in the table below:

	Personnel	Potential contractual losses	Authorities and insurances companies	Legal, consulting and lawsuits	Other	Total
As at January 1, 2015	9,994	1,727	9,311	15,122	488	36,642
Currency effects	−81	111	−450	−959	−3	−1,382
Additions	2,767	315	1,526	1,235	720	6,563
Reclassification	2,424	1,111	0	470	0	4,005
Utilization	−7,416	−1,818	−4,247	−12,661	−447	−26,589
Release	−798	−7	−308	−866	−2	−1,981
As at December 31, 2015	**6,890**	**1,439**	**5,832**	**2,341**	**756**	**17,258**

Short-term provisions include a reserve of € 3,246 thousand (2014: € 19,910 thousand) for anticipated payments in connection with irregularities at GfK Arastirma Hizmetleri A.S., Istanbul, Turkey. This reserve is divided into the categories of “Legal, consulting and lawsuits” as well as “Authorities and insurance companies”.

Personnel provisions mainly relate to long-term incentive programs of € 3,792 thousand (2014: € 3,334 thousand). They also include commitments relating to employees leaving and from provisions for anniversary expenses based on contractual agreements.

27. Interest-bearing financial liabilities

The breakdown of financial liabilities is shown in the tables below.

Dec. 31, 2014		Remaining term			
	Total	Up to 1 year	More than 1 year	Of which between 1 and 5 years	Of which more than 5 years
Amounts due to banks	**188,278**	39,287	148,991	24,339	124,652
Liabilities under finance lease	**188**	168	20	20	0
Liabilities from bond	**199,348**	0	199,348	199,348	0
Other financial liabilities	**35,129**	24,273	10,856	10,804	52
Interest-bearing financial liabilities	**422,943**	**63,728**	**359,215**	**234,511**	**124,704**

Dec. 31, 2015		Remaining term			
	Total	Up to 1 year	More than 1 year	Of which between 1 and 5 years	Of which more than 5 years
Amounts due to banks	**250,086**	1,136	248,950	188,996	59,954
Liabilities under finance lease	**98**	32	66	66	0
Liabilities from bond	**185,970**	185,970	0	0	0
Other financial liabilities	**28,377**	21,031	7,346	7,293	53
Interest-bearing financial liabilities	**464,531**	**208,169**	**256,362**	**196,355**	**60,007**

The amounts due to banks with a remaining term of more than five years relate to a € 60 million loan note, of which € 25 million is due in 2022 and € 35 million in 2023.

In March 2015, GfK SE canceled a variable note loan of € 40 million and simultaneously increased it at better conditions to € 90 million with terms of three and five years. As a result, the volume in the remaining term of more than one year increased to € 249 million.

The five-year bond with a carrying value of € 185,970 thousand (2014: € 199,348 thousand) has a remaining term of less than one year and a fixed interest rate of 5.0 percent. It was placed by GfK SE in April 2011. In May 2015, part of the bond with a nominal volume of € 13,883 thousand was bought back. To fully refinance the maturing bond, GfK SE has already concluded several bilateral forward bank loans amounting to € 70 million and note loans of € 130 million with terms of between 3 and 12 years. These funding instruments will be disbursed in February and March 2016 and are therefore not yet included in the financial liabilities.

In addition, other financial liabilities include loan liabilities amounting to € 21,395 thousand (2014: € 20,405 thousand). Other financial liabilities also comprise purchase price liabilities which depend on future events (put options and obligations from earn-out agreements) for the acquisition of participations amounting to € 6,908 thousand (2014: € 14,589 thousand).

As at December 31, 2015, the weighted average interest rate for the amounts due to banks was 1.86 percent after interest rate hedging (2014: 2.80 percent).

The financial liabilities become due in the next five years and thereafter, as shown in the table below.

	Dec. 31, 2014	Dec. 31, 2015
Within 1 year[1]	63,728	208,169
1 to 2 years	202,055	5,510
2 to 3 years	6,920	43,379
3 to 4 years	141	40,491
4 to 5 years	25,395	106,975
More than 5 years	124,704	60,007
Interest-bearing financial liabilities	**422,943**	**464,531**

1) Includes current account liabilities payable on demand in the context of credit lines

As in the previous year, no collateral is in place for amounts due to banks and liabilities under leases of € 250,184 thousand (2014: € 188,466 thousand).

28. Other liabilities and deferred items

The non-current and current items relating to other liabilities and deferred items are divided into financial and non-financial other liabilities and deferred items as follows:

	Dec. 31, 2014	Dec. 31, 2015
Financial non-current other liabilities and deferred items	3,609	10,016
Non-financial non-current other liabilities and deferred items	6,148	7,403
Non-current other liabilities and deferred items	**9,757**	**17,419**
Financial current other liabilities and deferred items	58,218	50,241
Non-financial current other liabilities and deferred items	116,120	126,394
Current other liabilities and deferred items	**174,338**	**176,635**

The breakdown of the item "Financial other liabilities and deferred items" is as follows:

	Dec. 31, 2014	Dec. 31, 2015
Financial non-current other liabilities and deferred items with a remaining term of more than 1 year		
Non-derivatives:		
Liabilities relating to rent	1,105	5,867
Financial other liabilities from operating activities	1,662	1,720
Liabilities related to sale of real estate	0	1,431
Liabilities from compensation claims, legal liabilities and penalties	797	646
Liabilities to related parties	13	10
Interest liabilities	24	0
Subtotal non-derivatives	**3,601**	**9,674**
Derivatives:		
Derivative financial instruments (not used as hedges)	0	170
Derivative financial instruments (used as hedges)	8	172
Subtotal derivatives	**8**	**342**
Financial non-current other liabilities and deferred items	**3,609**	**10,016**
Financial current other liabilities and deferred items with a remaining term of up to 1 year		
Non-derivatives:		
Financial other liabilities from operating activities	28,566	27,330
Interest liabilities	10,433	10,087
Financial other liabilities from non-operating activities	7,445	8,217
Liabilities relating to rent	5,355	3,210
Liabilities to related parties	2,202	224
Liabilities from compensation claims, legal liability and penalties	2,915	35
Miscellaneous financial current other liabilities and deferred items	222	70
Subtotal non-derivatives	**57,138**	**49,173**
Derivatives:		
Derivative financial instruments (not used as hedges)	984	1,068
Derivative financial instruments (used as hedges)	96	0
Subtotal derivatives	**1,080**	**1,068**
Financial current other liabilities and deferred items	**58,218**	**50,241**
TOTAL: FINANCIAL OTHER LIABILITIES AND DEFERRED ITEMS	**61,827**	**60,257**
of which non-derivatives	60,739	58,847
of which derivatives	1,088	1,410

Financial current other liabilities from operating business mainly comprise amounts owed to households and respondents (€ 10,904 thousand; 2014: € 11,657 thousand), clients (€ 5,164 thousand; 2014: € 4,163 thousand), interviewers (€ 3,488 thousand; 2014: € 4,992 thousand) and suppliers (€ 3,312 thousand; 2014: € 3,450 thousand).

Financial current other liabilities from non-operating business primarily include liabilities for external year-end closing costs (€ 2,933 thousand; 2014: € 3,087 thousand) as well as legal and consultancy costs (€ 2,776 thousand; 2014: € 1,721 thousand).

Financial other liabilities to other related parties exist particularly towards minority shareholders of GfK subsidiaries.

The breakdown of the item "Non-financial other liabilities and deferred items" is as follows:

	Dec. 31, 2014	Dec. 31, 2015
Non-financial non-current other liabilities and deferred items with a remaining term of more than 1 year		
Deferred items	3,875	4,253
Liabilities to employees	2,164	3,122
Miscellaneous non-financial non-current other liabilities and deferred items	109	28
Non-financial non-current other liabilities and deferred items	**6,148**	**7,403**
Non-financial current other liabilities and deferred items with a remaining term of up to 1 year		
Liabilities to employees	83,148	95,777
Liabilities from other taxes	31,941	28,988
Miscellaneous non-financial current other liabilities and deferred items	1,031	1,629
Non-financial current other liabilities and deferred items	**116,120**	**126,394**
TOTAL NON-FINANCIAL OTHER LIABILITIES AND DEFERRED ITEMS	**122,268**	**133,797**

Non-financial current liabilities due to employees mainly comprise liabilities for the payment of bonuses (€ 48,826 thousand; 2014: € 43,363 thousand) as well as liabilities arising from social security (€ 13,348 thousand; 2014: € 12,135 thousand) and vacation entitlements (€ 13,072 thousand; 2014: € 12,213 thousand).

29. Financial instruments

The tables on pages 146 to 149 list the carrying values, recognition and measurement in the balance sheet and fair values of all financial instruments held by the GfK Group, in accordance with the valuation categories of IAS 39.

In the following, the financial assets and financial liabilities reported at fair value as at the reporting date are defined according to the importance of the input parameters required for valuation. For this purpose, their carrying values are divided into three levels: values observable in active markets (level 1); observable input parameters which contribute to establishing the fair value on the basis of a valuation model (level 2), and input parameters not based on observable market data (level 3).

The valuation model used to calculate the fair value of financial instruments valued at amortized cost takes into account the present value of contractually agreed payments, discounted using an observable, risk-adjusted discount rate (level 2).

	Dec. 31, 2014	Level 1	Level 2	Level 3
Financial assets valued at fair value				
Derivative financial instruments not used as hedges	2,911	0	2,911	0
Derivative financial instruments used as hedges	0	0	0	0
Financial liabilities valued at fair value				
Derivative financial instruments not used as hedges	−984	0	−984	0
Derivative financial instruments used as hedges	−104	0	−104	0
Purchase price components dependent on future events	−7,182	0	0	−7,182
Total	**−5,359**	**0**	**1,823**	**−7,182**

	Dec. 31, 2015	Level 1	Level 2	Level 3
Financial assets valued at fair value				
Derivative financial instruments not used as hedges	5,889	0	5,889	0
Derivative financial instruments used as hedges	225	0	225	0
Financial liabilities valued at fair value				
Derivative financial instruments not used as hedges	−1,238	0	−1,238	0
Derivative financial instruments used as hedges	−172	0	−172	0
Purchase price components dependent on future events	1,222	0	0	1,222
Total	**5,926**	**0**	**4,704**	**1,222**

As in the previous year, no material valuation results were recognized in other comprehensive income in financial year 2015 as part of recognizing changes in the value of financial instruments in the available-for-sale category.

Interest income from financial assets or liabilities recognized directly in equity at fair value, which is calculated using the effective interest rate method, amounted to € 2,174 thousand (2014: € 2,063 thousand). The corresponding interest expenses amounted to € 17,961 thousand (2014: € 20,712 thousand).

The purchase price components, which depend on future events, reflect put options and earn-out agreements concluded after December 31, 2009. They are valued as at the reporting date on the basis of market interest rates that are appropriate for the relevant term. As at December 31, 2015, this figure stood at € 1,222 thousand (2014: € 7,182 thousand). During the year under review, € 1,205 thousand (2014: € 2,052 thousand) had been added; € 4,346 thousand (2014: € 1,857 thousand) had been paid. The revaluation of liabilities at the year-end resulted in earnings of € 3,164 thousand (2014: € 550 thousand) which were credited to other financial income. In contrast, expenses from currency changes and compound interest amounted to € 345 thousand (2014: € 476 thousand). No change in value was recognized in other comprehensive income.

The estimated fair value of liabilities from these earn-out agreements would increase and the financial result would decrease if future sales and future EBIT from the companies acquired turned out to be higher and the risk-adjusted discount rate lower. A parallel rise in the interest rate and simultaneous reduction in sales and EBIT would lead to a reduction in the fair value of these liabilities and to an increase in the financial result.

