

Stock Exchange Notification no. 1-2006

To the Copenhagen Stock Exchange via Stockwise.

Preliminary Statement 2004/05

At their meeting today, the Board of Director's of Roblon A/S approved the Annual Report for 2004/05 (01.11.2004 – 31.10.2005).

Summary:

- Roblon A/S achieved a considerably higher profit after tax (growth by 60%) than in the previous year.
- Turnover was DKK 171.8 million compared to DKK 160.6 million in the previous year.
- The profit on primary activities was DKK 16.0 million against DKK 10.6 million in the previous year. Profit before tax was DKK 17.1 million compared to DKK 11.0 million in the previous year.
- All divisions achieved higher turnover and profit on primary activities than in the previous year.
- Moderate increase in turnover and satisfactory results in Industrial Fiber and Fiber Optics.
- Increase in turnover and a positive result in Engineering.
- There is a proposed dividend ratio of 30%, amounting to DKK 10.6 million.
- In the financial year 2005/06 turnover is expected to be in the region of DKK 185 million and profit before tax is expected to be within the range DKK 15 - 19 million.

Frederikshavn, January 5, 2006.

Klaus Kalstrup
Chairman of the Board

Flemming K. Bertelsen
Managing Director

ROBLON IN FIGURES

Financial Highlights(mill.DKK)	2000/01	2001/02	2002/03	2003/04	2004/05
Profit and Loss Account:					
Total turnover	265.6	174.0	156.9	160.6	171.8
Of which for export	244.1	158.4	140.3	144.1	157.0
Profit on primary activities	41.0	3.9	0.8	10.6	16.0
Net financing, etc.	3.6	1.3	0.5	0.4	1.1
Profit before tax	44.6	5.2	1.3	11.0	17.1
Profit for the year	32.4	4.2	1.8	7.8	12.5
Balance Sheet:					
Total assets	194.5	171.8	167.3	170.0	180.8
Share capital	35.3	35.3	35.3	35.4	35.4
Capital and reserves	148.1	142.2	140.4	144.9	150.7
Shareholder value	270.0	175.5	134.8	119.9	192.9
Cash Flow:					
Cash flow from operating activities	33.3	9.9	14.3	12.5	32.2
Cash flow from investment activities	(22.3)	(23.7)	(18.0)	(1.2)	(3.0)
Of which investment in tangible fixed assets (gross)	(22.4)	(23.6)	(21.3)	(1.4)	(1.6)
Cash flow from financing activities	(4.7)	(10.1)	(3.6)	(3.3)	(6.8)
Change in cash and cash equivalents	6.3	(23.9)	(7.3)	8.0	22.5
Key Figures					
Profit ratio (%)	15.5	2.3	0.5	6.6	9.3
Rate of return (%)	37.0	3.0	0.6	7.7	12.1
Solvency ratio (%)	76.1	82.7	84.0	85.2	83.3
Return on equity (%)	24.2	2.9	1.3	5.5	8.5
Earnings per share of DKK 100	96.1	12.4	5.5	23.1	37.0
Price/Earnings ratio (PE)	8.3	41.9	73.3	15.4	15.4
Payout ratio (%)	31	81	183	87	81
Cashflow per share of DKK 100	98.7	29.4	42.5	37.1	95.5
Dividend (%)	29.9	10.0	10.0	20.0	30.0
Intrinsic value of shares	439	421	417	429	446
Stock-exchange listing, end of period	800	520	400	355	571
Number of employees	186	185	152	136	139

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 2005. Some key figures have been changed compared to previous years.

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 of at least 10% in each business area
- A solvency ratio exceeding 50 at all times
- A liquidity ratio exceeding 2.0
- The dividend policy is described in more detail under Shareholders

In the current situation with idle capacity in industry in many regions of the world, Roblon Engineering cannot realistically be expected to achieve a profit ratio of 10%. We expect that the division will again be able to meet this objective within a couple of years.

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.

