

Stock Exchange Notification no. 1-2008

Preliminary Statement 2006/07

At their meeting today, the Board of Director's of Roblon A/S approved the Annual Report for 2006/07 (01.11.2006 – 31.10.2007).

Summary:

- Roblon A/S has realised profit after tax of DKK 24.6 million compared to DKK 18.2 million last year, an improvement of 35.7%.
- Profit before tax is DKK 32.3 million compared to DKK 25.3 million last year.
- Profit on primary activities is DKK 32.1 million compared to DKK 24.5 million last year.
- Turnover is DKK 234.0 million compared to DKK 189.4 million in the previous year, which is an improvement of 23.5%.
- All divisions have again realised turnover and earnings that are better than in the previous year.
- The Board of Directors regard the results as very satisfactory.
- It is proposed that the company continue to pay a high dividend of 50%, which amounts to DKK 17.8 million.
- During the financial year 2007/08 we are expecting turnover in the region of DKK 245 million and profit before tax in the region of DKK 30 to 32 million.

Frederikshavn, January 3, 2008.

Klaus Kalstrup
Chairman of the Board

Flemming K. Bertelsen
Managing Director

Roblon in Figures

Financial Highlights (mill.DKK)	2002/03	2003/04	2004/05	2005/06	2006/07
Profit and Loss Account:					
Total turnover	156.9	160.6	171.8	189.4	234.0
Of which for export	140.3	144.1	157.0	174.9	216.5
Profit on primary activities	0.8	10.6	16.0	24.5	32.1
Net financing, etc.	0.5	0.4	1.1	0.8	0.2
Profit before tax	1.3	11.0	17.1	25.3	32.3
Profit for the year	1.8	7.8	12.5	18.2	24.6
Balance Sheet:					
Total assets	167.3	170.0	180.8	211.8	216.1
Share capital	35.3	35.4	35.4	35.4	35.4
Capital and reserves	140.4	144.9	150.7	169.8	176.8
Shareholder value	134.8	119.9	192.9	302.5	350.0
Cash Flow:					
Cash flow from operating activities	14.3	12.5	32.2	24.0	26.1
Cash flow from investment activities	(18.0)	(1.2)	(3.0)	(2.9)	(8.2)
Of which investment in tangible fixed assets (gross)	(21.3)	(1.4)	(1.6)	(1.7)	(5.5)
Cash flow from financing activities	(3.6)	(3.3)	(6.8)	1.0	(17.7)
Change in cash and cash equivalents	(7.3)	8.0	22.5	22.1	0.1
Key Figures					
Profit ratio (%)	0.5	6.6	9.3	12.9	13.7
ROIC/return on average invested capital (%)	0.6	7.7	12.1	19.2	24.6
Equity ratio (%)	84.0	85.2	83.3	80.2	81.8
Return on equity (%)	1.3	5.5	8.5	11.3	14.2
Earnings per share of DKK 100 (EPS)	5.5	23.1	37.0	51.3	69.7
Price/Earnings ratio (PE)	73.3	15.4	15.4	16.7	14.2
Payout ratio (%)	183	87	81	97	72
Cashflow per share of DKK 100	42.5	37.1	95.5	68.0	73.7
Dividend (%)	10	20	30	50	50
Intrinsic value of shares	417	429	446	480	500
Stock-exchange listing, end of period	400	355	571	855	989
Number of employees (average)	152	136	139	138	147

The key figures have been calculated in accordance with the guidelines on calculation of Financial Ratios and Key Figures of the Danish Society of Investment professionals
Please see accounting policies for definitions and terms.

Roblon A/S Concept

Roblon A/S wishes to be known locally, nationally and internationally as a well-reputed, sound and progressive company which sets credibility and honesty before short-term profits. This value is cherished and supported by employees, customers, suppliers and investors alike.

Objectives

The overall financial objectives of Roblon A/S are:

- Organic growth of 10-15% annually on the turnover and profits of each business area
- A profit ratio in each business area of at least 10% for Engineering and 15% for Industrial Fiber and Lighting.
- A solvency ratio exceeding 50 at all times
- A liquidity ratio exceeding 2.0
- The dividend policy is described in more detail under Shareholders

The above objectives apply under the current favourable economic conditions.

