

Stock Exchange Notification no. 1-2010

CVR no. 5706 8515

## Preliminary Statement 2008/09

At their meeting today, the Board of Director's of Roblon A/S approved the Annual Report for 2008/09 (01.11.2008 – 31.10.2009).

### Summary:

- Roblon A/S realised a profit before tax of DKK 13.9 million compared with DKK 34.5 million last year, which is 59.7% lower.
- Profit after tax is DKK 10.3 million, compared with DKK 26.5 million last year.
- Profit on primary activities is DKK 12.0 million compared with DKK 32.8 million last year.
- Turnover is DKK 185.9 million, compared with DKK 251.9 million last year, representing a decrease of 26.2%.
- The 3 divisions all realised turnover and earnings that are lower than one year before and lower than expected at the beginning of the year.
- In the light of the general economic situation, the Board considers the overall result for Roblon A/S to be acceptable, as the capital and reserves has yielded 5.7% interest.
- Proposal for a dividend of 30%, corresponding to DKK 10.7 million.
- Newly developed products for several business areas will be launched at the markets during the coming year.
- During the financial year 2009/10, we are expecting a turnover in the region of DKK 170 - 180 million and a profit before tax in the region of DKK 10 – 14 million.
- As soon as the international trade conditions improve considerably, Roblon A/S is again expected to generate growth and satisfactory results.

Frederikshavn, January 5, 2010

Niels Bach  
Chairman of the Board

Jens-Ole Sørensen  
Managing Director

## Roblon in Figures

Financial Highlights (DKK mill.)	2004/05	2005/06	2006/07	2007/08	2008/09
<b>Income Statement</b>					
Total turnover	171,8	189,4	234,0	251,9	185,9
Of which for export	157,0	174,9	216,5	234,3	174,4
Profit on primary activities	16,0	24,5	32,1	32,8	12,0
Net financing, etc.	1,1	0,8	0,2	1,8	1,9
Profit before tax	17,1	25,3	32,3	34,5	13,9
Profit for the year	12,5	18,2	24,6	26,5	10,3
<b>Balance Sheet:</b>					
Total assets	180,8	211,8	216,1	226,2	209,2
Share capital	35,4	35,4	35,4	35,7	35,7
Capital and reserves	150,7	169,8	176,8	185,5	178,3
Shareholder value	192,9	302,5	350,0	282,1	213,6
<b>Cash Flow:</b>					
Cash flow from operating activities	32,2	24,0	26,1	27,4	33,6
Cash flow from investment activities	(3,0)	(2,9)	(8,2)	(6,7)	(17,7)
Of which investment in tangible fixed assets (grc)	(1,6)	(1,7)	(5,5)	(6,3)	(4,3)
Cash flow from financing activities	(6,8)	1,0	(17,7)	(17,6)	(17,8)
Change in cash and cash equivalents	22,5	22,1	0,1	3,1	(1,9)
<b>Key Figures</b>					
Profit ratio (%)	9,3	12,9	13,7	13,0	6,4
ROIC/return on average invested capital (%)	12,1	19,2	24,6	24,3	9,4
Equity ratio (%)	83,3	80,2	81,8	82,0	85,2
Return on equity (%)	8,5	11,3	14,2	14,6	5,7
Earnings per share of DKK 100 (EPS)	36,7	50,9	69,0	74,3	28,9
Price/Earnings ratio (PE)	15,4	16,7	14,2	10,6	20,7
Payout ratio (%)	81	97	72	67	104
Cashflow per share of DKK 100	94,6	67,4	73,0	76,7	94,2
Dividend (%)	30	50	50	50	30
Intrinsic value of shares	442	476	495	520	499
Stock-exchange listing, end of period	566	847	981	790	598
Number of employees (average)	139	138	147	158	143

The key figures have been calculated in accordance with the Danish Society of Financial Analysts' "Recommendations & Financial Ratios 2005"  
Please see accounting policies for definitions and terms.

## Management's Review

Roblon A/S achieved a turnover of DKK 185.9 million in 2008/09 compared to DKK 251.9 million the previous year, which represents a fall of 26.2%. Turnover is thus lower than was expected at the start of the year.