	IAS 39 valuation category	Carrying value as at Dec. 31, 2014
ASSETS		
Other financial investments		
Investments in affiliated companies	Financial assets available-for-sale	4,734
Other participations	Financial assets available-for-sale	915
Loans to affiliated companies	Loans and receivables	2,019
Loans to associates	Loans and receivables	690
Other loans	Loans and receivables	313
Other available-for-sale securities	Financial assets available-for-sale	306
Non-current fixed-term deposits	Loans and receivables	10
Trade receivables	Loans and receivables	384,694
Current securities and fixed-term deposits	Loans and receivables	945
Financial other assets and deferred items		
Deposits	Loans and receivables	5,778
Receivables from suppliers	Loans and receivables	2,053
Receivables from customers	Loans and receivables	174
Receivables from share and asset deals	Loans and receivables	2
Credit balances, refund claims	Loans and receivables	2,247
Bills receivable	Loans and receivables	617
Interest receivables	Loans and receivables	544
Derivative financial instruments (with hedging)	–	0
Derivative financial instruments (without hedging)	Financial assets at fair value through profit and loss	2,911
Miscellaneaous financial other assets and deferred items	Loans and receivables	991
Cash and cash equivalents	–	93,180
LIABILITIES		
Interest-bearing financial liabilities		
Amounts due to banks	Financial liabilities valued at amortized cost	188,278
Liabilities from finance lease	–	188
Other financial liabilities	Financial liabilities valued at amortized cost	227,295
	Financial liabilities at fair value through profit and loss	7,182
Trade payables	Financial liabilities valued at amortized cost	95,534
Financial other liabilities and deferred items		
Financial other liabilities from operational business	Financial liabilities valued at amortized cost	30,229
Financial other liabilities from non-operational business	Financial liabilities valued at amortized cost	7,445
Liabilities from leasing	Financial liabilities valued at amortized cost	6,460
Liabilities to other related parties	Financial liabilities valued at amortized cost	2,215
Interest liabilities	Financial liabilities valued at amortized cost	10,458
Liabilities from compensation claims, legal liabilities and penalties	Financial liabilities valued at amortized cost	3,712
Liabilities from the sale of real estate	Financial liabilities valued at amortized cost	0
Derivative financial instruments (with hedging)	–	104
Derivative financial instruments (without hedging)	Financial liabilities at fair value through profit and loss	984
Miscellaneaous financial other liabilities and deferred items	Financial liabilities valued at amortized cost	221
Thereof aggregated under IAS 39 valuation categories		
Loans and receivables		401,077
Financial assets available-for-sale		5,955
Financial assets at fair value through profit and loss		2,911
Financial liabilities valued at amortized cost		571,847
Financial liabilities at fair value through profit and loss		8,166

	Value stated in the balance sheet in accordance with IAS 39				Value stated in the balance sheet in accordance with IAS 17	Fair value as at Dec. 31, 2014
	Amortized costs	Acquisition costs	Fair value recognized directly in equity	Fair value through profit and loss		
		4,734				4,734
		915				915
	2,019					2,019
	690					690
	313					313
			306			306
	10					10
	384,694					384,694
	945					945
	5,778					5,778
	2,053					2,053
	174					174
	2					2
	2,247					2,247
	617					617
	544					544
			0			0
				2,911		2,911
	991					991
	93,180					93,180
	188,278					201,037
					188	188
	227,295					245,358
				7,182		7,182
	95,534					95,534
	30,229					30,229
	7,445					7,445
	6,460					6,460
	2,215					2,215
	10,458					10,458
	3,712					3,712
	0					0
			104			104
				984		984
	221					221
						401,077
						5,955
						2,911
						602,669
						8,166

	IAS 39 valuation category	Carrying value as at Dec. 31, 2015
ASSETS		
Other financial investments		
Investments in affiliated companies	Financial assets available-for-sale	2,930
Other participations	Financial assets available-for-sale	970
Loans to affiliated companies	Loans and receivables	1,001
Loans to associates	Loans and receivables	156
Other loans	Loans and receivables	551
Other available-for-sale securities	Financial assets available-for-sale	2
Non-current fixed-term deposits	Loans and receivables	3
Trade receivables	Loans and receivables	396,257
Current securities and fixed-term deposits	Loans and receivables	1,456
Financial other assets and deferred items		
Deposits	Loans and receivables	5,919
Receivables from suppliers	Loans and receivables	2,933
Receivables from customers	Loans and receivables	924
Receivables from the sale of real estate	Loans and receivables	3,761
Credit balances, refund claims	Loans and receivables	2,347
Bills receivable	Loans and receivables	588
Interest receivables	Loans and receivables	1,207
Derivative financial instruments (with hedging)	–	225
Derivative financial instruments (without hedging)	Financial assets at fair value through profit and loss	5,889
Miscellaneaous financial other assets and deferred items	Loans and receivables	1,421
Cash and cash equivalents	–	129,459
LIABILITIES		
Interest-bearing financial liabilities		
Amounts due to banks	Financial liabilities valued at amortized cost	250,086
Liabilities from finance lease	–	98
Other financial liabilities	Financial liabilities valued at amortized cost	213,125
	Financial liabilities at fair value through profit and loss	1,222
Trade payables	Financial liabilities valued at amortized cost	90,864
Financial other liabilities and deferred items		
Financial other liabilities from operational business	Financial liabilities valued at amortized cost	29,050
Financial other liabilities from non-operational business	Financial liabilities valued at amortized cost	8,217
Liabilities from leasing	Financial liabilities valued at amortized cost	9,077
Liabilities to other related parties	Financial liabilities valued at amortized cost	234
Interest liabilities	Financial liabilities valued at amortized cost	10,087
Liabilities from compensation claims, legal liabilities and penalties	Financial liabilities valued at amortized cost	681
Liabilities from the sale of real estate	Financial liabilities valued at amortized cost	1,431
Derivative financial instruments (with hedging)	–	172
Derivative financial instruments (without hedging)	Financial liabilities at fair value through profit and loss	1,238
Miscellaneaous financial other liabilities and deferred items	Financial liabilities valued at amortized cost	70
Thereof aggregated under IAS 39 valuation categories		
Loans and receivables		418,524
Financial assets available-for-sale		3,902
Financial assets at fair value through profit and loss		5,889
Financial liabilities valued at amortized cost		612,922
Financial liabilities at fair value through profit and loss		2,460

	Value stated in the balance sheet in accordance with IAS 39				Value stated in the balance sheet in accordance with IAS 17	Fair value as at Dec. 31, 2015
	Amortized costs	Acquisition costs	Fair value recognized directly in equity	Fair value through profit and loss		
		2,930				2,930
		970				970
	1,001					1,001
	156					156
	551					551
			2			2
	3					3
	396,257					396,257
	1,456					1,456
	5,919					5,919
	2,933					2,933
	924					924
	3,761					3,761
	2,347					2,347
	588					588
	1,207					1,207
			225			225
				5,889		5,889
	1,421					1,421
	129,459					129,459
	250,086					264,399
					98	98
	213,125					221,968
				1,222		1,222
	90,864					90,864
	29,050					29,050
	8,217					8,217
	9,077					9,077
	234					234
	10,087					10,087
	681					681
	1,431					1,431
			172			172
				1,238		1,238
	70					70
						418,524
						3,902
						5,889
						636,078
						2,460

30. Risk management relating to market, credit and liquidity risks

As a result of using financial instruments, the GfK Group is exposed to market risks, credit risks and liquidity risks.

30.1 MARKET RISKS

Market risks arise from potential changes in risk factors that result in a decrease in the market value of the transactions affected by these risk factors. For the GfK Group, exchange rate risks and, to a lesser extent, interest rate change risks are particularly relevant.

Exchange rate risks

Exchange rate risks can arise in the GfK Group from transactions conducted in a currency other than the respective functional currency. The main currencies are shown in € thousand in the tables below.

Dec. 31, 2014	EUR	USD	GBP	CHF	SGD	JPY
Loans	11,576	237,611	91,789	0	0	0
Trade receivables	24,256	26,706	2,512	316	1,504	965
Cash and cash equivalents	4,300	3,755	3,322	123	0	0
Interest-bearing financial liabilities	−5,386	−242,101	0	0	−27,380	−27,383
Trade payables	−24,652	−18,402	−10,155	−2,528	−3,248	−1,181
Liabilities on orders in progress	−469	−4,424	−40	0	−50	0
Derivative financial instruments	−2,149	8,808	−4,095	−668	24,078	25,062
Net exposure	**7,476**	**11,953**	**83,333**	**−2,757**	**−5,096**	**−3,537**

Dec. 31, 2015	EUR	USD	GBP	CHF	SGD	JPY
Loans	2,407	268,672	96,818	0	0	0
Trade receivables	27,488	25,648	2,506	436	4,406	377
Cash and cash equivalents	5,393	6,060	4,948	76	0	0
Interest-bearing financial liabilities	−2,403	−270,175	0	0	−13,576	−31,963
Trade payables	−29,805	−22,501	−12,766	−3,503	−4,495	−839
Liabilities on orders in progress	−149	−2,766	−12	0	−84	−82
Derivative financial instruments	0	−2,731	−42,892	80	10,270	28,748
Net exposure	**2,931**	**2,207**	**48,602**	**−2,911**	**−3,479**	**−3,759**

Up until December 31, 2014, the loans in pound sterling and the substantial net exposure associated therewith relate to a net investment in a foreign operation. Resulting value changes were recognized in other comprehensive income until the end of 2014. Due to a new assessment regarding repayability of the loan, since January 1, 2015, all value changes have been recognized in other financial income.

The exchange rates of the most important currencies to the euro are shown in Section 3, "Accounting policies".

The sensitivity analysis approximately quantifies the risk that can arise under certain assumed conditions if specific parameters change. The table below shows how equity and net income are affected by a simultaneous parallel appreciation of all foreign currencies of 10 percent against the euro while all other factors remain constant.

	Dec. 31, 2014			Dec. 31, 2015		
	Equity	Income statement	Overall impact	Equity	Income statement	Overall impact
EUR	0	−1,090	−1,090	0	−266	−266
USD	−450	1,540	1,090	−456	−425	−881
GBP	8,542	−155	8,387	−189	5,669	5,480
CHF	−60	−214	−274	0	−291	−291
SGD	−102	−595	−697	−136	−212	−348
JPY	−54	−295	−349	0	−376	−376
Total	**7,876**	**−809**	**7,067**	**−781**	**4,099**	**3,318**

The impact of exchange rate fluctuations is concentrated on the U.S. dollar and pound sterling.

Interest rate risks

Interest rate risks can impact on variable-rate financial instruments and on fixed-rate financial instruments not valued at amortized cost.

Market value changes in fixed-rate financial assets and liabilities are not recognized in the income statement. Furthermore, there are no interest rate derivatives allocated to fixed-rate instruments as fair value hedging under IAS 39 and disclosed under fair value hedge accounting. A change in interest rates on the reporting date therefore has no impact on the consolidated income statement or the equity as these items are measured at amortized cost.