Strategies

Roblon A/S updates its strategic plans each year. High priority is given to product and market development that can help to generate organic growth. Any opportunities of e.g. acquisitions, strategic cooperation or acquisition of licence rights within the company's business areas are investigated, if new opportunities should appear or if an acquisition is a means of reaching our strategic objectives.

The individual business areas/divisions' development is subject to ongoing evaluation with focus on continued profitability and growth potential.

Report of the Board of Directors and Management

In the financial year 2006/07 Roblon A/S achieved a profit before tax of DKK 32.3 million compared to DKK 25.3 million in the previous year. Profits are considerably better than expected at the beginning of the year, constituting a significant improvement on the previous year.

Turnover in 2006/07 was DKK 234.0 million compared to DKK 189.4 million in the previous year, representing an increase of 23.5%.

In 2006/07 all three divisions have realised turnover and primary profit figures that were better than last year, and they all achieved better turnover and profits than expected at the beginning of the year.

Based on market developments and our expectations at the beginning of the year, the Board of Directors regard the results as very satisfactory.

In the interim report of June 14, 2007, the expected profit for the year was adjusted to a profit before tax in the region of DKK 30-32 million, compared with the profit in the region of DKK 24 - 26 million that was previously expected. The profit therefore largely corresponds to the expectations announced.

The export ratio was 92.5% compared to 92.4% in the previous year.

The background to the extremely satisfactory annual profit is that all three divisions experienced very positive growth in both turnover and profit.

Roblon Industrial Fiber, which supplies products to the cable industry, primarily within the fibre-optic communication cable segment, experienced a considerable increase in sales to this industry. We also experienced a significant increase in sales in the offshore segment.

Roblon Lighting's success is due to stable sales to our distributors and increased sales to several major OEM customers (companies that use fibre optics in their products). A high level of activity has been maintained in the cruise market.

Roblon Engineering's increased turnover is primarily attributable to a large project-related sale of winders and a large sale of rope machines, whereas sales of cable machines maintained the level of the previous year.

Each division operates independently. The divisions are distinctive within each of their niches as acknowledged suppliers on the world market. They have a good, broad range of products – also compared to those of their competitors – and are known for flexibility, documentation and speedy follow-up. At the same time, day-to-day interaction between the divisions regarding product development and marketing activities also generates synergies that contribute to future-oriented solutions.

No significant events with a material effect on the company's financial position have occurred since the close of the financial year.

Future Expectations

The Divisions

Roblon Industrial Fiber expects global demand for fibre-optic cables to continue to show a slight increase and expects turnover to remain at the same level as in 2006/07 for this area. A small increase in sales to offshore and other industry is expected. Earnings in the division are expected to be slightly smaller than in 2006/07 due to higher costs, primarily for development, and increased write-offs in connection with several large invest-

ments in new production equipment for the off-shore segment.

Roblon Lighting expects a small increase in turnover, while profits are expected to remain at the same level as in the financial year that has just ended, while higher costs were set aside in 2007/08, primarily for increased sales and marketing activities. Here, focus centres on activities such as even closer cooperation with existing and new distributors with a view to increasing sales in established markets as well as in new markets.

Roblon Engineering expects a slight increase in sales of machines to the rope-making industry. A small increase in sales is expected in the cable machine market. On the whole, Roblon Engineering is expecting a small increase in sales but with lower marginal income ratio for certain product groups, after which the result is expected to be at the same level as in 2006/07.

All three divisions will, therefore, continue to be strongly committed to organic growth.

In 2007/2008 higher costs are expected, particularly on the sales side, where activities include participation at several large international trade fairs.

Roblon A/S

In 2007/08 the company has budgeted for higher turnover than in the previous year, whereas earnings are influenced by higher sales and development costs, which should be viewed in the context of the continuing long-term strategy for increased organic growth. Furthermore, we have budgeted for higher financial earnings in the year ahead.

Sales to manufacturers of fibre-optic communication cables still constitutes Roblon A/S's largest individual customer segment. For the past few years, dependency on this customer segment has been declining due to healthy growth in the company's other business areas.

International trade conditions are expected to create a slight increase in the global demand for products for the cable and rope-making industry in the next financial year.