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 2004/05 Roblon A/S achieved a profit before tax of DKK 17.1 million compared to DKK 11.0 million in the previous year. The profit is better than expected at the beginning of the year, constituting a significant improvement on the previous year.

Turnover in 2004/05 was DKK 171.8 million compared to DKK 160.6 million in the previous year, representing an increase by 7.0 %.

In 2004/05 all three divisions achieved higher turnover and profit on primary activities than in the previous year.

In addition, Roblon Industrial Fiber achieved a higher profit on primary activities than expected at the beginning of the year.

Roblon Fiber Optics achieved a higher profit on primary activities than expected and slightly lower

turnover than expected at the beginning of the year.

Roblon Engineering achieved the expected turnover and a slightly lower profit on primary activities than expected at the beginning of the year.

Against the background of market developments and our expectations at the beginning of the year the Board of Directors considers the profit for the year to be satisfactory.

In the interim report of June 16, 2005 the expected profit for the year was adjusted to a profit before tax in the range of DKK 13-16 million from DKK 10-15 million. Thus, the profit for the year exceeds the expectations notified to the Copenhagen Stock Exchange.

The export ratio was 91.4 % compared to 89.7 % in the previous year.

The satisfactory profit for the year covers substantial differences between the three divisions.

The Roblon Industrial Fiber division, which supplies products for the cable industry, primarily within the fibre optic communication cable segment, has seen moderate growth in this industry. A slight increase in activity was seen in the offshore segment. In recent months activity has been on the increase in the offshore segment, resulting in a growing order book.

The growth of the Fiber Optics division is attributed to positive developments in existing markets as a result of constant targeted cultivation of our network of distributors, and to increased sales to more major OEM customers (companies, which use fibre light in their products). In recent months several framework orders were concluded, entailing a higher order book at the end of the financial year. These framework orders are instrumental in smoothing out any seasonal fluctuations in production.

The market for rope-making machines has been at a very low level for two years now. In the financial year sales of rope-making machines increased, entailing growing turnover in this segment. Contrary to our expectations, sales of cable machines declined. In recent months activity in this segment has been on the increase again, resulting in a growing order book.

Excess capacity in both the rope-making and cable industries has implied insufficient sales. This is the main reason why Roblon Engineering fails to achieve the expected profit ratio of at least 10 %.

Improved productivity at all levels is a common characteristic of all three divisions and has contributed to the overall increase in the profit for the year.

Each division operates independently. The divisions are significant in their respective niches as key suppliers in the global market. They have a good and wide product range, also compared to their competitors, and they are known for flexibility, documentation and rapid follow-up. The day-to-day interaction among the divisions regarding e.g. 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 continued moderate growth in global demand for fibre optic cables and corresponding growth in sales to this segment. An upturn in sales to the offshore market and other industries is also expected. The division expects slightly lower earnings than in 2004/05 owing to framework agreements concluded at lower prices and higher development and sales costs.

Roblon Fiber Optics expects weak growth in turnover, while profits are expected to be slightly lower than in the financial year that just ended. The financial year 2005/06 will see further investment in an intensified sales and marketing effort as well as even closer cooperation with our distributors to increase sales in existing markets.

Roblon Engineering expects a moderate increase in sales of machines to the rope-making industry. Turnover in the cable machinery market is expected to be higher than in the previous year. In total Roblon Engineering expects higher turnover and slightly improved profits in the coming financial year.

Roblon A/S

International trading conditions are expected to entail a moderate increase in global demand for products supplied to the cable and rope-making industries in the coming financial year.

The budget for 2005/06 provides for higher turnover than in the financial year that just ended and takes into account the impact on earnings of an increase in sales and development costs, which should be viewed in the light of a long-term strategy for enhanced organic growth. In addition, earnings in the cable segment are expected to be influenced by framework agreements concluded at lower prices.

Manufacturers of fibre optic communication cables are Roblon A/S' largest single customer area. Thus, the company's operating profit will to some extent mirror the level of activity in this industry. Sales of products to the cable industry are expected to continue to grow moderately in the next few years.