The profit before tax was DKK 13.9 million compared to DKK 34.5 million last year, which represents a drop of 59.7%. The profit before tax is also lower than was expected at the start of the financial year.

The general impact of the financial crisis and the subsequent decline of the world market had a major effect on Roblon's three business areas. The impact on Engineering was particularly pronounced, with turnover falling by 35.7% on last year's figures and the division posting a negative result. The setback experienced by Lighting resulted in turnover falling by 21.8% compared to last year, whilst Industrial Fiber's turnover fell by 20.8% compared to last year. In all three divisions, turnover and profit on primary activities were both lower than last year and lower than expected.

Roblon Industrial Fiber experienced a decline in turnover and earnings within the cable area, whilst turnover and earnings in the offshore area increased by a healthy margin.

Roblon Engineering experienced a considerable drop in turnover, which resulted in a negative result for the year. The business area has been hit by the general uncertainty and the circumstances surrounding the strict credit conditions that have led to many customers delaying decisions on new capital investments.

Roblon Lighting also experienced a fall in turnover and earnings.

One of the factors affecting the business area has been the slowdown in the construction industry, since this covers a wide spectrum of markets and segments.

Roblon's export share for the year was 93.8% compared to 93.0% last year.

In the interim report of June 16, expectations for the annual result were adjusted downwards to a profit of DKK 14-18 million compared to the previous prediction of DKK 18-23 million. The profit for the year is thus just below the announced expectation. In the light of the general economic situation, the Board considers the overall result for Roblon A/S to be acceptable, as the capital and reserves has yielded 5.7% interest.

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

## Future Expectations

Roblon A/S has a solid position and is acknowledged to be a leading supplier in several niche markets - a status that we wish to maintain and boost by focusing on innovative, trend-setting product development with the customer in the centre. We want to ensure the value added for the customers is as effective as possible by means of our product range and system solutions.

Roblon Industrial Fiber expects demand for the business area's cable products to remain at about the same level as in 2008/09. New marketing measures will be implemented in order to develop sales in selected new markets, with new customised fibre solutions in line with market requirements also being offered. This will mean slightly higher costs for product development and marketing activities in comparison to last year.

Against the background of the business area's expertise in fibre products for the offshore industry, new products for other applications within the area will be developed together with marketing activities designed to expand the geographical market coverage.

A better level of turnover and earnings is expected for the business area in 2009/10 than was the case in 2008/09.

Roblon Engineering anticipates a positive trend in sales of cable machines compared to 2008/09, as well as an emerging optimism within the product segments twisters and rope-making machines. There will be an emphasis on developing new market areas in conjunction with the relaunch of new and updated products.

A slightly lower turnover is expected for the business area in comparison to 2008/09, but with a positive development in earnings.

Roblon Lighting expects lower turnover and earnings for 2009/10 compared to 2008/09.

There will be a strong focus on the market launch of new, innovative LED lighting products for the professional business segment. This initiative is reflected in higher marketing costs than in 2008/09.

Roblon A/S is budgeting for somewhat lower turnover in 2009/10 than in 2008/09. A great deal of attention will be directed towards controlling the development of capacity costs, which are as a whole lower than in the previous year, although an increase in our sales and marketing costs has been sustained in order to maintain and reinforce our prioritized strategic activities in the three business areas.

Our various adaptations and adjustments to activities and a greater focus on customer-oriented business development mean that the company is well equipped to survive the current global crisis and come out on the other side in a good position, and we are looking forward to the challenges of the new year. We are convinced that we can achieve double-digit growth rates in turnover once we return to more typical conditions.

It is difficult to estimate the duration and extent of the current global financial crisis, but we expect turnover for the 2009/10 financial year to be somewhere between DKK 170 and 180 million, with profit before tax amounting to DKK 10-14 million.

## Roblon Industrial Fiber

**Slowdown in the cable industry and further growth in the offshore industry.**

**Turnover in the business area fell by 20.8%, with earnings falling by 27.6%.**

(tDKK)	2008/09	2007/08
<b>Turnover</b>	<b>81,777</b>	<b>103,288</b>
<b>Profit on primary activities before joint expenditure</b>	<b>13,573</b>	<b>18,742</b>
<b>Profit ratio (%)</b>	<b>16.6</b>	<b>18.1</b>
<b>Investments</b>	<b>3,058</b>	<b>4,510</b>
<b>No. of employees (average)</b>	<b>45</b>	<b>51</b>

In 2008/09, Roblon Industrial Fiber achieved turnover and earnings that were lower than in the previous year and lower than expected at the beginning of the year.