The prerequisite for the growth in profits described above is that Western economies continue to be stable in the future.

On this basis, turnover in the financial year 2007/08 is expected to be in the region of DKK 245 million and the profit before tax is expected to be within the region of DKK 30 - 32 million.

Roblon Industrial Fiber

Progress in the cable and offshore industries.
Turnover within the division increased by 29.4% - Earnings increased by 30.2%.

(tDKK)	2006/07	2005/06
Turnover	91,167	70,428
Profit on primary activities before joint expenditure	17,099	13,135
Profit ratio (%)	18.8	18.7
Investments	4,315	311
No. of employees (average)	44	40

In 2006/07 Roblon Industrial Fiber achieved turnover and earnings that were considerably higher than in the previous year and higher than expected at the beginning of the year.

During the past few years, Roblon Industrial Fiber has experienced growth in turnover as well as a satisfactory development in earnings. The increase in turnover and earnings compared to the previous year relates to both fibre-based products and fibre-based solutions for the offshore industry. Sales to the cable industry still form the greater part of turnover and earnings in Roblon Industrial Fiber.

Concept

Roblon Industrial Fiber develops, produces and sells flexible products that can transmit or absorb force. The products are based on the use of synthetic fibres – often with impregnation and coatings to improve function. Related products for existing customer areas can be incorporated in the product range.

Expertise

The division has sufficient expertise to perform existing assignments and any assignments expected in the next financial year. The expertise is:

- Impregnation and rewinding of fibre products for the cable industry (glass, polyester and aramid fibres).
- Coating of aramid tapes for the offshore industry
- Production of PP foampaper for power cables.
- Coating of fibres for various special applications.

Markets

Roblon Industrial Fiber's most important role is still as a major supplier to the cable industry and the oil and gas industry. At the same time, we still maintain an interest in customers in other industries.

In the cable area, the present market share in Europe is maintained, and concurrent efforts are being made to increase the market share in new markets.

The division's high level of activity within the offshore industry is expected to continue in the years to come due to – among other things – increased activity within the industry. The high price rises experienced in the field of refined metals have caused an increased interest in the division's corresponding fibre-based solutions.

Opportunities/Risk Factors

The majority of Roblon Industrial Fiber's products are aimed at manufacturers of fibre-optic communication cables. This has made Roblon Industrial Fiber dependent on fluctuations in market conditions within this industry in particular. To increase competitiveness, new products are being continuously developed with a view to achieving a wider and more complete range of products for servicing the cable industry.

Sales of straps to the oil and gas industry depend on the industry's routine maintenance of and investment in oil extraction facilities at great sea depths. At present there is a higher level of activity in this area than we have seen during the past few years, which contributes towards reducing the division's dependency on the cable industry.

The Future

Roblon Industrial Fiber expects the high level of activity in 2006/07 within the cable industry to continue to some extent. It is therefore expected that sales to the cable industry will be maintained but with somewhat lower earnings due, among other things, to rising raw material prices.

Focus will continue on maintaining and increasing sales to present customers, but also on sales to selected new markets.

Parallel to this, ongoing optimisation of the product range will take place, so that the products continue to satisfy to the market's expectations.

Within the offshore industry, Roblon Industrial Fiber expects a small increase in turnover and earnings as a result of a high level of activity in the area.

In addition to this, the company will, with its extensive knowledge of manufacturing fibre products, continue to work in a targeted way to develop this area.

On the whole, Roblon Industrial Fiber expects to maintain turnover at the same level as in 2006/07, but with slightly smaller profits than in 2006/07 due, among other things, to higher development and depreciation costs.

Roblon Lighting

Progress – turnover increased by 8.7% - earnings increased by 5.4%.

(tDKK)	2006/07	2005/06
Turnover	67,173	61,802
Profit on primary activities before joint expenditure	10,334	9,808
Profit ratio (%)	15.4	15.9
Investments	3,860	860
No. of employees (average)	51	49

In 2006/07 Roblon Lighting achieved turnover and earnings that were higher than in the previous year and higher than expected at the beginning of the year.

This success was due to stable sales to the division's distributors. Increased sales were achieved to a large number of OEM customers. A high level of activity has been maintained in the cruise market.