The profit expectations mentioned above are based on the assumption of continued weak growth in Europe on a par with 2004/05.

On this basis turnover in the financial year 2005/06 is expected to be in the region of DKK 185 million and the profit before tax is expected to be within the range DKK 15-19 million.

Roblon Industrial Fiber

**Growth in the telecommunications industry.
Turnover increased by 4.6 % - earnings rose
by 7.1 %.**

(DKK '000)	2004/05	2003/04
Turnover	67,527	64,564
Profit on primary activities before joint expenditure	10,008	9,344
Profit ratio (%)	14.8	14.5
Investments	990	229
No. of employees (average)	41	40

In 2004/05 Roblon Industrial Fiber achieved turnover and earnings higher than in the previous year and higher than expected at the beginning of the year.

In the last 2 years Roblon Industrial Fiber has seen moderate growth in turnover and a satisfactory development in earnings. The growth in turnover and earnings primarily relates to sales of fibre products to the cable segment. Sales to the off-shore segment show weak growth in a market where activity is expected to increase in the coming year.

Concept

Industrial Fiber develops, produces and sells flexible products to 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 undertake the current tasks and any tasks expected in the coming financial year.

Markets

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, customers in other industries continue to be of interest.

Global demand for optic fibre and fibre optic communication cables is still at a relatively low level. There are several indications of growth in this segment even though several cable manufacturers are affected by intensified price competition.

Overall Roblon Industrial Fiber retained existing customers. In addition, Roblon Industrial Fiber's products were introduced successfully in new markets.

Efforts to introduce composite tape in the oil and gas industry continue, and composite tape is now supplied to one major pipe manufacturer. Moderate growth in demand for composite tape is expected in the coming years despite the limited order volume.

Opportunities/risk factors

Most of Industrial Fiber's products relate to fibre optic communication cables. As a result, Industrial Fiber is vulnerable to cyclical fluctuations in this industry. With a view to reducing this vulnerability and enhancing competitiveness new products are being developed on an ongoing basis to achieve a broader, more complete product range to service the cable industry in general. The production capacity is in place, and stronger demand for our products can be accommodated without problems.

There is a great global need for telecommunication cables, and a moderate improvement in the industry is expected. This assessment is based on an increased propensity to invest among telecom providers.

Sales of straps to the oil and gas industry depend on the industry's maintenance of and investment in oil extraction facilities at great sea depths. Activity in this segment is currently greater than in recent years.

The future

Industrial Fiber expects moderate growth in turnover in 2005/06 in line with the development in the 2 preceding years, but slightly lower earnings due to framework agreements concluded at lower prices, and to higher development and sales costs.

The growth is to be achieved by continuing the initiated sales and marketing strategy, implying cultivation of selected new markets, and by increasing sales to existing customers.

In view of the large production capacity, wide product range, excellent customer base and increased sales and development resources Roblon Industrial Fiber is found to be well equipped for future challenges.

Roblon Fiber Optics

Increased activity – turnover rose by 6.3 % - earnings grew by 33.5 %.

(DKK '000)	2004/05	2003/04
Turnover	53,593	50,401
Profit on primary activities before joint expenditure	7,263	5,439
Profit ratio (%)	13.6	10.8
Investments	534	936
No. of employees (average)	46	46

In 2004/05 Roblon Fiber Optics achieved higher turnover and earnings than in the previous year and higher earnings than expected at the beginning of the year.

Stable sales from the division's distributors accounted for the increase in turnover. Thus, the increase in turnover was not attributed to any major projects during the year. The turnover achieved is the result of constant targeted cultivation of the network of distributors as well as increased sales to a number of major OEM customers.

A new website was launched during the year with significantly expanded and improved information available to illumination designers and architects for their design work.

Improved efficiency in production has been achieved as a result of e.g. the work of participation groups and ongoing optimisation of processes and methods.