The tables below provide an overview of variable-rate financial instruments:

Dec. 31, 2014	Total amount	Remaining term Up to 1 year	1 to 5 years	More than 5 years
Loans	2,901	1,364	1,537	0
Financial liabilities	−43,885	−4,011	0	−39,874
Liabilities to related parties	−19,913	−19,913	0	0
Derivatives	12,402	4,000	8,402	0
Net exposure	**−48,495**	**−18,560**	**9,939**	**−39,874**

Dec. 31, 2015	Total amount	Remaining term Up to 1 year	1 to 5 years	More than 5 years
Loans	528	336	192	0
Financial liabilities	−78,393	−1,069	−52,359	−24,965
Liabilities to related parties	−20,851	−20,851	0	0
Derivatives	21,276	2,092	19,184	0
Net exposure	**−77,440**	**−19,492**	**−32,983**	**−24,965**

The effects before tax on the equity and the consolidated income statement of a change in interest rates for variable-rate financial instruments of 100 basis points on the reporting date are shown in the tables below. The minimum interest rate applied to take account of changes in interest rates was 0.0 percent. This analysis assumes that all other variables, especially exchange rates, remain constant.

The column headed "Equity" only shows the impact of changes that are recognized directly in other comprehensive income. Changes that would have an impact on the consolidated income statement are not included in the column headed "Equity".

	Dec. 31, 2014 Equity		Income statement	
Interest rate change in percentage points	+1	−1	+1	−1
Variable-rate instruments	0	0	392	55
Interest rate swaps	0	0	89	−21
Cash flow sensitivity	**0**	**0**	**481**	**34**

	Dec. 31, 2015 Equity		Income statement	
Interest rate change in percentage points	+1	−1	+1	−1
Variable-rate instruments	0	0	564	−112
Interest rate swaps	445	−12	147	−142
Cash flow sensitivity	**445**	**−12**	**711**	**−254**

In June 2015, GfK SE raised a variable-rate loan amounting to € 15,000 thousand, which was hedged in full by means of an interest rate swap with the same nominal volume. The application of hedge accounting means that changes in the market value of this interest rate swap are recognized in equity.

Derivative financial instruments

The GfK Group uses derivative financial instruments to hedge against exchange rate and interest rate risks. If the prerequisites for hedge accounting are met, derivative financial instruments are reported as part of cash flow hedges.

Derivative financial instruments	Dec. 31, 2014 Carrying value	Nominal value	Dec. 31, 2015 Carrying value	Nominal value
Assets				
Interest rate currency swaps				
not used as hedges	1,529	8,402	4,799	6,276
Currency forward transactions				
not used as hedges	1,382	73,578	1,090	89,384
as cash flow hedges	0	0	225	7,982
Liabilities				
Interest rate swaps				
as cash flow hedges	20	4,000	172	15,000
Currency forward transactions				
not used as hedges	984	20,246	1,238	64,834
as cash flow hedges	84	8,704	0	0

The nominal volume of derivative financial instruments comprises the total of the nominal amounts of individual put and call option contracts. The fair value including accrued interest is calculated on the basis of the valuation of all contracts at the prices recorded on the valuation date.

The GfK Group mostly concludes transactions involving derivatives in line with the global netting agreement included in the German Master Agreement for Financial Derivative Transactions. In principle, amounts due under such agreements from each counterparty on one single day in respect of all outstanding transactions in the same currency are pooled into a single net amount payable by one party to another. In specific cases – for example the occurrence of a credit event such as a default – all outstanding transactions under the agreement in question are terminated and the value at termination is calculated. Only the net amount is payable to settle all transactions.

The German Master Agreement does not meet the criteria for netting in the balance sheet. The reason for this is that the GfK Group currently has no legal right to net the amounts involved since the right to such netting can only be asserted if certain future events occur, such as a default on a bank loan or other credit events. The gross amounts reported in the consolidated balance sheet as at December 31, 2015, only differ marginally from the net amounts.

The nominal volume of total interest rate swaps and interest rate currency swaps maturing over the next five years is shown in the table below.

	Dec. 31, 2014	Dec. 31, 2015
Up to 1 year	4,000	2,092
1 to 2 years	2,801	4,184
2 to 3 years	5,601	0
3 to 4 years	0	15,000
4 to 5 years	0	0
Nominal volume interest rate swaps	**12,402**	**21,276**

The derivative financial instruments are valued on a mark-to-market basis, in accordance with the market conditions as at the reporting date. In addition, the Group's own calculations are checked for plausibility on the basis of market assessments provided by banks.

As at December 31, 2015, the GfK Group essentially had currency hedging contracts relating to the Japanese yen, Singapore dollar, U.S. dollar and pound sterling.

GfK SE charges its subsidiaries a management fee for central Group services. To protect selected subsidiaries from possible exchange rate risks, GfK SE invoices these Group services in local currency. The resultant exchange risk at GfK SE arising from increases in the euro exchange rate against the foreign currencies of these invoices is eliminated through currency forward transactions with various banks relating to the relevant payment dates. As at December 31, 2015, the nominal volume of these transactions amounted to € 7,982 thousand with a positive carrying value of € 225 thousand.

The GfK Group uses net investment hedging to hedge net investments in foreign subsidiaries. In the year under review, effective changes in the value of a loan in U.S. dollars, which was concluded as part of the acquisition of Knowledge Networks Inc., Menlo Park, California, USA, in January 2012, of € –369 thousand before tax (2014: € –901 thousand) and € –252 thousand after tax (2014: € –618 thousand) were recognized in other reserves. This hedging relationship remained in place until the loan became due in May 2015. At this date, the loan was repaid in full.

In the case of derivatives used as part of cash flow hedges, changes in values are reported under other comprehensive income. In the year under review, the change in other reserves from cash flow hedges amounted to a total of € –37 thousand before tax (2014: € –214 thousand) and € –26 thousand after tax (2014: € –147 thousand). The change also includes € 187 thousand from a cancellation releasing the interest income in connection with the cash flow interest rate hedge for a bond arranged in 2011.

Liabilities, which are hedged against interest rate fluctuations by cash flow hedges, have a carrying value of € 15,000 thousand (2014: € 4,000 thousand). The expected outflow of interest from the underlying transactions, which have been hedged by these cash flow hedges, amounted to € 317 thousand (2014: € 28 thousand). Of this, € 90 thousand (2014: € 14 thousand) will be recognized in the income statement within a period of up to one year.

In 2014, an intra-Group cross-currency interest rate swap was concluded to hedge the interest rate and currency risks inherent in a U.S. dollar loan raised by a subsidiary in Brazil. As at December 31, 2015, the nominal volume amounted to € 6,276 thousand with a positive carrying value of € 4,798 thousand.

For the issue of the bond of € 200 million described in more detail in Section 27 "Interest-bearing financial liabilities", interest hedging of 50 percent of the loan volume was executed in advance in 2011. This cash flow hedge was dissolved on the day the interest for the bond was fixed. The market value of interest hedging recorded in other comprehensive income will be dissipated in the income statement over the term of the bond. The expected outflow of interest from the bond, which was hedged by this cash flow hedge, amounted to € 9,449 thousand (2014: € 10,000 thousand). Of this, € 1,458 thousand (2014: € 2,500 thousand) will be recognized in the income statement within a period of up to one year.

In the reporting year, no material ineffective portions were recorded in relation to cash flow hedges and net investment hedges.

The gains and losses from derivative financial instruments are mostly posted in other financial income or other financial expenses respectively. The income from financial instruments contained in this figure, which was not reported as part of hedge accounting, amounted to a total of € 9,241 thousand (2014: € 1,733 thousand), while expenses amounted to € 43 thousand (2014: € 95 thousand).

30.2 CREDIT RISKS

The default risk linked to the positive fair value of the derivatives is estimated to be low, as transactions are only concluded with reputable German and foreign banks. Furthermore, the default risk is reduced by spreading the transactions across several banks.

Essentially, the maximum default risk of the GfK Group amounts to the carrying value of all financial assets. The global activities of the GfK Group and the large number of clients, which includes many established major companies, reduce the concentration of default risk.

30.3 LIQUIDITY RISKS

GfK only concludes financing transactions with reputable German and foreign banks. The default risk and risk concentration are further reduced by spreading the transactions across several banks.

As at December 31, 2015, the GfK Group had committed loans, a corporate bond and credit lines amounting to € 722,966 thousand (2014: € 669,392 thousand). Of this amount, € 285,842 thousand (2014: € 280,007 thousand) was undrawn. This amount includes a revolving credit facility of € 200 million. This facility was extended by a further year in 2015 and will be available to the Group until at least May 2020. Liquid funds increased from € 93,180 thousand to € 129,459 thousand.

GfK has undertaken to meet certain financial covenants as part of a syndicated credit facility and the issue of a loan note. The ratio of net debt, which is established on the basis of specific criteria, to modified EBITDA must be lower than 3.25. The ratio of modified EBITDA to interest expenses must be higher than 4.0. In the event of these financial covenants being breached, the credit margin of the financing banks increases and a new agreement on the financial covenants to be met in future must be concluded with the creditors. The GfK Group comfortably fulfilled both financial covenants as at December 31, 2015.

The tables below show the contractually agreed, undiscounted interest and principal repayments on primary financial liabilities and derivative financial instruments at negative fair value for 2015 and 2014.

			Remaining term up to				
	Dec. 31, 2014 Carrying value	**Gross outflows**	**2015**	**2016**	**2017**	**2018**	**>2018**
Non-derivative financial liabilities							
Amounts due to banks	188,278	218,958	44,357	4,304	4,273	4,288	161,736
Liabilities under finance leases	188	200	178	21	1	0	0
Other financial liabilities	234,477	256,737	34,578	213,148	7,301	161	1,549
of which valued at fair value through profit or loss	7,182	7,591	3,997	2,743	690	161	0
Trade payables	95,534	95,534	95,534	0	0	0	0
Miscellaneous financial liabilities	60,740	60,740	57,138	3,602	0	0	0
Derivative financial liabilities	1,088	1,088	1,080	8	0	0	0
of which valued at fair value through profit or loss	984	984	984	0	0	0	0
Total	**580,305**	**633,257**	**232,865**	**221,083**	**11,575**	**4,449**	**163,285**

			Remaining term up to				
	Dec. 31, 2015 Carrying value	**Gross outflows**	**2016**	**2017**	**2018**	**2019**	**>2019**
Non-derivative financial liabilities							
Amounts due to banks	250,086	277,027	6,130	4,176	47,461	44,083	175,177
Liabilities under finance leases	98	127	41	32	26	22	6
Other financial liabilities	214,347	223,962	215,616	7,634	0	712	0
of which valued at fair value through profit or loss	1,222	1,268	10	1,258	0	0	0
Trade payables	90,864	90,864	90,864	0	0	0	0
Miscellaneous financial liabilities	58,847	61,449	51,775	9,674	0	0	0
Derivative financial liabilities	1,410	1,410	1,067	343	0	0	0
of which valued at fair value through profit or loss	1,238	1,238	1,068	170	0	0	0
Total	**615,652**	**654,839**	**365,493**	**21,859**	**47,487**	**44,817**	**175,183**

This presentation does not indicate budgeted figures. It reflects the financial instruments held as at the reporting date and for which contractual agreements regarding payments are in place. Foreign currency amounts were translated with the exchange rate as at the reporting date.

No material financial assets were provided as collateral.

30.4 CAPITAL MANAGEMENT

The Group aims to maintain a strong capital base to ensure the confidence of shareholders, investors and clients, and to secure the sustainable development of the GfK Group.

As at December 31, 2015, the equity ratio stood at 39.1 percent (December 31, 2014: 39.9 percent), which is fairly high in relation to competitors. The Management Board regularly monitors the return on equity.

One of the most vital economic aims of the GfK Group is to adhere to the financial covenants in existing lending agreements and maintaining these figures is given the highest priority. The Management Board strives in the long-term to keep the level of debt, which is defined as the ratio of net debt to EBITDA, to a maximum of 2.50.