After several years of rising turnover and a satisfactory earnings trend, Roblon Industrial Fiber has experienced a dramatic fall in both turnover and earnings.

This fall only concerns fibre-based products for the cable industry, with the offshore industry showing a rise in both turnover and earnings.

Sales to the cable industry still account for the greater part of turnover and earnings in Roblon Industrial Fiber.

### The Cable Industry

Most cable products, which are based on synthetic fibres, are used primarily to transmit or absorb power and are aimed at manufacturers of fibre-optic communication cables. Roblon Industrial Fiber has a good market position and continued development of the product range should ensure that the division's competitiveness is sustained and improved.

Within the cable area Roblon Industrial Fiber has experienced a fall in turnover and earnings as a consequence of the global economic recession. The reduction in turnover is due to a drop in market demand, since the division has cemented its market position and has not lost market share.

As a result of the crisis, customers have reduced their stocks significantly and introduced shorter order horizons than before; customers are making purchases to match their actual needs.

This puts great demands on flexibility in production, and we have kept delivery performance at a high level thanks to focusing strongly on planning.

### The Offshore 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 great deal of activity in this area, and it is expected that this activity will continue in the year to come.

In the offshore area, Roblon Industrial Fiber has achieved growth in turnover and earnings for 2008/09. This growth is due not only to a rise in demand from existing and new customers, but also to the introduction of new products that use straps.

### The Future

Within the cable industry, Roblon Industrial Fiber expects turnover and earnings in 2009/10 to remain at the same level as in 2008/09.

There will continue to be a focus on maintaining and increasing sales to existing customers, while at the same time focusing on establishing stable, long-term activity in selected new markets.

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

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

The great experience and expertise that the division possesses within the areas of development, production and sales of fibre-based strength members provide good opportunities for developing new business areas within both existing and new segments. Work on developing these business areas will continue.

On the whole, Roblon Industrial Fiber expects turnover and profits to be higher than in 2008/09.

## Roblon Engineering

**Fall in turnover and earnings within the Roblon Engineering business area. Turnover shows a fall of 35.7% and the division has made a negative result**

(tDKK)	2008/09	2007/08
<b>Turnover</b>	<b>56,052</b>	<b>87,106</b>
<b>Profit on primary activities before joint expenditure</b>	<b>(678)</b>	<b>11,167</b>
<b>Profit ratio (%)</b>	<b>(1.2)</b>	<b>12.8</b>
<b>Investments</b>	<b>1,351</b>	<b>948</b>
<b>Number of employees (average)</b>	<b>48</b>	<b>52</b>

Roblon Engineering, which develops, produces and sells machines to manufacturers of rope, yarns, carbon fibre, and installation and fibre-optic cables, achieved a level of turnover and earnings in 2008/09 that was significantly lower than that of the previous year and lower than expected at the start of the year.

The impact of the financial crisis and the subsequent general global slowdown of the markets for the business area first became clear early in the year, leading to a decline in turnover and earnings that resulted in a negative result for the year. Turnover was affected by a fall in each of the customer segments and main product groups.

With regard to the customer segments, the issue there is sales of consumer durables, with the prevailing general uncertainty and strict credit conditions leading to many customers delaying decisions on new capital investments. During the year adjustments have been made to reduce capacity, with activities also being prioritised and future-oriented to ensure future growth development.

Halfway through the year Roblon Engineering hosted a week-long open house event attended by customers and sales agents representing most of the world. In spite of the financial crisis, visitor numbers were high, and participants displayed a high level of interest in our products, which were demonstrated during the week. This event justifies optimism for future sales and business development.

Over the year there has been a constant focus on developing customer-oriented system solutions and getting new products ready for launch.

### The Future

Expectations for 2009/10 are slightly lower turnover and better earnings than in 2008/09.

The growth trend for the business area has generally been affected and is dependent on the existence of more normalised conditions for granting credit. A more significant, permanent move in the right direction is not expected to take shape until the end of the year at the earliest.