Concept

Roblon Fiber Optics provides fibre optic illumination concepts to the global illumination market. The concepts are developed and marketed to match market expectations of how professional illumination solutions should be designed, planned and implemented.

The products are marketed globally by competent, quality-minded distributors with substantial knowledge and experience of fibre optic illumination and extensive knowledge of the illumination industry in general.

Expertise

Roblon Fiber Optics has steadily expanded its expertise, which has placed it among the best in the market for:

- Optical design.
- Design and manufacture of quality fibre components.
- Functional design of international quality.
- Documentation of photometric data.

Markets

The market for fibre optic systems is, and will continue to be, a niche market subject to continuous development.

The issue of positioning the Roblon Fiber Optics name in the global illumination market is to be given more attention in the future.

Opportunities/risk factors

LED technology (light diodes) is used in more and more areas and is constantly developing rapidly. Roblon Fiber Optics is tuned in to the market's interest in this technology.

In the US market Roblon Fiber Optics is perceived as a market leader in fibre optics. A targeted effort is being implemented to utilise this strong position as a platform for expanding the market share.

Even closer cooperation between Roblon Fiber Optics and the distributors will be a good foundation for future growth.

The future

Roblon Fiber Optics expects growth in turnover in 2005/06, but slightly lower profits due to higher sales and marketing costs.

In the coming years a targeted effort to strengthen cooperation with our distributors is required, and the focus on the individual market segments should be maintained.

Work to develop complete illumination concepts is continuing. Roblon Fiber Optics will appear as a total supplier of system solutions within defined segments.

The division now appears as an expert supplier very well equipped, in terms of both organisation and management systems, for achieving the expected growth.

Roblon Engineering

Increase in sales to the rope-making industry - decrease in sales to the cable industry - growth in turnover of 11.2 %.

(DKK '000)	2004/05	2003/04
Turnover	50,705	45,641
Profit on primary activities before joint expenditure	2,120	-1,703
Profit ratio (%)	4.2	-3.7
Investments	1,476	377
No. of employees (average)	48	46

In 2004/05 Roblon Engineering achieved higher turnover and earnings than in the previous year and slightly lower earnings than expected at the beginning of the year.

Turnover has increased in the rope-making industry despite rising prices for raw materials for rope-making.

The emerging growth in the cable market has not yet impacted on sales of cable machines, resulting in lower turnover in this segment.

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 Engineering's technicians and sales and marketing personnel have built up considerable expertise in product development and sale of the 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 production of items such as optic fibre cables and installation cables
- Take-up winders aimed at customers with winding requirements.

Markets

Roblon Engineering exports to just under 100 countries worldwide. In the financial year 2004/05 Europe was the principal market, while the rest of Engineering's turnover was distributed broadly on large parts of the rest of the world.

The customer groups are manufacturers of rope, twisted products and cables.

The customers in the fields of rope and twisted products tend to be small and medium-sized businesses, while customers in the cable area are primarily large international 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 furthermore influenced by price fluctuations for raw materials for rope-making. Roblon Engineering still has a large market share in the rope-making industry.

The future

Continued moderate growth in sales of machines for the rope-making industry is envisaged with confidence. In view of Roblon Engineering's very large market share, the general situation in the industry continues to have a significant impact on turnover.

Moderate growth is also expected in the cable industry. Sales of cable machines are expected to rise in 2005/06. At the start of the financial year 2005/06 the order book was the highest in the last two years.

Overall, Engineering expects growth in turnover and slightly improved earnings in 2005/06.

A major innovative development project was initiated at the end of 2003/04. The project is proceeding on schedule and is expected to be completed in 2006. The development work entails close cooperation with potential customers, and actual marketing is expected to be initiated in the middle of 2006.

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.

Roblon A/S' product range is subject to ongoing assessment to determine whether it is up-to-date and future-oriented. Ongoing product development and proximity to customers help us to keep up with and innovate technological development.

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

Roblon Fiber Optics' 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 31.10.05 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 standard products which are often sold with modifications to make the product or machine optimal for its specific use. The development of these standard products constitutes the major projects in the development departments.