31. Notes to the consolidated cash flow statement

The cash flow statement is presented at the front of these Notes. It shows changes in the GfK balance sheet item “Cash and cash equivalents” in the year under review. In accordance with IAS 7, Cash Flow Statement, a distinction is made between cash flows from operating, investing and financing activity. The funding sources covered in the cash flow statement comprise cash and cash equivalents. They encompass cash in hand, checks, cash equivalents and fixed-term deposits, where they are available within three months.

The cash flow from operating activity amounts to € 170,934 thousand (2014: € 196,928 thousand). The development of working capital had a major impact on this figure, with the increase in working capital leading to an outflow of funds of € –20,980 thousand (2014: inflow of € 6,545 thousand). This was essentially due to the development of non-operating working capital, which increased by € 16,717 thousand (2014: decrease of € 189 thousand). Cash outflows relating to the payment of taxes, interest and penalties resulting from a court ruling in connection with irregularities at GfK Arastirma Hizmetleri A.S., Istanbul, Turkey, are the main reason for this.

The change in other non-cash income/expenses results from exchange rate fluctuations. Income tax payments resulted in cash outflows of € 42,979 thousand in financial year 2015 (2014: € 34,998 thousand).

The cash flow from operating activity covered investments in intangible and tangible assets of € 94,126 thousand (2014: € 89,193 thousand) in full. Disbursements for the acquisition of consolidated companies and other business units, which are also included in the cash flow from investing activity, include cash outflows for purchase price payments of € 13,951 thousand (2014: € 6,584 thousand). In the reporting year, GfK acquired financial funds of € 1,682 thousand through the acquisition of subsidiaries (2014: € 94 thousand). The cash flow from investing activity totals € –76,322 thousand (2014: € –98,935 thousand) and was influenced by the disposal of shareholdings in associated companies as part of the transaction to terminate the cross-shareholding with The NPD Group, Inc., USA. Further details about this transaction can be found in Section 25.4 “Equity change statement”.

By netting the loans that were raised and the loan repayments, net loans of € 47,709 thousand were raised (2014: net loans of € 28,551 thousand were repaid).

Dividends totaling € 31,735 thousand (2014: € 29,328 thousand) were paid to shareholders of GfK SE and minority shareholders in subsidiaries. Despite the net borrowing, the negative cash flow from financing activity totaled € –59,409 thousand (2014: € –75,548 thousand). This was also due to other equity transactions relating to the acquisition of minority interests included in the cash flow from financing activity, in particular the transaction to terminate the cross-shareholding with The NPD Group, Inc., USA.

Cash and cash equivalents reported in the balance sheet increased by € 36,279 thousand (2014: € 23,474 thousand). Further cash and cash equivalents amounting to € 523 thousand are included in the balance sheet item “Assets held for sale”. Further information can be found in Section 23 “Assets and liabilities held for sale”.

32. Related parties

Related parties are companies or persons, which could be influenced by the GfK Group or have significant influence on the GfK Group. The GfK Group’s related parties can be divided into subsidiaries, associated companies, joint ventures, members of the management in key positions as well as other related parties.

Unless stated otherwise, amounts owed to and by related parties mainly have a remaining term of less than one year.

32.1 SUBSIDIARIES, ASSOCIATED COMPANIES AND OTHER PARTICIPATIONS

Under normal business activity, GfK maintains relationships with non-consolidated subsidiaries. As at the reporting date, there were no liabilities from significant transactions (2014: € 1,137 thousand). During the year under review, significant operating expenses of € 1,000 thousand (2014: € 2,482 thousand) arose. There were significant income and expenses from participations in associated companies during the financial year. The income amounted to € 5,595 thousand (2014: € 3,206 thousand) and the expenses to € 1,947 thousand (2014: € 0). Furthermore, as in the previous year, there were no non-operating expenses in 2015 in connection with associated companies or other participations.

32.2 MEMBERS OF THE MANAGEMENT IN KEY POSITIONS

Members of the management in key positions include members of the Management Board and the Supervisory Board of GfK SE, who are responsible for planning, managing and monitoring the GfK Group.

Payments subject to disclosure under IAS 24, Related Party Disclosures, made to members of the management in key positions cover the remuneration for the Management Board and Supervisory Board of GfK SE.

The following table shows information concerning the remuneration of the Management Board:

	2014	2015
Short-term due payments	3,975	4,090
Post-employment benefits	1,934	785
Other payments of long-term nature	-647	718
Share-price-based remuneration	639	1,045
Termination benefits	1,878	0
Total remuneration	**7,779**	**6,638**

Disclosures under IAS 24 on the remuneration of management members in key positions are based on expense-related considerations, while disclosures under the German Commercial Code (HGB) DRS 17, Reporting on Remuneration of Members of Governing Bodies, are subject to prescribed regulations which differ.

Remuneration for the Management Board's activity in financial year 2015 disclosed under Section 314 (1) No. 6a of the German Commercial Code (HGB) amounted to € 5,918 thousand (2014: € 4,720 thousand). As at December 31, 2015, the Management Board held 9,000 GfK shares in total and no GfK stock options.

Former members of the management of GfK GmbH, Nuremberg, of the Management Board of GfK Aktiengesellschaft, Nuremberg, and of the Management Board of GfK SE, Nuremberg, as well as their surviving dependents, received total payments of € 1,647 thousand (2014: € 3,550 thousand). Provisions of € 41,186 thousand (2014: € 42,423 thousand) have been set up for pension commitments to this group.

The total payments to the Supervisory Board amounted to € 893 thousand in financial year 2015 (2014: € 828 thousand). The remuneration of the Supervisory Board only comprises current earnings. This relates to short-term employee benefits as defined in IAS 24.17. The Supervisory Board holds 2,581 GfK shares and its members hold no GfK stock options.

Information on the individual total payments to members of the Management and Supervisory Boards of GfK SE and explanations on the features of the remuneration system for total payments are given in Section 4.8 of the Group Management Report.

No loans or advances were given to Management and Supervisory Board Members of GfK SE. As in the previous year, no contingencies were made for this group.

32.3 OTHER RELATED PARTIES

Other related parties comprise the majority shareholder of GfK SE, GfK-Nürnberg, Gesellschaft für Konsum-, Markt- und Absatzforschung e.V., Nuremberg, as well as other joint partners of GfK subsidiaries. In the year under review, the following major transactions were carried out with other related parties:

Loan obligations amounting to € 20,851 thousand (2014: € 19,913 thousand) were due to the majority shareholder of GfK SE, consisting of a short-term loan of € 851 thousand, which is regularly extended and had a variable interest rate of 0.30 percent as at end of 2015 and two other short-term loans which are regularly extended with shorter maturities for a total of € 20,000 thousand. These fall due on February 29, 2016, at an average interest rate of 0.3875 percent. The corresponding interest expenses amounted to € 158 thousand (2014: € 273 thousand). Furthermore, sales of € 2,502 thousand (2014: € 1,858 thousand) were realized with this shareholder.

Liabilities vis-à-vis minority shareholders of GfK subsidiaries relating to as yet unpaid profit shares no longer existed in the year under review (2014: € 1,941 thousand).

No major proportion of Group equity, consolidated income or consolidated total income is attributable to the non-controlling shares in subsidiaries.

33. Contingent liabilities and other financial commitments

The contingent liabilities and other financial commitments, that are not carried as liabilities in the consolidated balance sheet, are valued at their nominal values and break down as shown in the following table:

	Dec. 31, 2014	Dec. 31, 2015
Commitments arising from:		
Maintenance, service and license agreements	1,524	714
Sureties and guarantees	3,348	2,702
Order commitments	1,480	908

Of these commitments, € 1,973 thousand (2014: € 3,462 thousand) have a remaining term of up to one year.

The decline in obligations from maintenance, service and license agreements mainly reflects the reduction in obligations under service and license agreements of € 733 thousand.

In addition, there are the following contingent liabilities and financial commitments:

Following the acquisition of the NOP World Group in 2005, the GfK Group was restructured in part and subgroups and intermediate holding companies were established. GfK SE has issued a conditional declaration to two of the managing directors of the holding companies, which releases them from any future claims that may be made by third parties in connection with their positions as managing directors of these companies.

GfK SE has issued a conditional declaration to three of the managing directors of the Turkish subsidiary GfK Arastirma Hizmetleri A.S., Istanbul, Turkey, releasing them from future claims which may be brought against them by Turkish tax and social security authorities in connection with the actions of the former management.

A similar declaration was also issued for the managing director of the subsidiary TRMR Vermögensverwaltungs GmbH, Nuremberg, which exercises a management function in the Turkish subsidiary mentioned.

Naturally, the internal service charges of an international concern and the optimization of the tax group structure will be liable to tax audit risks. It is possible that subsequent tax payments may be necessary following future tax audits at GfK Group companies. This also applies in terms of contingent liabilities to social security agencies. The probability of occurrence and amount of such future liabilities cannot be estimated with certainty.

Future commitments arising from lease agreements are described in Section 17.1 “Leasing”.

34. Segment reporting

In accordance with IFRS 8, Segment Reporting, external segment reporting is based on the Group’s internal organizational and management structures as well as internal financial reporting to the chief operating decision-makers. At the GfK Group, the Management Board is responsible for the valuation and management of business performance in the operating sectors, which correspond to the segments pursuant to IFRS 8 in the GfK Group, and is considered to be the top management body for the purposes of IFRS 8.

The GfK Group is organized into two sectors, Consumer Experiences and Consumer Choices, complemented by the Other category.

The Consumer Experiences sector deals with consumers’ behavior and attitudes. It specializes in operational and strategic questions for virtually all industries and markets. It uses creative, robust and flexible methods to investigate consumer behavior. Consumers are the main source of data, but also media.

Consumer Choices focuses on market sizing, market currencies, convergent media and sales channels. This involves highly detailed, accurate and timely data which reflects the choices and actions of consumers. In particular, it offers continuous analyses and studies for which the retail industry and all types of media provide the data.

The sectors are complemented by Other, which comprises, in particular, the head office services of GfK for its subsidiaries and other non-market research-related services.

The Group measures the success of its sectors by reference to the adjusted operating income according to internal reporting. The adjusted operating income of a sector is determined on the basis of the operating income before interest and taxes by deducting the following expense and income items: goodwill impairment, write-ups and write-downs of additional assets identified on acquisitions, income and expenses in connection with share and asset deals, income and expenses in connection with reorganization and improvement projects, personnel expenses for share-based incentive payments, currency conversion differences, as well as income and expenses related to one-off effects and other exceptional circumstances.

Income from third parties comprises sales established in accordance with IFRS. Sector incomes include supply of market research data and other support services. Amortization and depreciation comprises amortization and depreciation on intangible and tangible assets in accordance with IFRS, excluding write-downs of additional assets identified on acquisitions and amortization and depreciation included in other operating expenses. Impairments and reversals of impairments include all impairments and reversals of impairments on intangible assets and tangible assets.

Segment information about the sectors for financial years 2015 and 2014 is shown in the tables below:

	Income from third parties		Intersectoral income		Sector income	
	2014	**2015**	2014	**2015**	2014	**2015**
Consumer Experiences	826,016	859,110	6,536	16,697	832,552	875,807
Consumer Choices	623,587	681,128	2,553	12,144	626,140	693,272
Total operating sectors	**1,449,603**	**1,540,238**	**9,089**	**28,841**	**1,458,692**	**1,569,079**
Exclusion of intersectoral income	–	–	–	–	−9,089	−28,841
Reconciliation	3,320	3,188	–	–	3,320	3,188
Group	**1,452,923**	**1,543,426**	**9,089**	**28,841**	**1,452,923**	**1,543,426**

	Adjusted operating income		Amortization/depreciation		Impairments		Reversal of impairments	
	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**
Consumer Experiences	57,562	58,943	7,033	7,220	68,335	42,503	−2,422	−3,672
Consumer Choices	137,680	145,027	29,441	30,226	1,904	20,574	−2,036	−331
Reconciliation	−16,410	−16,391	20,393	20,936	0	2,511	0	0
Group	**178,832**	**187,579**	**56,867**	**58,382**	**70,239**	**65,588**	**−4,458**	**−4,003**

The item “Reconciliation”, which entails the reconciliation of the Consumer Experiences and Consumer Choices sectors with Group figures, includes the Other category. Services not relating to market research included here are of minor importance.