Developments in the Asian market and in Australia/New Zealand reflect interesting opportunities for growth for Roblon Engineering, and right from the start of the year targeted marketing initiatives and activities will be implemented to support business development in the area.

Technical updates of individual products in the product range, plus a newly developed product, will be introduced into the markets early in 2009/10 together with a focused relaunch programme.

The expectation is that turnover from twisters and rope-making machines in 2009/10 will rise in comparison to 2008/09, while a decrease in turnover for winders are expected.

It is also expected that the cable industry will demonstrate the beginnings of a positive trend at the start of the year, reflecting an expectation of a positive development in sales of cable machines in relation to 2008/09.

## Roblon Lighting

Turnover fell by 21.8%, a drop in earnings of 46.8%.

(tDKK)	2008/09	2007/08
Turnover	48,079	61,474
Profit on primary activities before joint expenditure	3,434	6,457
Profit ratio (%)	7.1	10.5
Investments	5,459	971
Number of employees (average)	46	51

Roblon Lighting, which offers products for precision illumination consisting of fibre-optic and LED technology for the professional illumination market, achieved turnover and earnings in 2008/09 that were considerably lower than in the previous year and also lower than was expected at the beginning of the year.

The slowdown in the global economy really took hold and affected turnover and profit, particularly in the second half of the year. The downturn was felt in a wide spectrum of markets and segments, although there were some areas that were not noticeably affected. Measures were taken during the year, the purpose of which was to adapt the costs to the lower activity level. Future-oriented development and sales activity has on the whole been kept and directed towards the new situation.

In the spring the first LED product, the XPO-led, was introduced in New York. XPO-led has been well received and implementation in the market has begun. The product was the first in a series of LED-based products that are in the development and market introduction phases.

In order to safeguard core skills within LED technology, people with relevant expertise were added to the development function this year. Existing laboratory facilities have received investment and undergone development, ensuring the division is able to verify and document parameters, something that is crucial to the quality of LED products.

The division has worked closely with illumination designers and others with extensive experience of the international illumination market in the specification phase and development process of LED products. Workshops were held for our distributors, partly to communicate the strategy we have established and partly to find out what marketing experience they have.

## The Future

The expectation for 2009/10 is that turnover and earnings will be lower than in 2008/09. The international slowdown finally hit the business area hard at the end of 2008/09. Many projects were completed during the course of the year, but new ones have not taken their place at the same rate as before. This is especially true of the architectural market and high-end retail companies worldwide.

2010 will see a continued focus on maintaining a high activity level in terms of the development of the new LED-based products. Products whose documentation and quality place Roblon Lighting in the professional sector of the market. XPO-led is to be followed by a product that will be released for sale in the spring of 2010. Further LED-based products, together with the portfolio of fibre-optic illumination systems, will then be exhibited at the Light & Building trade fair in Frankfurt in April 2010.

Fibre-optic products will be marketed and sold together with LED products, giving the division a strategic profile of renewed strength in the illumination market. A market which in the years ahead will undoubtedly experience a hitherto unseen dynamic caused by the rapid development in LED technology, but which is also subject to changing political decisions taken to restrict the general climatic effects of illumination.

## Development at Roblon

By focusing on the customer, Roblon A/S develops innovative and trend-setting new products and system solutions for markets in each of the three business areas.

Product development still concentrates on offering markets the most effective, environmentally and energy-optimal quality products that create maximum value added for customers.

Special customised products and system solutions are being developed with a high level of innovation, in addition to more standardised products that make up and complement our various standard ranges.

Roblon A/S offers product ranges with strong brand recognition and is firmly anchored within all three business areas.

The company has the requisite technical preparedness and expertise to maintain and reinforce its position and competitive edge.

Investments have been made in skills development with a view to strengthening development activities and securing the accumulation of vital core competencies within offshore-related products and also within LED technology.

Offshore and LED products were introduced into the markets halfway through 2008/09.

## Employees and Organisation

Roblon A/S has competent, dedicated and motivated employees with a high level of expertise, which is regularly updated by means of, for example, in-service training, courses and seminars, as well as other activities leading to qualifications.