However, sales to the American market have been declining, and the low dollar rate and a slowdown in the housing market appear to be two of the causes.

During the year, the division carried out a branding process with a view to achieving more targeted communication, particularly in respect of illumination designers and architects. There has been cooperation and contact with many of the world's most prominent illumination designers in Europe, the USA and Asia.

The new brand platform has created the basis for the introduction of several new products and a completely new catalogue.

The division has changed its name to Roblon Lighting (previously Fiber Optics). The name can subsequently embrace the introduction of lighting solutions other than those based solely on fibre optics technology.

Concept

Roblon Lighting aims to be a unique provider of precision lighting for the professional lighting market worldwide. This will be done by offering a wide range of optimised concepts, all of which utilise the special opportunities of advanced lighting systems for creating lighting of a very high quality. These products will be marketed globally to the professional lighting market.

Expertise

The division is constantly working in a targeted manner to maintain a leading market position within:

- Optical design.
- Functional design.
- Documentation and easy access to photometric data.
- Flexibility and readiness for conversion.

Markets

During the year distributors were established in India and Russia, as both markets are considered important for future growth. A targeted dialogue has been maintained with distributors, as well as close cooperation with and follow-up on large OEM customers.

Opportunities/Risk Factors

Within the lighting segment, LED technology has developed to the extent that real lighting solutions using this technology are now being produced. Some illumination designers are still concerned about the quality of the light, but they are nevertheless all in agreement that, with high-intensity LED, a new light source has been introduced on the lighting market.

Roblon Lighting is working to develop new products based on LED technology.

The central element in future growth will be even closer cooperation between Roblon Lighting, our distributors and large OEM customers, as well as the establishment of new markets and the development of new products.

The Future

The division expects slight growth in turnover in 2007/08, while profits are expected to maintain the same level as in 2006/07 due to increased costs, primarily for sales and marketing.

In the year ahead, this strong position will be maintained through more targeted communication, particularly with architects and illumination designers. The dialogue with distributors will be continually extended.

Great emphasis is being placed on continuing to develop and offer fibre optics products. It is expected that LED systems will gradually become a natural part of the product portfolio

The continuous development of effectiveness and flexibility is an important factor for success on the market.

Roblon Engineering

Turnover increase of 32.4% – earnings increased by 53.1%. Major project-related sale of winders

(tDKK)	2006/07	2005/06
Turnover	75,702	57,173
Profit on primary activities before joint expenditure	8,151	5,323
Profit ratio (%)	10.8	9.3
Investments	440	1,768
No. of employees (average)	48	45

In 2006/07 Roblon Engineering realised turnover and earnings that were much higher than the previous year and higher than expected at the beginning of the year.

Sales of machines to the rope-making industry were higher than in the previous year, while sales of cable machines remained at the same level as the previous year.

Our success in selling winders that are targeted at carbon fibre production had continued from the previous year. Some of the success in turnover is also due to a major project-related sale to this industry.

A new high-speed twister has been developed, and this machine attracted a great deal of interest at a recent international textile fair. The newly developed HS-Twister[®] is fully in line with the positive expectations of the technology and order intake.

Concept

Roblon Engineering supplies solutions that primarily fulfil the need for twisting, cabling, laying, unwinding, winding, rewinding and pulling. The concept is realised through delivery of machinery and equipment, either as line components or as complete lines.

High priority is given to product development and product adaptation. By matching the technology level to individual customer groups, Roblon Engineering wishes to be among the leading suppliers in the market at all times.

Expertise

Over the years, Roblon Engineering's employees have built up considerable expertise with regard to product development and the sale of products that are part of our concept. The products can be divided into four key areas:

- Twisting machines to produce twisted yarns. The machines are used to produce rope, baler twine, etc.

- Rope-making machines sold mainly to manufacturers of rope for industry, the fishing industry, transport and offshore
- Cable machines for the production of items such as optic fibre cables and installation cables
- Take-up winders are aimed primarily at producers of extruded film and carbon fibre, who require winding on large spools.

Markets

Roblon Engineering exports to just under 100 countries worldwide. In the financial year 2006/07 Europe was still the principal market, while the rest of Engineering's turnover was distributed over large parts of the rest of the world.