From financial year 2015 onwards, amortization and depreciation on intangible and tangible assets that support the operating sectors are allocated to Other. In previous years, these were assigned to the Consumer Choices and Consumer Experiences sectors. Last year’s figures were adjusted as follows:

AMORTIZATION/DEPRECIATION 2014

	Structure until 2014	Reconciliation	Structure starting 2015
Consumer Experiences	12,547	-5,514	7,033
Consumer Choices	30,296	-855	29,441
Reconciliation	14,024	6,369	20,393
Group	**56,867**	**0**	**56,867**

The reconciliation of amortization and depreciation in relation to the additions stated under amortization and depreciation for tangible and intangible assets in the consolidated schedule of movement in assets is as follows:

	2014	2015
Amortization/depreciation according to segment reporting	**56,867**	**58,382**
Amortization of additional assets identified on acquisitions	7,413	4,901
Amortization/depreciation in other net income	193	201
Amortization/depreciation in consolidated schedules of movements in assets (see chapter 16, 17)	**64,473**	**63,484**

With regard to the reconciliation of adjusted operating income to operating income, reference is made to Section 11 of the Notes.

Information about geographical regions comprises details about the regions in which the GfK Group is active. These are Northern Europe, Southern and Western Europe, Central Eastern Europe/META, North America, Latin America as well as Asia and the Pacific.

The regions Southern and Western Europe as well as Central Eastern Europe/META comprise all the countries in the European Union as well as other European countries where the GfK Group is represented with the exception of Germany, Denmark, the United Kingdom, Latvia, Malta, Norway, Sweden and Switzerland. The latter are part of the Northern Europe region. In addition, African countries Egypt and South Africa as well as Russia, Kazakhstan, the United Arab Emirates and Pakistan are allocated to the region Central Eastern Europe/META. The North America region includes the United States of America and Canada. Argentina, Brazil, Chile, Ecuador, Colombia, Mexico and Peru are allocated to the Latin America region. Asia and the Pacific includes subsidiaries in the countries Australia, China, India, Indonesia, Japan, Malaysia, the Philippines, Singapore, South Korea, Thailand and Vietnam.

The information about geographical regions is based on financial information, which is used to prepare the consolidated financial statements. In accordance with IFRS 8, the non-current assets do not comprise financial instruments, deferred tax assets, services after termination of employment and rights arising from insurance policies.

The information about the regions for financial years 2015 and 2014 is shown in the table below. Income from third parties has been allocated to the individual regions according to where the relevant subsidiary's head office is located. Non-current assets also include shares in associated companies.

	Income from third parties		Non-current assets	
	2014	2015	Dec. 31, 2014	Dec. 31, 2015
Northern Europe	574,895	575,583	561,162	566,030
Southern and Western Europe	265,406	267,037	129,260	115,394
Central and Eastern Europe/META	127,484	126,501	116,540	96,131
North America	262,992	321,019	258,617	268,233
Latin America	61,189	67,920	43,359	45,088
Asia and the Pacific	160,957	185,366	72,056	81,638
Group	**1,452,923**	**1,543,426**	**1,180,994**	**1,172,514**

The reconciliation of non-current assets to the consolidated balance sheet is as follows:

	Dec. 31, 2014	Dec. 31, 2015
Non-current assets	**1,180,994**	**1,172,514**
Other financial assets	8,988	5,613
Deferred tax assets	41,373	43,579
Non-current assets according to the consolidated balance sheet	**1,231,355**	**1,221,706**

Additions to other intangible assets and tangible assets are split as follows between the sectors:

	Additions to fixed assets	
	2014	2015
Consumer Experiences	11,429	12,154
Consumer Choices	47,848	50,879
Other/reconciliation	33,143	35,243
Group	**92,420**	**98,276**

From financial year 2015 onwards, additions to fixed assets that support the operating sectors are allocated to Other. In previous years, these were assigned to the Consumer Choices and Consumer Experiences sectors. Last year's figures were adjusted as follows:

	Additions to fixed assets		
	Structure until 2014	Reconciliation	Structure starting 2015
Consumer Experiences	16,182	–4,753	11,429
Consumer Choices	59,928	–12,080	47,848
Other/reconciliation	16,310	16,833	33,143
GROUP	**92,420**	**0**	**92,420**

The division of income from third parties according to groups of comparable services corresponds to the above segment information for the Consumer Experiences and Consumer Choices sectors.

More than 10 percent of non-current assets are attributable to both Germany and the USA. More information about this can be found in the following table

	Non-current assets	
	Dec. 31, 2014	Dec. 31, 2015
Germany	**163,523**	**153,445**
USA	97,910	90,131
Remaining world	146,853	154,935
World without Germany	**244,763**	**245,066**
Group	**408,286**	**398,511**

The non-current assets shown here do not include goodwill, since this is not carried at country level.

More than 10 percent of consolidated sales were achieved in both Germany and the USA. More information about this can be found in the following table.

	Income from third parties	
	2014	2015
Germany	**381,555**	**381,797**
USA	256,033	314,493
Remaining world	815,335	847,136
World without Germany	**1,071,368**	**1,161,629**
Group	**1,452,923**	**1,543,426**

As in the previous year, no single client in any part of the Group accounted for income from third parties in excess of 10 percent of consolidated sales in the period under review.

35. Pending litigation and claims for compensation

GfK is involved in legal proceedings in various countries for different reasons. From the point of view of the Management Board, they do not pose any material risk for the GfK Group. Risks arising from claims for compensation and issues of liability are either insured through insurances applicable locally or Group-wide or the necessary provisions have been set aside.

36. Events after the balance sheet date

The previous executive function for the strategic and operating management of both segments will bear the title of Chief Commercial Officer as of January 1, 2016. As of January 1, 2016, the Management Board of GfK SE will consist of five members.

The Supervisory Board appointed David Krajicek to the Management Board as Chief Commercial Officer (CCO) Consumer Experiences, effective as of January 1, 2016, to succeed Debra A. Pruent, who left the Management Board on December 31, 2015. Mr. Krajicek was previously responsible for the Consumer Experiences business in North America in his role as Regional Chief Operating Officer (Regional COO).

In order to leverage synergies across the sectors even more effectively, the executive function Chief Operations Officer (COO) was newly created, who will be responsible for all local and global production activities of GfK. Through this position, GfK intends to increase the productivity of its operating business with increased automation, the use of economies of scale, and efficiency improvements. For this new position, Alessandra Cama was appointed to the Management Board, effective as of January 1, 2016. Previously, Ms. Cama was responsible for the Consumer Choices business in the Asia and the Pacific region as Regional Chief Operating Officer (Regional COO).

Dr. Gerhard Hausruckinger will continue to be responsible for the Consumer Choices sector in his role as Chief Commercial Officer.

On January 18, 2016, GfK Switzerland AG, Hergiswil, Switzerland, sold the so-called Print Center, their previously integrated print shop, within an asset deal. This transaction is in connection with the strategically intended concentration on the core business of GfK.

On February 4, 2016, GfK SE acquired Netquest, one of the leading providers of access panels with a strong presence in Spain, Portugal and Latin America. The acquisition also includes the subsidiary Wakoopa in the Netherlands, which is a leading provider in the area of passive cross-device measuring technology.

On March 9, 2016, GfK sold its 50 percent shareholding in USEEDS GmbH, Berlin.

In April 2016, the repayment of a bond issued by GfK SE in April 2011 with a five-year term will be due. The carrying value of this bond on the balance sheet date amounted to € 185,970 thousand. To ensure complete refinancing of the due bond, GfK SE has already concluded several bilateral forward bank loans of € 70 million and bonded loans in the amount of € 130 million with maturities of between 3 and 12 years. The payment dates of these financing instruments are in February and March 2016.

No other major events with a significant impact on the GfK Group have occurred since the balance sheet reporting date.

37. Changes to IFRS standards and interpretations

37.1 FIRST-TIME APPLICATION OF STANDARDS OR INTERPRETATIONS

Changes in accounting policies arising from a new standard or new interpretation are outlined in the following where they are relevant to the GfK Group.

IFRIC 21 – Levies

IFRIC 21 is an interpretation of IAS 37. In particular it provides clarification of the question as to when a present obligation arises in case of levies collected by the public sector and consequently when a provision or a liability must be recognized. The interpretation does not cover fines and penalties arising from contracts governed by public law or those covered by other standards, such as IAS 12. Under IFRIC 21, a liability must be recognized for levies when the event triggering the obligation to pay the levy occurs. This triggering event, which establishes the obligation, emerges in turn from the text of the underlying standard. Its wording is therefore crucial to the accounting.

The new interpretation has no material impact on the consolidated financial statements of the GfK Group.

Annual Improvements to IFRSs 2011 – 2013 cycle

Four standards were amended within the framework of the “Annual improvements to IFRSs 2011 – 2013 cycle” project. The amendment of the wording of individual standards aims to clarify existing regulations. The standards in question are IFRS 1, IFRS 3, IFRS 13 and IAS 40.

The changes have no material impact on the consolidated financial statements of the GfK Group.

37.2 STANDARDS AND INTERPRETATIONS WHICH HAVE BEEN ADOPTED BY THE EU, BUT ARE NOT YET COMPULSORY FOR FINANCIAL YEARS STARTING FROM JANUARY 1, 2015 (STANDARDS AND INTERPRETATIONS NOT APPLIED PREMATURELY)

The GfK Group does not plan to apply the following new or amended standards and interpretations, which are only mandatory in later fiscal years, prematurely. Unless stated otherwise, the impact on the consolidated financial statements of the GfK Group is currently being examined.

Amendments to IFRS 11 – Joint Arrangements

IFRS 11 contains rules governing the financial reporting of joint ventures and joint operations. While joint ventures are accounted for by applying the equity method, the reporting of joint operations envisaged in IFRS 11 is comparable to proportionate consolidation.

With the changes in IFRS 11, IASB regulates the accounting for the acquisition of shares in a joint operation, which constitutes a business according to IFRS 3 - Business Combinations. In such cases, the acquirer shall apply the principles of the accounting for business combinations according to IFRS 3. Furthermore, the disclosure requirements in IFRS 3 also apply in such cases.

The changes must be applied for the first time to financial years starting on or after January 1, 2016.

Amendments to IAS 1 – Disclosure Initiative

The revisions pertain to various disclosure requirements, and clarify that information needs to be disclosed in the notes only if it is material for the company. This explicitly applies if a standard calls for a list of minimum disclosures. Furthermore, explanations are provided on the aggregation and disaggregation of line items in the balance sheet and statement of other comprehensive income. Furthermore, the revised standard clarifies how an entity’s share of the other comprehensive income of equity-accounted companies is to be presented in the statement of other comprehensive income. Finally, with the amendment potentially unhelpful guidance and examples with regard to the identification of significant accounting policies were removed.

The changes must be applied for the first time to financial years starting on or after January 1, 2016.

Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortization

With these changes, the IASB provides additional guidance regarding the determination of an appropriate amortization method. Revenue-based depreciation methods are consequently not permissible for property, plant and equipment. Revenue-based amortization methods are only permissible for intangible assets in specific exceptional cases (rebuttable presumption of unsuitability).

The changes must be applied for the first time to financial years starting on or after January 1, 2016.

Amendments to IAS 19 – Employee Contributions to Defined Benefit Plans

The revisions clarify the requirements that relate to how contributions from employees or third parties that are linked to the service should be attributed to periods of service. Furthermore, relief is provided if the amount of the contributions is independent of the number of years of service. The changes are first applicable for reporting periods beginning on or after February 1, 2015.

Amendments to IAS 27 – Equity Method in Separate Financial Statements

The amendments reinstate the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statement. The existing options to account for these investments either at cost or in accordance with IAS 39/IFRS 9 remain. The application of the equity method to account for investments in subsidiaries, joint ventures and associates in the separate financial statements (of the parent company) according to IAS 27 had no longer been permitted since 2005.

The IASB has made the changes to IAS 27 following complaints by users e.g. regarding the large amount of time and effort involved in fair value measurement at each balance sheet date, especially for unlisted associated companies.

The amendments must be applied for the first time in financial years starting on or after January 1, 2016.

Annual improvements to IFRSs 2010 – 2012 cycle

Seven standards were amended with the framework of the “Annual improvements to IFRSs 2010–2012 cycle” project. The amendment of the wording of individual standards aims to clarify existing regulations. In addition there are changes that have an impact on the notes to the consolidated financial statements. The standards in question are IFRS 2, IFRS 3, IFRS 8, IFRS 13 in addition to IAS 16, IAS 24 and IAS 38.

The amendments must be applied for the first time in financial years starting on or after February 1, 2015. The amendments to IFRS 2 and IFRS 3 are to be applied to transactions that occur on or after July 1, 2014.

Annual improvements to IFRSs 2012 – 2014 cycle

Four standards were amended within the framework of the “Annual improvements to IFRSs 2012–2014 cycle” project. The amendment of the wording of individual standards aims to clarify existing regulations. The standards in question are IFRS 5, IFRS 7, IAS 19 and IAS 34.

The amendments must be applied for the first time to financial years starting on or after January 1, 2016.

37.3 STANDARDS AND INTERPRETATIONS WHICH HAVE NOT BEEN ENDORSED BY THE EU AND WHICH ARE NOT YET COMPULSORY FOR FINANCIAL YEARS STARTING FROM JANUARY 1, 2015 (STANDARDS AND INTERPRETATIONS NOT APPLIED PREMATURELY)

IFRS 9 – Financial Instruments

IFRS 9, published in July 2014, replaces the existing guidelines in IAS 39, “Financial Instruments: Recognition and Measurement”. IFRS 9 contains revised guidelines for the classification and measurement of financial instruments, including a new model for expected credit defaults and calculating the impairment of financial assets as well as a new general hedge accounting model. IFRS 9 also adopts the guidelines for the recognition and derecognition of financial instruments according to IAS 39.

Subject to adoption into EU law, IFRS 9 must be applied for the first time to financial years starting on or after January 1, 2018. Premature application is permissible.

IFRS 15 – Revenue from Contracts with Customers

IFRS 15, “Revenue from Contracts with Customers”, creates a comprehensive framework for determining whether, in what amount and at what point in time revenue is recognized. It replaces existing guidelines for recognition of revenue, including IAS 18, “Revenue”, IAS 11, “Construction Contracts”, and IFRIC 13, “Customer Loyalty Programmes”.

Subject to adoption into EU law, IFRS 15 must be applied for the first time in financial years starting on or after January 1, 2018. Premature application is permissible.

GfK is currently evaluating what impact the application of IFRS 15 will have on the company's consolidated financial statements and will set a date for initial application and determine the transitional method.

Improvements to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The improvements address a known inconsistency between the requirements of IFRS 10 and IAS 28 (2011) in the case of selling assets to an associated company or a joint venture or the contribution of an asset to an associated company or a joint venture.

According to IFRS 10, if the disposal of a subsidiary by a parent company results in a loss of control, it recognizes the gain or loss on the sale of the subsidiary in the full amount in the income statement. In contrast, the currently applicable IAS 28.28 requires that a gain on sales transactions between an investor and an investment accounted for using the equity method – whether it be an associated company or joint venture – is recognized only to the extent of the investor's interests in the associated company or joint venture.

In the future, the entire gain or loss arising from a transaction shall only be recognized when the assets sold or contributed constitute a business combination according to IFRS 3. This applies regardless of whether the transaction is a share or asset deal. Only a pro rata recognition of gain is permissible if the assets do not constitute a business combination.

IASB has postponed the effective date of the changes indefinitely.

Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment entities: Applying the Consolidation Exception

The amendments serve to clarify several issues related to the application of the consolidation exception according to IFRS 10 if the parent company meets the definition of an investment entity. Consequently a parent entity can apply the consolidation exemption even if its investment parent entity measures its subsidiaries at fair value in accordance with IFRS 10.

Regarding the accounting of subsidiaries of an investment entity, the following distinction will now be made: subsidiaries which are themselves investment entities are to be measured at fair value – following the general guidelines of the "investment entity exception". In contrast, subsidiaries which are themselves not investment entities, but perform services which relate to the parent company's investment activities and can therefore be seen as an extension of the parent company's activities are to be consolidated.

Lastly, the issue has been clarified regarding investors who do not fulfil the definition of an investment entity and who apply the equity method to an associated company or joint venture: they are now able to maintain the fair value measurement that is applied by the holding company on its holdings of subsidiaries.

The amendments also provide for investment entities which measure all their subsidiaries at fair value to make the obligatory disclosures regarding the investment entities pursuant to IFRS 12.

Subject to adoption into EU law, the amendments must be applied for the first time to financial years starting on or after January 1, 2016.

38. Additional information

38.1 AUDITOR'S SERVICE FEE

In 2015, the cost of the auditor's fee for GfK SE was € 1,287 thousand (2014: € 1,373 thousand). The fee comprises the auditing of the annual financial statements of GfK SE in accordance with the German Commercial Code (HGB), the Group reporting package in accordance with IFRS for consolidation purposes, as well as the IFRS consolidated financial statements and the Group Management Report. In addition, the fee included the financial statements audited by the auditor for German, Moroccan and North American subsidiaries in accordance with national legislation (where required) as well as the IFRS reporting package.

The cost of tax advice from the auditors in Germany was € 538 thousand (2014: € 429 thousand) and for other services provided by the auditors € 1,538 thousand (2014: € 280 thousand).

38.2 EXEMPTION OF SUBSIDIARIES FROM THE OBLIGATION TO PREPARE FINANCIAL STATEMENTS

Pursuant to Section 264 (3) of German Commercial Code (HGB) GfK Retail and Technology GmbH, Nuremberg, ENCODEX International GmbH, Nuremberg, GfK Entertainment GmbH, Baden-Baden, and GfK GeoMarketing GmbH, Bruchsal, are exempt from preparing, having audited and disclosing annual financial statements and Group Management Report in accordance with the provisions for joint stock companies pursuant to Sections 264 ff. of the German Commercial Code (HGB).

38.3 NUMBER OF STAFF

In the year under review, an average of 13,444 (2014: 13,254) staff were employed. The annual average number of staff was determined on the basis of the full-time equivalent. The average was calculated using the key dates of March 31, June 30, September 30 and December 31.

The allocation of staff to the sectors, including the Other category, is shown in the following table:

	2014	2015
Consumer Experiences	6,242	5,969
Consumer Choices	5,222	5,729
Other	1,790	1,746
Full-time employees	**13,254**	**13,444**

In the table above, 108 managing directors and board members were included during the year under review (2014: 107).

39. Supervisory Board

Dr. Arno Mahlert
Chairman of the Supervisory Board
Merchant, non-executive director and member of the Supervisory Board

Seats held on other supervisory boards and comparable supervisory bodies:

- Franz Cornelsen Bildungsholding KG, Berlin, Germany (Chairman)
- DAL Deutsche Afrika-Linien GmbH & Co. KG, Hamburg, Germany
- maxingvest AG, Hamburg, Germany
- Peek & Cloppenburg KG, Hamburg, Germany
- Zeitverlag Gerd Bucerius GmbH & Co. KG, Hamburg, Germany

Dr. Bernhard Düttmann
Deputy Chairman of the Supervisory Board
Merchant, non-executive director and member of the Management Board, Chief Financial Officer (CFO) of Lanxess AG, Cologne, Germany (until March 31, 2015)

Dr. Wolfgang C. Berndt
Merchant, non-executive director and member of the Supervisory Board

Seats held on other supervisory boards and comparable supervisory bodies:
› MIBA AG, Laakirchen, Austria (Chairman)
› MIBA Beteiligungs AG, Laakirchen, Austria (Chairman)
› OMV AG, Vienna, Austria (Deputy chairman)
› LPC Capital Partners GmbH (previously BAST AG), Vienna, Austria

Hans Van Bylen
Member of the Management Board, Henkel Management AG & Co. KGaA, Düsseldorf, Germany

Seats held on other supervisory boards and comparable supervisory bodies:
› Dial Corporation, Scottsdale, Arizona, USA (Chairman)

Martina Heřmanská (since May 28, 2015)
Product manager, GfK Czech, s.r.o., Prague, Czech Republic
Member of the Steering Committee of the European GfK SE Works' Council
Member of the European GfK SE Works' Council

Sandra Hofstetter
Independent Works' Council representative, GfK SE, Nuremberg, Germany
Chairman of the European GfK SE Works' Council

Aliza Knox
Vice-President, Online Sales, APAC and LATAM, Twitter, Singapore, Singapore

Seats held on other supervisory boards and comparable supervisory bodies:
› Invocare Limited, North Sydney, Australia (until August 31, 2015)
› Scentre Group Limited, Sydney, Australia (since May 7, 2015)
› Singapore Post Ltd., Singapore, Singapore

Stephan Lindeman
Research Director, Intomart GfK B.V., Hilversum, Netherlands
Chairman of the Works' Council at Intomart GfK B.V., Hilversum, Netherlands
Deputy chairman of the European GfK SE Works' Council

Shani Orchard (until May 28, 2015)
Human Resources and Facilities Director, GfK Retail and Technology UK Ltd., Woking/Surrey, UK
Member of the Steering Committee of the European GfK SE Works' Council

Hauke Stars
Member of the Management Board, Deutsche Börse AG, Frankfurt/Main, Germany

Seats held on other supervisory boards and comparable supervisory bodies:
› Clearstream Services S.A., Luxembourg, Luxembourg*
› Deutsche Bank AG, Frankfurt/Main, Germany, Advisory board Region Middle (since March 20, 2015)
› Deutsche Akademie für Technikwissenschaften, Munich, Germany (since July 1, 2015)
› Eurex Frankfurt AG, Frankfurt/Main, Germany*
› Eurex Zürich AG, Zurich, Switzerland*
› International Securities Exchange, LLC, New York City, New York, USA*
› ISE Gemini, LLC, New York City, New York, USA*
› Klöckner & Co SE, Duisburg, Germany

*Group responsibility at Deutsche Börse AG, Eschborn, Germany

Dieter Wilbois
Senior Specialist Data & Technology, GfK SE Nuremberg, Germany
Chairman of the Group Works' Council
Deputy Chairman of the European GfK SE Works' Council

40. Management Board

Matthias Hartmann
Chief Executive Officer (CEO)
Responsible for the corporate functions Strategy and Innovation, IT (Strategy, Enterprise Applications, Infrastructure), Human Resources (including Executives Development and Compensation), Integrity, Compliance and Intellectual Property, Internal Audit, Investor Relations, and Marketing and Communications.