Employees are committed to and demonstrate great understanding of readiness to change, a factor which is an important cornerstone of our existing and future business processes. This has, amongst other methods, been demonstrated this year via our technical functions, where resources and skills development have been added and moved across the business areas.

We are focusing on future-oriented training activities so as to sustain and develop the employees, and to ensure the necessary boost in expertise that is required to drive and safeguard future value creation, all of which takes into account the very dynamic and global changes the future will bring in terms of new challenges.

Roblon A/S had an average of 143 employees in 2008/09, compared to 158 the previous year.

The number of employees was 137 at the start of the year, compared to 153 last year.

## 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. 85% of the company's net revenue is invoiced in DKK or EUR. Speculative forward contracts are not concluded.

### Interest rate risk:

As of 31.10.09 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.

### 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 external 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 31.10.09 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.

## Shareholders

### Dividend

At the Annual General Meeting on February 16, 2010 the Board of Directors will propose a dividend ratio of 30%, corresponding to DKK 10.7 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 2008/09 amounting to 30% (DKK 30 per B-share of DKK 100 and DKK 300 per A-share of DKK 1,000), against 50% in 2007/08. The distribution amounts to 104% of the profit for the year. At a year-end price of DKK 598 per share of DKK 100, this implies a direct return of 5.0%.

### Notifications to the stock exchange

January 6, 2009 - Preliminary statement 2007/08  
 February 12, 2009 - Interim statement  
 June 16, 2009 - Interim report 2008/09  
 July 1, 2009 - Man. Director vacates his post  
 August 27, 2009 - Interim statement  
 August 28, 2009 - Employment of new Managing Director  
 August 31, 2009 - Financial calendar 2009/10

### Financial calendar

January 5, 2010 - Preliminary statement 2008/09  
 February 16, 2010 - Annual General Meeting and interim statement  
 June 22, 2010 - Interim report 2009/10  
 August 26, 2010 - Interim statement  
 January 4, 2011 - Preliminary statement 2009/10  
 February 10, 2011 - Annual General Meeting & Interim statement

### 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	12.6	5.3
- 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 178.3 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 Management'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.

### Own shares

Under the authority granted by the Annual General Meeting, the company can acquire own shares up to 10% of the share capital. The authority is valid until 30 June 2010. The Board of Directors will request the renewal of this authority at the Annual General Meeting.

### Articles of Association

The company's Articles of Association can be changed if two thirds of both the votes cast and the voting shares represented at the Annual General Meeting are in favour of the proposal. The company is run by a Board of Directors consisting of four to seven members elected at the Annual General Meeting for one year at a time.

### Annual General Meeting

The Annual General Meeting will be held on Tuesday February 16, 2010 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 30%, corresponding to DKK 10.7 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 2010.

## Financial Review

In continuation of the Management's review, the financial review includes comments on the annual accounts for 2008/09 and the accounting policies.

The annual report is presented in accordance with the same accounting policies as last year and in DKK.

### 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. Roblon A/S will therefore change to IFRS with effect from the financial year 2009/2010.

### Income Statement

The turnover for the financial year totalled DKK 185.9 million, compared to DKK 251.9 million in the previous year and the turnover in all three divisions Industrial Fiber, Engineering and Lighting decreased by 20.8%, 35.8% and 21.8% respectively.

The export ratio was 93.8% compared to 93.0% in the previous year.

Costs for raw materials and consumables, other external costs and staff costs have all decreased as a result of lower activity. Costs for raw materials and consumables decreased relatively more than the turnover, while other external costs and staff costs have not decreased relatively as much as the turnover.

Roblon A/S' profit on primary activities was DKK 12.0 million compared to DKK 32.8 million in 2007/08.

Profit on primary activities in Roblon Industrial Fiber was DKK 13.6 million compared to DKK 18.7 million in the previous year; in Roblon Engineering it was DKK -0.7 million against DKK 11.2 million in the previous year and in Roblon Lighting it was DKK 3.4 million compared to DKK 6.5 million in the previous year.

The profit before tax for Roblon A/S was DKK 13.9 million, compared to DKK 34.5 million in 2007/08.

### Balance sheet

The company's balance sheet total has decreased to DKK 209.2 million from DKK 226.2 million in the previous year.