The primary customer groups are manufacturers of rope, including twisted products, as well as cable and carbon fibre manufacturers.

Opportunities/Risk Factors

Sales of machinery are affected by economic cycles in individual sectors and geographical areas. Sales may vary considerably from year to year and are also affected by capacity adjustments and structural changes within the business areas.

The rope-making industry is also influenced by price fluctuations in raw materials for rope-making. Roblon Engineering still has a very large market share in the rope-making industry.

The Future

A slight increase in the sale of machines to the rope-making industry is expected. In view of Roblon Engineering's very large market share, the general situation in the industry will continue to have a significant impact on sales.

On the other hand, the cable industry has now consolidated itself and a slight increase is expected in sales of machines to this industry.

In the winder segment, a range of winders for the carbon fibre industry has been developed in strategic cooperation with foreign partners. Two important projects were delivered in the last financial year and the one before that. The carbon fibre industry is currently demonstrating healthy growth, and it is expected that further project sales will be realised in the financial year 2007/08.

In the years ahead, the new HS-Twister[®] is expected to contribute towards increased sales and an expansion of the business area.

On the whole, Roblon Engineering is expecting a small increase in sales in 2007/08, but with lower marginal income ratio for certain product groups, after which the result is expected to be at the same level as in 2006/07.

Risk factors

Economic trends

Economic fluctuations are considered to have a significant impact on the financial results of the company.

Roblon A/S has generally achieved favourable diversification of products and markets. To counter geographically determined fluctuations in demand, all three divisions of Roblon A/S are working to globalise sales in all product areas. The individual divisions are also seeking to diversify their customer areas.

Such diversification has no effect in the event of a general international economic downturn affecting all divisions.

Financial risks

Foreign exchange risk:

The company's policy is to hedge all significant commercial exchange rate risks, and forward contracts are concluded on an ongoing basis. 90% of the company's net revenue is invoiced in DKK or EUR. Speculative forward contracts are not concluded.

Interest rate risk:

As of 31.10.07 the company has no interest-bearing debt. We do not expect that changes in the general level of interest rates on their own will have a significant impact on the profit for the coming year.

Credit risk:

The company's overall trade receivables are spread over many customers, countries and markets, representing good risk diversification. Risk is further limited by effective management and coverage of major receivables by credit insurance or alternative collateral. As a result of the above, the risk of significant losses is estimated to be limited.

IT risk:

The company's internal set of rules for IT security, including measures to prevent computer viruses and contingency plans for the restoration of computer systems in the event of any damage, is updated on an ongoing basis with reference to current IT usage.

Environment

The external environmental impact from Roblon Engineering is very limited and can be attributed primarily to energy consumption for illumination, heating and the painting process.

Roblon Industrial Fiber is environmentally certified to ISO 14001. Industrial Fiber has no emissions from processes that have an impact on the exter-

nal aquatic environment. Emissions to air are limited and are subject to ongoing control.

Roblon Lightings' environmental impact is caused primarily by heating and lighting. Energy is also used to control light sources. There are limited emissions to air in connection with the process of gluing fibre bundles.

Insurance

The company's policy is to take out insurance against risks which might be a threat to its financial position. In addition to statutory insurance cover, policies have been taken out to cover product liability and consequential losses. Properties, operating equipment and stocks are insured on an all-risk basis at their replacement value. Receivables from customers are insured to a certain degree.

Overall liquidity

The company has financed its activities via its operations, and as at 31.10.07 the company has a liquidity surplus. The company has unutilised ongoing credit facilities, and further financing is available by raising loans against buildings and machinery as collateral.

Development

Each of the three divisions of Roblon A/S works within its own niche area, and each is among the world leaders in the product areas in which it operates.

New products are developed in close cooperation with customers, and in many cases the solving of specific problems at the customer's premises has a major influence on the extent of the development projects.

The divisions market a range of highly advanced standard products. As part of our dialogue with the customer, customer-specific adaptations are often carried out, which optimise the product or machine for its actual application. The development of these standard products represents the biggest projects in the individual divisions' development departments.

There is also continuous development of specialist products to supplement to the existing product portfolio.