Another and possibly even more important task is the development of new innovative products to supplement the existing standard products.

In 2003/04 Roblon Engineering initiated a major development project aimed at developing a new innovative machinery concept. The project is proceeding on schedule and is expected to be completed in 2006. The development work entails close cooperation with potential customers, and

actual marketing is expected to be initiated in the middle of 2006.

Employees and organisation

A comprehensive employee development project is being implemented across the divisions, supported by the European Social Fund. The project is expected to be completed by the beginning of 2006 and concerns all employees. Special focus areas are personal development and cooperation. The last part of the project primarily involves use of the acquired skills, including the introduction of participation groups.

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 139 full-time employees on average during the year, compared to 136 in the previous year. The number of employees was 137 at the start of the new financial year, which is on a par with the number a year ago.

Shareholders

Dividend

At the Annual General Meeting on February 9, 2006 the Board of Directors will propose a dividend ratio of 30%, corresponding to DKK 10.6 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 2004/05 amounting to 30%, against 20% in 2003/04, corresponding to distribution of 81.1 % of the profit for the year. At a price of DKK 600 per share of DKK 100, this implies a direct return in the region of 5%.

Notifications to the stock exchange

January 5, 2005	Preliminary statement 2003/04
June 16, 2005	Interim report 2004/05
June 17, 2005	Announcement regarding

October 31, 2005	the constitution of the Board Announcement regarding Niels Jensen's retirement from the Board
November 2, 2005	Financial calendar 2005/06

Future information

Until further notice, interim statements will continue to be issued. A possible transition to quarterly statements will be subject to continuous assessment, and is not currently found to be appropriate.

Financial calendar

February 9, 2006	Annual General Meeting
June 22, 2006	Expected publication of interim report
January 4, 2007	Expected publication of preliminary statement
February 8, 2007	Annual General Meeting

Ownership

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

(%)	Ownership interest	Voting right
-	The Danish Labour Market Supplementary Pension Fund (ATP) Kongens Vænge 8, 3400 Hillerød	12.0 5.0
-	The Employees' Capital Pension Fund (LD) Vendersgade 28, 1., 1363 København K	19.3 8.0
-	Erik Schou, Manufacturer Strandvej 98, 9970 Strandby	20.6 67.1

Capital and reserves

At the end of the year the company's capital and reserves total DKK 150.7 million.

In view of the current market and economic conditions the solvency ratio and substantial liquidity are a key strength.

Annual General Meeting

The Annual General Meeting will be held on Thursday February 9, 2006 at 4.30 p.m. at Scandic Hotel, Tordenskjoldsgade, 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 10.6 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.

- to select only one accountant for the future.

The printed Annual Report for 2004/05 is expected to be published at the end of January 2006.

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 2004/05 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 171.8 million, compared to DKK 160.6 million in the previous year and the turnover is higher in all divisions. In total an improvement of 7.0%.

The export ratio was 91.4% compared to 89.7% in the previous year.

Costs for raw materials and consumables, other external costs and staff costs have increased as a result of higher activity. Continued focus on the costs has been maintained, and the costs have increased proportionally less than the turnover.

Roblon A/S' profit on primary activities was DKK 16.0 million compared to DKK 10.6 million in 2003/04.

Profit on primary activities in Industrial Fiber was DKK 10.0 million compared to DKK 9.3 million in the previous year and in Fiber Optics the profit on

primary activities was DKK 7.3 million compared to DKK 5.4 million in the previous year. In Fiber Optics the improved result can be attributed primarily to growth in turnover with largely unchanged costs.

Engineering's profit on primary activities amounts to DKK 2.1 million compared to DKK -1.7 million in the previous year. The improved result can be attributed to a combination of higher turnover, sales of products with a higher contribution margin and lower costs.

The profit before tax for Roblon A/S was DKK 17.1 million, compared to DKK 11.0 million in 2003/04.