Christian Diedrich
Chief Financial Officer (CFO)
Responsible for the corporate functions Finance (Accounting, Controlling, Finance IT), Finance Administration (Corporate Shareholder Management, Investment Controlling, Risk Management, Mergers and Acquisitions, Tax), Treasury, Legal, Central Services, Procurement, and Sector Finance.

Alessandra Cama (starting January 1, 2016)
Chief Operations Officer (COO)

Dr. Gerhard Hausruckinger
Chief Operating Officer (COO) (until December 31, 2015)
Consumer Choices sector
Chief Commercial Officer (CCO) (starting January 1, 2016)
Consumer Choices sector

David Krajicek (starting January 1, 2016)
Chief Commercial Officer (CCO)
Consumer Experiences sector

Debra A. Pruent (until December 31, 2015)
Chief Operating Officer (COO)
Consumer Experiences sector

41. Shareholdings of the GfK Group

Information in accordance with the German Commercial Code (HGB), as at December 31, 2015

AFFILIATED COMPANIES (GERMANY) INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS (DETAILS ACCORDING TO IFRS COMMERCIAL BALANCE SHEET II)

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
ENCODEX International GmbH, Nuremberg	100.00	2015	−1,841 [11]
GfK Beteiligungsgesellschaft mbH, Nuremberg	100.00	2015	19
GfK Entertainment GmbH, Baden-Baden	100.00 [4]	2015	6,878 [11]
GfK GeoMarketing GmbH, Bruchsal	100.00	2015	729 [11]
GfK Media and Communication Research GmbH & Co. KG, Frankfurt/Main	100.00	2015	−1,867
GfK Middle East CR Holding GmbH, Nuremberg	100.00	2015	5,591
GfK North America Holding GmbH, Nuremberg	100.00	2015	451,239 [11]
GfK Retail and Technology GmbH, Nuremberg	100.00	2015	155,794 [11]
IFR Deutschland GmbH, Dusseldorf	100.00 [3]	2015	−3,333

AFFILIATED COMPANIES (ABROAD) INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS (DETAILS ACCORDING TO IFRS COMMERCIAL BALANCE SHEET II)

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
Adimark S.A., Providencia, Santiago, Chile	100.00	2015	991
Beijing Sino Market Research Co., Ltd., Beijing, China	100.00 [3]	2015	4,026
China Market Monitor Co., Ltd., Beijing, China	100.00 [3]	2015	3,282
Cogenta Systems Limited, London, UK	100.00	2015	−367
Corporación Empresarial ASA, S.A.P.I. de C.V., Mexico City, Mexico	100.00 [3]	2015	813
Etilize (Private) Limited, Karachi, Pakistan	100.00 [3]	2015	1,270
G F K Egypt LTD, Cairo, Egypt	100.00 [3]	2015	526
Genius Digital Limited, London, UK	75.00	2015	−2,406
GfK – Centar za istraživanje tržišta d.o.o., Zagreb, Croatia	100.00 [3]	2015	1,024
GfK – Conecta S.A.C., Lima, Peru	100.00 [3]	2015	598
GfK – Retail and Technology Colombia Limitada, Bogotá, Colombia	99.50 [3]	2015	929
GfK Adimark Chile S.A., Providencia, Santiago, Chile	100.00 [3]	2015	6,321
GfK Arastirma Hizmetleri A.S., Istanbul, Turkey	100.00	2015	5,273
GfK Ascent-MI Limited, London, UK	100.00	2015	80
GfK Asia Pte Ltd., Singapore, Singapore	100.00 [3]	2015	48,537
GfK Australia Pty. Ltd., Sydney, Australia	100.00	2015	5,195
GfK Austria GmbH, Vienna, Austria	95.10 [3] [9]	2015	16,588
GfK Belgium NV, Leuven, Belgium	100.00 [3]	2015	13,028
GfK Belgrade d.o.o., Belgrade, Serbia	100.00 [3]	2015	810
GfK BH d.o.o., Sarajevo, Bosnia-Herzegovina	100.00 [3]	2015	268
GfK Blue Moon Quantitative Research Pty. Limited, St Leonards, Australia	100.00 [3][7]	2015	1
GfK Blue Moon Research and Planning Pty. Limited, St Leonards, Australia	100.00 [3][7]	2015	0
GfK Boutique Research Inc., Boston, Massachusetts, USA	100.00 [3]	2015	4,569
GfK CE ARGENTINA S.A., Buenos Aires, Argentina	100.00 [4]	2015	611
GfK Chart-Track Limited, London, UK	100.00 [3]	2015	875
GfK Colombia S.A., Bogotá, Colombia	99.40 [3]	2015	343
GfK Custom Research Baltic, Riga, Latvia	100.00 [3]	2015	−646
GfK Custom Research Beijing Co., Ltd., Beijing, China	90.00	2015	3,800
GfK Custom Research Brasil Pesquisa de Mercado Ltda., São Paulo, Brazil	95.00	2015	397
GfK Custom Research Japan KK, Tokyo, Japan	100.00	2015	−370
GfK Custom Research Korea, Ltd., Seoul, South Korea	100.00	2015	−5,852
GfK Custom Research Latam Holding, S.L., Valencia, Spain	100.00	2015	1,152
GfK Custom Research Pte. Ltd., Singapore, Singapore	100.00	2015	10,922
GfK Custom Research, LLC, New York City, New York, USA	100.00 [3]	2015	68,006

1) Data from 2013 2) Data from 2014 3) Fully indirect shareholding 4) Partially indirect shareholding 5) Data not available
6) Newly established in 2015 7) In liquidation 8) Short financial year 9) Share of minority shareholder regulated by separate agreement
10) A valuation at equity was not carried out for reasons of materiality 11) Profit and loss transfer agreement

AFFILIATED COMPANIES (ABROAD) INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS (DETAILS ACCORDING TO IFRS COMMERCIAL BALANCE SHEET II)

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
GfK Czech s.r.o., Prague, Czech Republic	100.00 3)	2015	544
GfK Danmark A/S, Frederiksberg, Denmark	100.00	2015	558
GfK EMER Ad Hoc Research, S.L., Valencia, Spain	50.10	2015	6,262
GfK Etilize, Inc., Rolling Hills Estates, California, USA	100.00 3)	2015	10,282
GfK Eurisko S.r.l., Milan, Italy	100.00 3)	2015	4,624
GfK Field Interviewing Services UK Limited, London, UK	100.00 3)	2015	12
GFK HELLAS E.P.E. , Athens, Greece	100.00	2015	887
GFK HOLDING MEXICO, S.A. DE C.V., Mexico City, Mexico	100.00	2015	7,421
GfK Holding, Inc., Wilmington, Delaware, USA	100.00 3)	2015	251,308
GfK Hungária Piackutató Kft., Budapest, Hungary	100.00 3)	2015	1,966
GfK Immobilier SAS, Suresnes, France	100.00 3)	2015	−200
GfK Intomart B.V., Hilversum, Netherlands	100.00 3)	2015	9,096
GFK ISL, CUSTOM RESEARCH FRANCE SAS, Suresnes, France	100.00	2015	4,036
GfK Kasachstan TOO, Almaty, Kazakhstan	100.00 3)	2015	139
GfK Kynetec France SAS, Saint Aubin, France	100.00 3)	2015	178
GfK Kynetec Group Limited, St Peter Port, Guernsey, UK	100.00 4)	2015	31,394
GfK Kynetec Limited, London, UK	100.00 3)	2015	2,517
GFK LATINOAMERICA HOLDING, S.L., Valencia, Spain	83.45 3)	2015	4,032
GfK LifeStyle Tracking Japan KK, Tokyo, Japan	100.00	2015	4,742
GfK Malta Holding Limited, Portomaso, Malta	100.00 4)	2015	240,407
GfK Malta Services Limited, Portomaso, Malta	100.00 4)	2015	118,880
GfK Market Consulting (Beijing) Co. Ltd., Beijing, China	99.00 3)	2015	1,634
GfK Market Research Brasil Pesquisa de Mercado Ltda., São Paulo, Brazil	100.00 4)	2015	3,910
GfK Marketing Services Japan K.K., Tokyo, Japan	95.00 3)	2015	31,905
GfK MarketWise Ltd., Bangkok, Thailand	100.00 4)	2015	44
GfK Middle East and Africa FZ-LLC, Dubai, United Arab Emirates	100.00 3)	2015	5,198
Gfk Middle East FZ-LLC, Dubai, United Arab Emirates	100.00 3)	2015	216
GfK Mode Pvt Ltd, Kolkata, India	100.00 3)	2015	5,396
GfK Mystery Shopping Services UK Limited, London, UK	100.00 3)	2015	16
GfK Mystery Shopping UK Limited, London, UK	100.00 3)	2015	13
GfK Nielsen India Private Limited, Mumbai, India	50.10 3)	2015	7,387
GfK Norge A/S, Oslo, Norway	100.00	2015	1,265
GfK North America Holding LLC, Wilmington, Delaware, USA	100.00 3)	2015	244,003
GfK Panelservices Benelux B.V., Dongen, Netherlands	100.00 3)	2015	4,549
GfK Philippines Corporation, Makati City, Philippines	100.00 3)	2015	1,328
GfK Polonia Sp. z o.o., Warsaw, Poland	100.00 3)	2015	5,901
GfK PORTUGAL – Marketing Services, S.A., Lisbon, Portugal	80.00 3)	2015	2,610
GfK Research Dynamics, Inc., Mississauga, Canada	100.00	2015	1,108
GfK Retail and Technology (Cyprus) LTD, Nicosia, Cyprus	100.00 3)	2015	5,172
GfK Retail and Technology (Thailand) Ltd., Bangkok, Thailand	100.00 3)	2015	600
GfK Retail and Technology Argentina S.A., Buenos Aires, Argentina	98.34 3)	2015	582
GfK Retail and Technology Asia Holding B.V., Amsterdam, Netherlands	100.00 3)	2015	1,819
GfK Retail and Technology Baltic SIA, Riga, Latvia	100.00 3)	2015	1,725
GfK Retail and Technology Benelux B.V., Amstelveen, Netherlands	100.00 3)	2015	11,774
GfK Retail and Technology Brasil Ltda., São Paulo, Brazil	95.00 3)	2015	2,595
GfK Retail and Technology Chile Limitada, Santiago, Chile	100.00 3)	2015	1,230
GfK Retail and Technology China Co. Ltd., Shanghai, China	100.00 3)	2015	32,569
GfK Retail and Technology España, S.A., Valencia, Spain	50.07 3)	2015	7,638
Gfk Retail and Technology France SAS, Suresnes, France	100.00 3)	2015	8,436
GfK Retail and Technology Hong Kong Limited, Hong Kong, China	100.00 3)	2015	1,408
GfK Retail and Technology Italia S.r.l., Milan, Italy	100.00 3)	2015	8,566
GfK Retail and Technology Korea Limited, Seoul, South Korea	100.00 3)	2015	8,433
GfK Retail and Technology Malaysia Sdn. Bhd., Kuala Lumpur, Malaysia	100.00 3)	2015	1,619

1) Data from 2013 2) Data from 2014 3) Fully indirect shareholding 4) Partially indirect shareholding 5) Data not available
6) Newly established in 2015 7) In liquidation 8) Short financial year 9) Share of minority shareholder regulated by separate agreement
10) A valuation at equity was not carried out for reasons of materiality 11) Profit and loss transfer agreement