In Roblon Engineering, the development of a new high-speed twister, the "HS Twister[®]" was concluded in 2007. This machine attracted a great deal of interest at a recent international textile fair, where the machine was exhibited for the first time.

In Roblon Lighting, the development of a completely new range of lighting fittings was com-

pleted and actual sales commenced.

The strong position that Roblon Lighting holds within the field fibre optic illumination systems will, in the coming year, gradually be supplemented through the development and introduction of LED-based illumination systems as part of the product portfolio.

Employees And Organization

A development project was previously initiated across the divisions with the title "Innovative Management Development". In this project, strategies have been developed for each of the divisions on the basis of different potential future scenarios. This strategy work has led Roblon A/S to a strategy that is more deeply rooted in the organisation and more forward-looking than earlier.

All divisions have a competent, motivated staff, which enables the individual division to rapidly increase the level of activity if provided for by the trading conditions.

A principal objective for Roblon A/S is to provide the employees with the necessary internal and external training for them to possess the competence required to perform current and future tasks, and also to retain and develop each individual employee.

The company had 147 full-time employees on average during the year, compared to 138 in the previous year. The number of employees was 155 at the start of the new financial year against 138 one year ago.

Shareholders

Dividend

At the Annual General Meeting on February 7, 2008 the Board of Directors will propose a dividend ratio of 50%, corresponding to DKK 17.8 million.

In the current situation with prospects of a positive cash flow and reduced investments in the coming years, as well as continued large capital and reserves, the company's policy is to distribute the main proportion of the profit for the year as dividend to the shareholders. The final decision on dividend will take into account current investment requirements as well as an evaluation of the future development in liquidity.

The Board of Directors proposes dividend for 2006/07 amounting to 50%, corresponding to the dividend of 2005/06. At a year-end price of DKK 989 per share of DKK 100, this implies a direct return in the region of 5.1%.

Notifications to the stock exchange

January 4, 2007	Preliminary statement 2005/06
April 26, 2007	Election of employee board members
June 1, 2007	Notification of voting rights and capital
June 14, 2007	Interim report
June 27, 2007	Announcement regarding LD's sale of shares
September 11, 2007	Financial calendar 2007/08
December 5, 2007	Increase of share capital by employee shares

Future information

Apart from preliminary and interim reports, interim announcements will also be issued.

Financial calendar

February 7, 2008	Annual General Meeting
June 19, 2008	Expected publication of interim report
January 6, 2009	Expected publication of preliminary statement 2007/08
February 12, 2009	Annual General Meeting

Ownership

The following shareholders are subject to the provisions of Section 28a of the Public Companies Act

(%)	Ownership interest	Voting right
- ES Holding Frederikshavn ApS, Strandvej 98, 9970 Strandby	25.2	68.8
- The Danish Labour Market Supplementary Pension Fund (ATP) Kongens Vænge 8, 3400 Hillerød	12.9	5.4
- Danske Bank Koncern Holmens Kanal 2-12 1092 Copenhagen K	5.6	2.3

Roblon A/S is included in the consolidated accounts for ES Holding Frederikshavn ApS

Capital and reserves

At the end of the year the company's capital and reserves total DKK 176.8 million.

Roblon's share capital is divided into A-shares and B-shares. In view of the current ownership structure, the Board of Directors has no immediate plans to merge the two share classes. In the Manage-

ment's view, the existing ownership structure has helped to create the basis for a long-term, consistent strategy for the company with ambitious, long-term financial goals. By achieving these goals, value will be created for shareholders, customers and employees.

A good capital reserve is considered a key strength with regard to possible future extensions of activity.

Annual General Meeting

The Annual General Meeting will be held on Thursday February 7, 2008 at 4.30 p.m. at Scandic Hotel, Toldbodvej, Frederikshavn.

Recommendation to the Annual General Meeting

The Board of Director's recommends the Annual General Meeting:

- to pay dividend of 50%, corresponding to DKK 17.8 million
- to authorize the company to purchase own shares up to 10% of the share capital and at a price which max. deviates 10% from the latest calculated exchange rate for all deals prior to the acquisition.

The printed Annual Report is expected to be published at the end of January 2008.