Intangible fixed assets increased to DKK 9.2 million from DKK 5.0 million one year earlier. Tangible fixed assets decreased to DKK 56.7 million from DKK 60.4 million.

Current assets decreased to DKK 143.3 million from DKK 160.9 million. Stocks decreased to DKK 52.4 million from DKK 59.2 million, debtors decreased to DKK 26.2 million from DKK 43.2 million and cash at bank and in hand and bonds increased to DKK 64.8 million compared to DKK 58.5 million one year earlier.

The company's capital and reserves amount to DKK 178.3 million and the solvency ratio is 80.1% after dividend.

### Cash flow statement

Cash flow from operating activities was DKK 33.6 million in the financial year, compared to DKK 27.4 million in the previous year. Profit on primary activities before depreciation amounts to DKK 21.3 million compared to DKK 41.6 million one year earlier. Lower stocks, debtors and short-term creditors increased net liquidity by DKK 20.2 million, while it was reduced by DKK 7.3 million in the previous year. Corporate tax amounts to DKK 9.4 million compared to DKK 8.5 million one year before.

Cash flow from investment activities shows tied-up capital of DKK 17.7 million (of which DKK 8.0 million bonds) compared to DKK 6.7 million in 2007/08. Cash flow from financing activities consists of payment of dividend amounting to DKK 17.8 million.

In the financial year, cash at bank and in hand decreased by DKK 1.9 million to DKK 56.6 million.

**INCOME STATEMENT FOR THE PERIOD NOVEMBER 1, 2008 - OCTOBER 31, 2009**

	<b>2008/09</b> tDKK	2007/08 tDKK
Net turnover	<b>185.908</b>	251.868
Change in stocks of finished goods and work in progress	<b>(876)</b>	6.952
Work performed on own account and stated under assets	<b>2.621</b>	1.727
Other operating income	<b>515</b>	150
	<b>188.168</b>	260.697
Costs for raw materials and consumables	<b>(82.458)</b>	(124.227)
Other external expenses	<b>(24.727)</b>	(30.262)
Staff costs	<b>(59.670)</b>	(64.595)
Profit on primary activities before depreciation	<b>21.313</b>	41.613
Depreciation and write-downs of tangible and intangible fixed assets	<b>(9.328)</b>	(8.848)
<b>Profit on primary activities</b>	<b>11.985</b>	32.765
Interest income	<b>2.181</b>	2.576
Interest expenditure	<b>(261)</b>	(826)
<b>Profit before tax</b>	<b>13.905</b>	34.515
Tax on profit for the year	<b>(3.580)</b>	(7.984)
<b>Profit for the year</b>	<b>10.325</b>	26.531
<b>Proposal for distribution of profits</b>		
Proposed dividend, 30% (50%)	<b>10.729</b>	17.849
To profit carried forward	<b>-404</b>	8.682
Profit for the year	<b>10.325</b>	26.531

**BALANCE SHEET AS AT OCTOBER 31, 2009**

<b>Assets</b>	<b>2008/09</b> tDKK	2007/08 tDKK
<b>Fixed assets</b>		
Completed development projects	<b>3.097</b>	1.877
Acquired patent	<b>1.815</b>	2420
Ongoing development projects	<b>4.248</b>	681
Total intangible fixed assets	<u><b>9.160</b></u>	<u>4.978</u>
Land and buildings	<b>41.600</b>	44.828
Plant and machinery	<b>12.368</b>	11.103
Fixtures and fittings, tools and equipment	<b>2.389</b>	1.850
Tangible fixed assets in the course of construction	<b>302</b>	2.571
Total tangible fixed assets	<u><b>56.659</b></u>	<u>60.352</u>
<b>Total fixed assets</b>	<u><b>65.819</b></u>	<u>65.330</u>
<b>Current assets</b>		
Raw materials and consumables	<b>27.710</b>	33.667
Work in progress	<b>4.810</b>	8.865
Manufactured finished goods	<b>19.846</b>	16.667
Stocks	<u><b>52.366</b></u>	<u>59.199</u>
Trade debtors	<b>25.103</b>	40.912
Corporate tax balance	<b>102</b>	0
Other debtors	<b>872</b>	1.969
Accruals	<b>134</b>	315
Total debtors	<u><b>26.211</b></u>	<u>43.196</u>
Bonds	<u><b>8.164</b></u>	<u>0</u>
Cash at bank and in hand	<u><b>56.602</b></u>	<u>58.515</u>
<b>Total current assets</b>	<u><b>143.343</b></u>	<u>160.910</u>
<b>Total assets</b>	<u><b>209.162</b></u>	<u>226.240</u>

