UNIMERCO GROUP
EXCERPT FROM ANNUAL REPORT

1 October 2008 – 30 September 2009

www.unimerco.com

Company details

UNIMERCO GROUP A/S
Drejervej 2
DK-7451 Sunds
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E-mail: umdk@unimerco.com

Company reg. no. 26 77 69 10

Core activities
UNIMERCO is a consulting sales, manufacturing and service company within cutting tools for manufacturers, measuring/calibration, and fastening products for the building and construction industry.

Ownership structure
The following shareholders own more than 5% of the company's share capital:
Kenneth Iversen, CEO, Klokkevænget 13, Gjellerup, 7400 Herning, Denmark.

The remaining share capital is owned by current and former employees of the group, and by the group's board members.

473 of the employees in the group are shareholders.

Board of Directors
Lars Kolind, chairman
Niels Chr. Nielsen
Michael Fiorini
Kenneth Iversen
Preben Skov
Lise Rahbek Laursen

Management
Kenneth Iversen, CEO.

Financial year
1 October to 30 September.

Auditors
KPMG, Århus, Denmark.

Bankers
Handelsbanken, Danske Bank and Nykredit

Lawyers
PLESNER, Copenhagen
S. Thygesen, Silkeborg, Denmark

General Meeting
The annual general meeting of the company will be held on Friday 29 January 2010 at 12:00 at UNIMERCO A/S, Drejervej 2, 7451 Sunds, Denmark.

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Chief Executive's statement

The global financial crisis and its consequences made the year 2008/09 quite extraordinary. Like most of the global industry, the group was severely affected, and both sales and earnings fell significantly. This has not prompted us to alter the structure of the annual report. However, compared to previous years, the section "Group report" focuses more on the management's measures to counteract the effects of the financial crisis. It also discusses the effects and consequences for the group's future activity and earnings potential.

In spite of the crisis, the group has held on to its fundamental values and human attitudes. Nevertheless, it has been necessary to make decisions and take measures that have never before been customary in Unimerco.

In conclusion, the management believes that, in many ways, the crisis has taught us a lesson and prompted us to take steps that will clearly strengthen the group on the long term.

The management believes that the annual report provides a sufficient and full level of information, and that it meets the requirements of the Danish Financial Statements Act.

The annual general meeting will be held on 29 January 2010 at 12:00 in the group's domicile building at Drejervej 2, DK-7451 Sunds.

After the general meeting, the annual report will be available electronically on the website www.unimerco.com.

Sunds, 14 December 2009

Kenneth Iversen
Chief Executive Officer

Group summary

Group summary

- Net revenue went 27% down, from DKK 747 m to DKK 545 m.
- From January 2009, the group was severely affected by the crisis, resulting in a decline in sales of 33%. Revenue stayed roughly at this level throughout the financial year.
- Earnings before tax (EBT) were negative, DKK -54 m, compared to a profit of DKK 48 m the year before.
- A number of extraordinary circumstances have influenced this year's result by DKK 25 m, among these extraordinary depreciations of buildings and stocks, provisions for complaints and severance payment to employees leaving the company.
- Cost management has been tightened, and the organisations have been adapted to the levels of activity and profit of the individual companies. This has considerably strengthened our competences and innovation skills.
- Liquidity has improved by DKK 17 m, to DKK 87 m. Improved through e.g. disposal of bonds, DKK 76 m, and an improvement of working capital by DKK 52 m, but reduced by e.g. purchase of own shares, DKK 23 m, and payment of dividend, DKK 42 m.
- This year's net investment has been negative, DKK -59 m, due to sales of bonds amounting to DKK 76 m, among other factors.

Corporate goals – solid earnings expected

- Management expects a small decline in revenue the coming financial year. After this, large increases in revenue are expected; thus the 2007/08 level will probably be reached in 2012/13. In the following years, earnings are expected to increase considerably due to utilisation of the company's spare capacity along with the continuation of tight cost management.
- The level of investment is expected to remain at a low level. No acquisitions are planned.

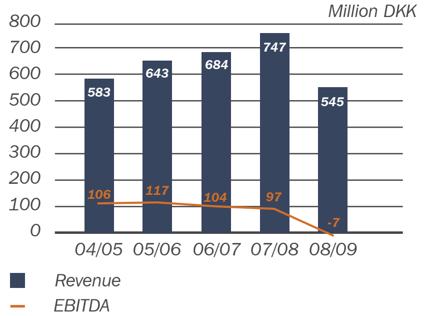
Organisation and ownership structure

- Short term absence due to sickness remains at 1.1%.
- The number of employees is expected to fall from 602 to 540 at the end of the coming financial year due to dismissals and pensioning. The reduction in working hours by 5-10% is expected to continue through all of the coming financial year.
- The group's holding of own shares constitutes 9.3%. A further 3.9% of shares are with employees under notice or former employees, while the remaining 86.8% are owned by management and employees. 77% of the employees hold shares in the group.