Financial Review

In continuation of the report of the Board of Directors and the Management, the financial review includes comments on the annual accounts for 2006/07 and the accounting policies.

The accounts are presented in accordance with the same accounting policies as last year.

IAS/IFRS

Since the Annual Report for Roblon A/S contains no consolidated accounts the rules concerning presentation according to IFRS will not be applicable until from 2009.

Until further notice the accounts will be presented in accordance with the Danish Financial Statements Act. The transition to presentation according to IFRS is not expected to have any significant impact on the profits and capital and reserves.

Profit and loss Account

The turnover for the financial year totalled DKK 234.0 million, compared to DKK 189.4 million in the previous year and the turnover is higher in all divisions. In total an improvement of 23.5%.

The export ratio was 92.5% compared to 92.4% in the previous year.

Costs for raw materials and consumables and staff costs have increased as a result of higher activity. Other external costs have increased due to the determined focus on achieving organic growth.

Roblon A/S' profit on primary activities was DKK 32.1 million compared to DKK 24.5 million in 2005/06.

Profit on primary activities in Industrial Fiber was DKK 17.1 million compared to DKK 13.1 million in the previous year; in Lighting it was DKK 10.3 million compared to DKK 9.8 million in the previous year and in Engineering it was DKK 8.2 million against DKK 5.3 million in the previous year.

The profit before tax for Roblon A/S was DKK 32.3 million, compared to DKK 25.3 million in 2005/06.

Balance sheet

The company's balance sheet total has increased to DKK 216.1 million from DKK 211.8 million one year earlier.

Intangible fixed assets increased to DKK 5.8 million from DKK 3.6 million one year earlier, after purchase of patent rights at DKK 3.0 million. Tangible fixed assets decreased to DKK 61.5 million from DKK 63.1 million.

Current assets increased to DKK 148.8 million from DKK 145.2 million. Stocks decreased to DKK 51.9 million from DKK 54.2 million, debtors increased to DKK 41.4 million from DKK 35.7 million and cash at bank and in hand are largely unchanged with DKK 55.4 million compared to DKK 55.3 million one year earlier.

The company's capital and reserves amount to DKK 176.8 million and the solvency ratio is 73.5% after dividend.

Cash flow statement

Cash flow from operating activities was DKK 26.1 million in the financial year, compared to DKK 24.0 million in the previous year. Profit on primary activities before depreciation amounts to DKK 39.6 million compared to DKK 32.7 million one year before. Changes in stocks, debtors and short-term creditors reduced net liquidity by DKK 2.8 million, while it was reduced by DKK 8.5 million in 2005/2006. Corporate tax amounts to DKK 11.2 million compared to DKK 1.1 million one year before.

Cash flow from investment activities shows tied-up capital of DKK 8.2 million compared to DKK 2.9 million in 2005/06.

Cash flow from financing activities consists of payment of dividend amounting to DKK 17.7 million.

In the financial year, cash at bank and in hand increased by DKK 0.1 million to DKK 55.4 million.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD NOV. 1, 2006 – OCT. 31, 2007

	2006/07 tDKK	2005/06 tDKK
Net turnover	234,042	189,403
Change in stocks of finished goods and work in progress	(4,182)	4,758
Work performed on own account and stated under assets	721	2,076
	<u>230,581</u>	<u>196,237</u>
Costs for raw materials and consumables	(103,661)	(89,226)
Other external expenses	(28,711)	(23,562)
Staff costs	(58,568)	(50,732)
Profit on primary activities before depreciation	39,641	32,717
Depreciation and write-downs of tangible and intangible fixed assets	(7,542)	(8,204)
Profit on primary activities	32,099	24,513
Interest income	2,194	1,908
Interest expenditure	(1,989)	(1,091)
Profit before tax	32,304	25,330
Tax on profit for the year	(7,660)	(7,175)
Profit for the year	<u>24,644</u>	<u>18,155</u>
 Proposal for distribution of profits		
Proposed dividend, 50% (50%)	17,849	17,691
To profit carried forward	6,795	464
Profit for the year	<u>24,644</u>	<u>18,155</u>