**BALANCE SHEET AS AT OCTOBER 31, 2009**

<b>Liabilities</b>	<b>2008/09</b>	2007/08
	tDKK	tDKK
<b>Capital and reserves</b>		
Share capital	35.698	35.698
Profit carried forward	131.854	131.980
Proposed dividend	10.729	17.849
<b>Total capital and reserves</b>	<u>178.281</u>	<u>185.527</u>
<b>Provisions for liabilities</b>		
Provisions for deferred tax	4.852	3.687
Other provisions for liabilities	685	865
<b>Total provisions for liabilities</b>	<u>5.537</u>	<u>4.552</u>
<b>Short-term creditors</b>		
Customer prepayments received	1.344	1.614
Corporate tax	0	6.748
Suppliers of goods and services	9.720	13.822
Other debt	14.280	13.977
<b>Total short-term creditors</b>	<u>25.344</u>	<u>36.161</u>
<b>Total liabilities</b>	<u>209.162</u>	<u>226.240</u>

**Cash Flow Statement**

	2008/09 tDKK	2007/08 tDKK
Profit on primary activities before depreciation	21.313	41.613
of which profit on sale of tangible fixed assets	(147)	(150)
Change in provisions for liabilities	(180)	(35)
Change in stocks	6.833	(7.286)
Change in debtors	17.183	(1.769)
Change in short-term creditors	(3.794)	1.767
Cash flow from operating activities before financial items	<u>41.208</u>	34.140
Interest income	2.054	2.576
Interest expenditure	(261)	(826)
Cash flow from ordinary activities	43.001	35.890
Corporate tax	(9.358)	(8.513)
<b>Cash flow from operating activities</b>	<u><b>33.643</b></u>	<u>27.377</u>
Investment in intangible fixed assets	(5.552)	(681)
Investment in tangible fixed assets	(4.353)	(6.259)
Sales proceeds from tangible fixed assets	235	216
Acquisition price bonds	(8.037)	0
<b>Cash flow from investment activities</b>	<u><b>(17.707)</b></u>	<u>(6.724)</u>
Payment of dividend	(17.849)	(17.849)
Net proceeds from subscription of employee shares	0	299
<b>Cash flow from financing activities</b>	<u><b>(17.849)</b></u>	<u>(17.550)</u>
Change in cash at bank and in hand	(1.913)	3.103
Cash at bank and in hand as at 1/11 2008	<u>58.515</u>	<u>55.412</u>
<b>Cash at bank and in hand as at 31/10 2009</b>	<u><b>56.602</b></u>	<u>58.515</u>

**Capital and Reserves Statement**

	Share capital	Profit carried forward	Proposed dividend	Total
Capital and reserves as at 1/11 2007	<u>35.383</u>	<u>123.520</u>	<u>17.849</u>	<u>176.752</u>
Dividend distributed			(17.849)	(17.849)
Employee shares	315			315
Premium on employee shares		16		16
Cost on employee shares		(32)		(32)
Value adjustment of hedging instruments.		(275)		(275)
Tax on equity movements		69		69
Profit for the year		26.531		26.531
Proposed dividend		(17.849)	17.849	0
Capital and reserves as at 31/10 2008	<u>35.698</u>	<u>131.980</u>	<u>17.849</u>	<u>185.527</u>
Dividend distributed			(17.849)	(17.849)
Employee shares	0			0
Value adjustment of hedging instruments.		371		371
Tax on equity movements		(93)		(93)
Profit for the year		10.325		10.325
Proposed dividend		(10.729)	10.729	0
Capital and reserves as at 31/10 2008	<u>35.698</u>	<u>131.854</u>	<u>10.729</u>	<u>178.281</u>
Changes in share capital:				
Share capital as at 1/11 2004				35.383
Capital augmentation employee shares 2007/08				<u>315</u>
Share capital as at 31/10 2009				<u>35.698</u>