Balance sheet

The company's balance sheet total has increased from DKK 170.0 million to DKK 180.8 million.

Tangible fixed assets decreased from DKK 77.1 million to DKK 69.4 million due to the fact that depreciations are considerably larger than the investments.

Debtors decreased from DKK 34.5 million to DKK 31.1 million and cash at bank and in hand increased from DKK 10.6 million to DKK 33.1 million.

The company's capital and reserves amount to DKK 150.7 million and the solvency ratio is 77.5% after dividend.

Cash flow statement

Cash flow from operating activities was DKK 32.2 million in the financial year, compared to DKK 12.5 million in the previous year. Profit on primary activities before depreciation amounts to DKK 25.5 million compared to 20.8 million one year before. Debtors and short-term creditors improved liquidity by DKK 3.1 million, while it was reduced by DKK 7.1 million in 2003/2004. Stocks were reduced by DKK 1.3 million, while they were almost unchanged in the previous year.

Cash flow from investment activities shows tied-up capital of DKK 3.0 million compared to DKK 1.3 million in 2003/04.

Cash flow from financing activities consists of payment of dividend amounting to DKK 6.8 million.

In the financial year, cash at bank and in hand increased by DKK 22.5 million to DKK 33.1 million.

PROFIT AND LOSS ACCOUNT FOR THE PERIOD NOVEMBER 1, 2004 - OCTOBER 31, 2005

	2004/05 tDKK	2003/04 tDKK
Net turnover	171,825	160,606
Change in stocks of finished goods and work in progress	201	3,752
Work performed on own account and stated under assets	<u>2,094</u>	<u>415</u>
	174,120	164,773
Costs for raw materials and consumables	(76,197)	(74,256)
Other external expenses	(24,143)	(22,617)
Staff costs	<u>(48,296)</u>	<u>(47,054)</u>
Profit on primary activities before depreciation	25,484	20,846
Depreciation and write-downs of tangible and intangible fixed assets	<u>(9,507)</u>	<u>(10,206)</u>
Profit on primary activities	15,977	10,640
Interest income	1,548	535
Interest expenditure	<u>(425)</u>	<u>(147)</u>
Profit before tax	17,100	11,028
Tax on profit for the year	<u>(4,598)</u>	<u>(3,237)</u>
Profit for the year	<u>12,502</u>	<u>7,791</u>
 Proposal for distribution of profits		
Proposed dividend, 30% (20%)	10,615	7,076
To profit carried forward	<u>1,887</u>	<u>715</u>
Profit for the year	<u>12,502</u>	<u>7,791</u>

BALANCE SHEET AS AT OCTOBER 31, 2005

Assets	2004/05	2003/04
	tDKK	tDKK
Fixed Assets		
Completed development projects	1,138	1,162
Ongoing development projects	<u>1,373</u>	<u>273</u>
Total intangible fixed assets	<u>2,511</u>	<u>1,435</u>
Land and buildings	53,742	56,960
Plant and machinery	14,300	18,891
Fixtures and fittings, tools and equipment	<u>1,353</u>	<u>1,208</u>
Total tangible fixed assets	<u>69,395</u>	<u>77,059</u>
Capital investment in associated company	<u>0</u>	<u>350</u>
Total financial fixed assets	<u>0</u>	<u>350</u>
Total Fixed Assets	<u>71,906</u>	<u>78,844</u>
Current Assets		
Raw materials and consumables	26,635	28,183
Work in progress	4,940	5,806
Manufactured finished goods	<u>13,064</u>	<u>11,998</u>
Stocks	<u>44,639</u>	<u>45,987</u>
Trade debtors	29,477	31,287
Corporate tax receivable	0	2,329
Other debtors	1,431	505
Accruals	<u>142</u>	<u>400</u>
Total debtors	<u>31,050</u>	<u>34,521</u>
Other securities and capital investments	<u>29</u>	<u>35</u>
Cash at bank and in hand	<u>33,145</u>	<u>10,628</u>
Total Current Assets	<u>108,863</u>	<u>91,171</u>
Total Assets	<u>180,769</u>	<u>170,015</u>