BALANCE SHEET AS AT OCTOBER 31, 2007

Assets	2006/07	2005/06
	tDKK	tDKK
Fixed Assets		
Completed development projects	2,789	1,663
Acquired patent	3,025	0
Ongoing development projects	0	1,893
Total intangible fixed assets	<u>5,814</u>	<u>3,556</u>
Land and buildings	47,393	50,467
Plant and machinery	12,260	10,983
Fixtures and fittings, tools and equipment	1,837	1,600
Total tangible fixed assets	<u>61,490</u>	<u>63,050</u>
Total Fixed Assets	<u>67,304</u>	<u>66,606</u>
Current Assets		
Raw materials and consumables	33,333	31,462
Work in progress	4,481	3,824
Manufactured finished goods	14,099	18,938
Stocks	<u>51,913</u>	<u>54,224</u>
Trade debtors	40,213	34,262
Other debtors	990	1,310
Accruals	224	134
Total debtors	<u>41,427</u>	<u>35,706</u>
Cash at bank and in hand	<u>55,412</u>	<u>55,269</u>
Total Current Assets	<u>148,752</u>	<u>145,199</u>
Total Assets	<u>216,056</u>	<u>211,805</u>

BALANCE SHEET AS AT OCTOBER 31, 2007

Liabilities	2006/07	2005/06
	tDKK	tDKK
Capital and Reserves		
Share capital	35,383	35,383
Profit carried forward	123,520	116,725
Proposed dividend	17,849	17,691
Total capital and reserves	<u>176,752</u>	<u>169,799</u>
Provisions for liabilities		
Provisions for deferred tax	4,089	4,743
Other provisions for liabilities	900	690
Total provisions for liabilities	<u>4,989</u>	<u>5,433</u>
Short-term creditors		
Customer prepayments received	1,935	3,357
Corporate tax	6,944	9,851
Suppliers of goods and services	13,552	14,206
Other debt	11,884	9,159
Total short-term creditors	<u>34,315</u>	<u>36,573</u>
Total Liabilities	<u>216,056</u>	<u>211,805</u>

Cash Flow Statement

	2006/07 tDKK	2005/06 tDKK
Profit on primary activities before depreciation	39,641	32,717
Change in provisions for liabilities	210	90
Change in stocks	2,311	(9,585)
Change in debtors	(5,721)	(4,627)
Change in short-term creditors	649	5,668
Cash flow from operating activities before financial items	37,090	24,263
Interest income	2,194	1,908
Interest expenditure	(1,989)	(1,091)
Cash flow from ordinary activities	37,295	25,080
Corporate tax	(11,221)	(1,036)
Cash flow from operating activities	26,074	24,044
Investment in intangible fixed assets	(3,093)	(1,403)
Investment in tangible fixed assets	(5,521)	(1,656)
Sales proceeds from tangible fixed assets	374	155
Cash flow from investment activities	(8,240)	(2,904)
Sale of own shares	0	11,599
Payment of dividend	(17,691)	(10,615)
Cash flow from financing activities	(17,691)	984
Change in cash at bank and in hand	143	22,124
Cash at bank and in hand as at 1/11 2006	55,269	33,145
Cash at bank and in hand as at 31/10 2007	55,412	55,269

Capital and Reserves Statement

	Share capital	Profit carried forward	Proposed dividend	Total
Capital and reserves as at 1/11 2005	<u>35,383</u>	<u>104,662</u>	<u>10,615</u>	<u>150,660</u>
Dividend distributed			(10,615)	(10,615)
Sale of own shares		11,599		11,599
Profit for the year		18,155		18,155
Proposed dividend		<u>(17,691)</u>	<u>17,691</u>	<u>0</u>
Capital and reserves as at 1/11 2006	<u>35,383</u>	<u>116,725</u>	<u>17,691</u>	<u>169,799</u>
Dividend distributed			(17,691)	(17,691)
Profit for the year		24,644		24,644
Proposed dividend		<u>(17,849)</u>	<u>17,849</u>	<u>0</u>
Capital and reserves as at 31/10 2007	<u>35,383</u>	<u>123,520</u>	<u>17,849</u>	<u>176,752</u>
Changes in share capital:				
Share capital as at 1/11 2002				35,313
Capital augmentation employee shares 2003/04				<u>70</u>
Share capital as at 31/10 2007				<u>35,383</u>