AFFILIATED COMPANIES (ABROAD) INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS (DETAILS ACCORDING TO IFRS COMMERCIAL BALANCE SHEET II)

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
GfK Retail and Technology Market Research Vietnam Limited, Ho Chi Minh City, Vietnam	100.00 3)	2015	429
GfK Retail and Technology North Africa SARL, Casablanca, Morocco	100.00 3)	2015	281
GfK Retail and Technology Peru S.A.C., Lima, Peru	100.00 3)	2015	774
GfK Retail and Technology Taiwan Ltd, Taipei, Taiwan, China	100.00 3)	2015	4,428
GfK Retail and Technology UK Holding Limited, London, UK	100.00 3)	2015	6,778
GfK Retail and Technology UK Ltd., London, UK	100.00 3)	2015	15,445
GfK Retail and Technology, Australia Pty. Limited, Sydney, Australia	100.00 3)	2015	14,497
GfK Romania-Institut de Cercetare de Piata Srl, Bucharest, Romania	100.00 3)	2015	2,752
GfK Shared Services UK Limited, London, UK	100.00 3)	2015	12
GfK Slovakia s.r.o., Bratislava, Slovakia	100.00 3)	2015	−1,679
GFK SLOVENIJA, tržne raziskave d.o.o., Ljubljana, Slovenia	100.00 3)	2015	363
GfK South Africa (Pty), Sandton, South Africa	100.00 3)	2015	219
GfK Sverige Aktiebolag, Lund, Sweden	100.00	2015	2,251
GfK Switzerland AG, Hergiswil, Switzerland	100.00	2015	19,837
GfK Telephone Interviewing Services UK Limited, London, UK	100.00 3)	2015	13
GfK Turkey Danismanlik ve Pazar Arastirma Hizmetleri A.S., Istanbul, Turkey	100.00 3)	2015	2,714
GfK U.K. Holding Limited, London, UK	100.00 3)	2015	20,042
GfK U.K. Limited, London, UK	100.00 3)	2015	101,635
GfK UK Entertainments Ltd., London, UK	100.00	2015	2,038
GfK Ukraine, Kiev, Ukraine	100.00 3)	2015	1,450
GfK US Holdings, Inc., Wilmington, Delaware, USA	100.00 3)	2015	393,085
GfK US, LLC, New York City, New York, USA	100.00 3)	2015	52,201
GfK-Bulgaria, Institut für Marktforschung EGmbH, Sofia, Bulgaria	100.00 3)	2015	2,562
GFKEcuador S.A. Investigación Estratégica, Quito, Ecuador	99.91 3)	2015	615
GfK-Media Research Middle East SA, Hergiswil, Switzerland	67.00 3)	2015	−969
GfK-RUS Gesellschaft mbH, Moscow, Russia	100.00 3)	2015	6,813
IFR Europe Ltd., London, UK	100.00 3)	2015	270
IFR Italia S.r.L., Milan, Italy	100.00 3)	2015	445
IFR Marketing España S.L., Madrid, Spain	100.00 3)	2015	197
IFR Monitoring Canada Inc., Niagara Falls, Canada	100.00 3)	2015	−109
IFR Monitoring USA Inc., Niagara Falls, New York, USA	100.00 3)	2015	12
IFR South America, SA, Buenos Aires, Argentina	100.00 3)	2015	521
Institut Français de Recherche – I.F.R. S.A.S, Suresnes, France	100.00	2015	10,009
INTERCAMPUS-RECOLHA, TRATAMENTO E DISTRIBUIÇÃO DE INFORMAÇÃO, S.A., Lisbon, Portugal	74.10 3)	2015	1,001
MERC Analistas de Mercados, S.A.P.I. de C.V., Mexico City, Mexico	100.00 3)	2015	5,561
METRIS-MÉTODOS DE RECOLHA E INVESTIGAÇÃO SOCIAL, S.A., Lisbon, Portugal	71.00 3)	2015	1,232
NOP Global Limited, London, UK	100.00 3)	2015	16
NOP World Limited, London, UK	100.00 3) 7)	2015	61,345
NORM Research & Consulting AB, Stockholm, Sweden	100.00	2015	1,995
Norm Research & Consulting B.V., Amsterdam, Netherlands	100.00 3)	2015	190
Numbers Services Limited, London, UK	100.00 3)	2015	1,128
PT. GfK Retail and Technology Indonesia, Jakarta, Indonesia	100.00 3)	2015	−91
Shopping Brasil Tecnologia da Informação Ltda, Porto Alegre, Brazil	86.03 3)	2015	1,102

AFFILIATED COMPANIES (GERMANY) NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS (DETAILS ACCORDING TO HGB COMMERCIAL BALANCE SHEET I)

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
1-2-3 MysteryWorldNet GmbH, Hamburg	100.00	2015	52
GfK Media and Communication Research Verwaltungs-GmbH, Frankfurt/Main	100.00	2015	28
GfK Siebte Vermögensverwaltungs GmbH, Nuremberg	100.00	2015	23
GfK Vierte Vermögensverwaltungs GmbH, Nuremberg	100.00	2015	25 11)
Norm Research & Consulting GmbH, Wiesbaden	100.00 3)	2015	−95
TRMR Vermögensverwaltungs GmbH, Nuremberg	100.00	2015	22

1) Data from 2013 2) Data from 2014 3) Fully indirect shareholding 4) Partially indirect shareholding 5) Data not available
6) Newly established in 2015 7) In liquidation 8) Short financial year 9) Share of minority shareholder regulated by separate agreement
10) A valuation at equity was not carried out for reasons of materiality 11) Profit and loss transfer agreement

AFFILIATED COMPANIES (ABROAD) NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
G F K Lanka (Private) Limited, Colombo, Sri Lanka	100.00 [3)]	2015	197
GfK Albania, Tirana, Albania	100.00 [3)]	2015	172
GfK Bangladesh Pvt. Ltd., Dhaka, Bangladesh	100.00 [3) 6) 8)]	2015	239
GfK Client Solutions Ltd., Tel Aviv, Israel	100.00 [3)]	2015	156
GfK Ecuador Investigación de Mercado CIA. LTDA., Quito, Ecuador	100.00 [3)]	2015	−19
GfK Entertainment AG, Zurich, Switzerland	100.00 [3)]	2015	363
GfK Levant s.a.r.l., Beirut, Lebanon	100.00 [3)]	2015	43
GfK Netherlands B.V., Hilversum, Netherlands	100.00 [6) 8)]	2015	20
GfK PANAMA S.A., Panama City, Panama	100.00 [3) 7)]	2015	−233
GfK Retail & Technology Egypt, L.L.C., Cairo, Egypt	100.00 [3)]	2015	313
GfK Retail & Technology Ltd., Ramat Gan, Israel	100.00 [3)]	2015	−911
GfK Retail and Technology Belgium N.V., Leuven, Belgium	100.00 [3) 6) 8)]	2015	62
GfK Retail and Technology East Africa Limited, Nairobi, Kenya	100.00 [3)]	2015	138
GfK Retail and Technology Panama S.A., Panama City, Panama	100.00 [3)]	2015	−809
GfK Skopje DOO, Skopje, Macedonia	100.00 [3)]	2015	308
GfK Stratégie et développement Groupement d'intérêt Economique, Suresnes, France	100.00 [3)]	2015	106
GfK Venezuela, C.A., Caracas, Venezuela	100.00 [3)]	2015	−231
GfK-RT Nigeria Limited, Lagos, Nigeria	100.00 [3)]	2015	331
IFR Asia Co. Ltd., Beijing, China	100.00 [3) 7)]	2015	11
IFR Polska Sp. z o.o., Warsaw, Poland	100.00 [3)]	2015	25
IFR RUS Limited, Moscow, Russia	100.00 [3)]	2015	162
IFR U.K. Ltd., London, UK	100.00 [3)]	2015	−805
TerrEtude S.A.S., Mouchamps, France	100.00 [3)]	2015	257

ASSOCIATED COMPANIES (GERMANY) (DETAILS ACCORDING TO HGB COMMERCIAL BALANCE SHEET I)

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
USEEDS GmbH, Berlin	50.00 [3)]	2015	1,282

ASSOCIATED COMPANIES (ABROAD)

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
AGB Nielsen, medijske raziskave, d.o.o., Ljubljana, Slovenia	21.00 [3) 10)]	2015	1,050
Common Technology Centre EEIG, London, UK	25.00 [3) 10)]	2015	0 [2)]
Europanel Raw Database GIE, Brussels, Belgium	50.00 [4) 10)]	2015	– [5)]
MarketingScan SAS, Suresnes, France	50.00	2015	−696
Media Focus Schweiz GmbH, Zurich, Switzerland	49.00 [3)]	2015	1,141
MRC-Mode Pvt. Limited, Dhaka, Bangladesh	36.00 [3) 10)]	2014/2015	−57 [2)]
St. Mamet Saisie Informatique (SMSI) S.A.R.L., Saint Mamet la Salvetat, France	20.40 [3)]	2015	453
Starch Research Services Limited, Toronto, Ontario, Canada	20.00 [3) 10)]	2015	15
YouEye Inc., Mountain View, California, USA	22.22 [3)]	2015	−165

OTHER PARTICIPATIONS (ABROAD)

Company name and registered office	Share in capital in percent	Financial year	Equity (in € '000)
Information Resources (UK) Limited, Maidenhead, Berkshire, UK	5.80 [4)]	2015	−64,113 [1)]
Qosmos SA, Amiens, France	14.81	2015	16,104
ZecoByte AB, Stockholm, Sweden	11.00 [3)]	2015	2

1) Data from 2013 2) Data from 2014 3) Fully indirect shareholding 4) Partially indirect shareholding 5) Data not available
6) Newly established in 2015 7) In liquidation 8) Short financial year 9) Share of minority shareholder regulated by separate agreement
10) A valuation at equity was not carried out for reasons of materiality 11) Profit and loss transfer agreement

42. Declaration on the German Corporate Governance Code

The declaration prescribed by Section 161 of the German Stock Corporation Act (AktG) has been issued by the Management Board and the Supervisory Board and made permanently available to shareholders at
http://www.gfk.com/investors/corporate-governance/.

43. Release for publication

The Management Board of GfK SE released the consolidated financial statements for passing on to the Supervisory Board on March 11, 2016. It is the duty of the Supervisory Board to check the consolidated financial statements and declare whether it approves the consolidated financial statements.

Nuremberg, March 11, 2016

Matthias Hartmann

Christian Diedrich

Alessandra Cama

Dr. Gerhard Hausruckinger

David Krajicek

AUDITOR'S REPORT

We have audited the consolidated financial statements prepared by the GfK SE, Nuremberg, comprising the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated equity change statement and the Notes to the consolidated financial statements, together with the group management report for the business year from 1 January 2015 to 31 December 2015. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB [Handelsgesetzbuch "German Commercial Code"] (and supplementary provisions of the articles of incorporation) are the responsibility of the parent company`s management. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB [Handelsgesetzbuch "German Commercial Code"] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs, as adopted by the EU, the additional requirements of German commercial law pursuant to § 315a Abs. 1 HGB and supplementary provisions of the articles of incorporation and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Nuremberg, March 11, 2016

KPMG AG
Wirtschaftsprüfungsgesellschaft

Prof. Dr. Grottel
German Public Auditor

Dr. Faul
German Public Auditor

Statement by the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and income of the Group, and the Group Management Report includes a fair review of the development and performance of the business and position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Nuremberg, March 11, 2016

Matthias Hartmann

Christian Diedrich

Alessandra Cama

Dr. Gerhard Hausruckinger

David Krajicek