BALANCE SHEET AS AT OCTOBER 31, 2005

Liabilities	2004/05	2003/04
	tDKK	tDKK
Capital and Reserves		
Share capital	35,383	35,383
Profit carried forward	104,662	102,455
Proposed dividend	<u>10,615</u>	<u>7,076</u>
Total capital and reserves	<u>150,660</u>	<u>144,914</u>
Provisions for liabilities		
Provisions for deferred tax	4,609	5,441
Other provisions for liabilities	<u>600</u>	<u>600</u>
Total provisions for liabilities	<u>5,209</u>	<u>6,041</u>
Short-term creditors		
Customer prepayments received	1,019	940
Corporate tax	3,846	0
Suppliers of goods and services	11,886	10,794
Other debt	<u>8,149</u>	<u>7,326</u>
Total short-term creditors	<u>24,900</u>	<u>19,060</u>
Total Liabilities	<u>180,769</u>	<u>170,015</u>

CASH FLOW STATEMENT

	2004/05 tDKK	2003/04 tDKK
Profit on primary activities before depreciation	25,484	20,846
Change in provisions for liabilities	0	(90)
Change in stocks	1,348	211
Change in debtors	1,142	(5,371)
Change in short-term creditors	<u>1,994</u>	<u>(1,732)</u>
Cash flow from operating activities before financial items	29,968	13,864
Interest income	1,548	535
Interest expenditure	<u>(17)</u>	<u>(130)</u>
Cash flow from ordinary activities	31,499	14,269
Corporate tax	<u>745</u>	<u>(1,749)</u>
Cash flow from operating activities	<u>32,244</u>	<u>12,520</u>
Investment in intangible fixed assets	(1,421)	(273)
Investment in tangible fixed assets	(1,646)	(1,357)
Sales proceeds from tangible fixed assets	148	374
Capital augmentation and sale of capital investment	<u>(52)</u>	<u>0</u>
Cash flow from investment activities	<u>(2,971)</u>	<u>(1,256)</u>
Net proceeds from subscription of employee shares	0	60
Payment of dividend	<u>(6,756)</u>	<u>(3,371)</u>
Cash flow from financing activities	<u>(6,756)</u>	<u>(3,311)</u>
Change in cash at bank and in hand	22,517	7,953
Cash at bank and in hand as at 1/11 2004	<u>10,628</u>	<u>2,675</u>
Cash at bank and in hand as at 31/10 2005	<u>33,145</u>	<u>10,628</u>

CAPITAL AND RESERVES STATEMENT

	Share capital	Profit carried forward	Proposed dividend	Total
Capital and reserves as at 1/11 2003	<u>35,313</u>	<u>101,590</u>	<u>3,531</u>	<u>140,434</u>
Dividend distributed			(3,371)	(3,371)
Dividend on own shares		160	(160)	0
Employee shares	70			70
Premium on employee shares		4		4
Cost of employee shares		(14)		(14)
Profit for the year		7,791		7,791
Proposed dividend		<u>(7,076)</u>	<u>7,076</u>	<u>0</u>
Capital and reserves as at 1/11 2004	<u>35,383</u>	<u>102,455</u>	<u>7,076</u>	<u>144,914</u>
Dividend distributed			(6,756)	(6,756)
Dividend on own shares		320	(320)	0
Profit for the year		12,502		12,502
Proposed dividend		<u>(10,615)</u>	<u>10,615</u>	<u>0</u>
Capital and reserves as at 31/10 2005	<u>35,383</u>	<u>104,662</u>	<u>10,615</u>	<u>150,660</u>
Changes in share capital:				
Share capital as at 1/11 2000				26,220
Capital augmentation employee shares 2000/01				353
Bonus share issue 2000/01				8,740
Capital augmentation employee shares 2003/04				<u>70</u>
Share capital as at 31/10 2005				<u>35,383</u>