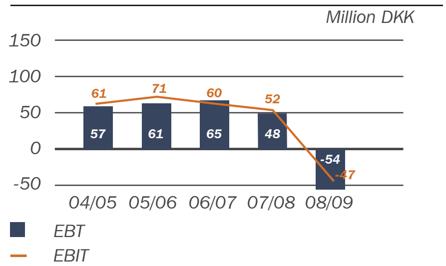
Dividend

- It will be recommended at the annual general meeting that a 10% dividend for the shareholders be approved.

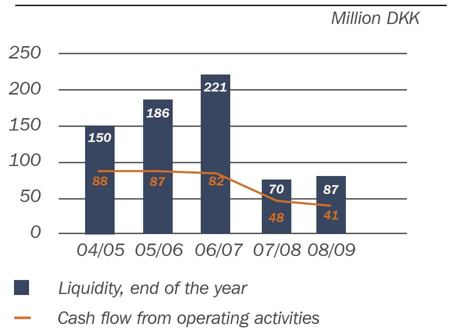
Revenue and EBITDA



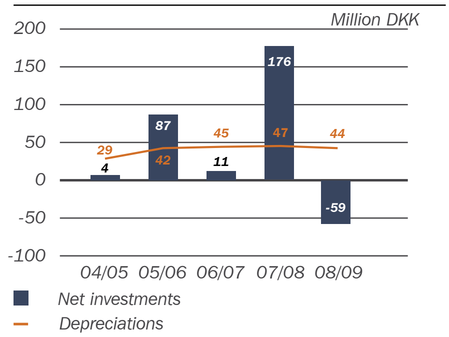
EBIT and EBT



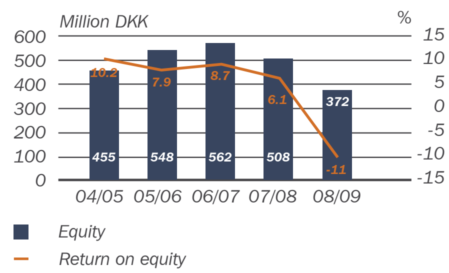
Cash flow from operating activities and liquidity



Net investments and depreciations



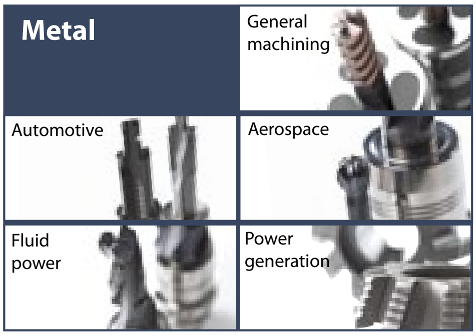
Equity and return on equity



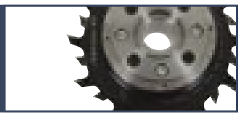
Group structure and business areas

- **SHAREHOLDERS**
  - **UNIMERCO GROUP A/S** – Established 1964
    - *Tooling activities*
      - **UNIMERCO A/S** – Established 1964
        - **UNIMERCO AS** – Established 1995
        - **UNIMERCO S.R.O** – Established 2005
        - **UNIMERCO Ltd.** – Established 1997
        - **UNIMERCO Inc.** – Established 1995
      - **UNIMERCO GmbH** – Established 1997
      - **UNIMERCO AB** – Established 1991
      - **UNIMERCO OY** – Established 2007
      - **UNIMERCO Sp. z o.o.** – Established 2007
      - **DEREK WALMSLEY & Co. Ltd.** – Established 2008
      - **LAMINA TECH SA** – 27% accuired 2006
    - *Fastening activities*
      - **UNIMERCO FASTENING A/S** – Established1997
      - **UNIMERCO FASTENING GmbH** – Established 2004
    - **UNIMERCO FINANCE A/S** – Established 1996

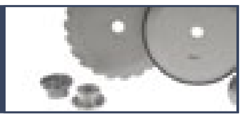
Tooling activities



Wood
Woodworking industries



FPG
Food, Plastic, Graphical industries

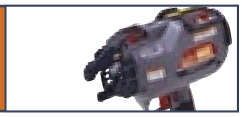


Metrology
Measuring equipment

Fastening activities

Fastening
Fastening equipment for construction

Fastening
Fastening equipment for binding, cutting etc.



Key figures for the Group

DKK '000	2004/05	2005/06	2006/07	2007/08	2008/09
Revenue	**583,495**	**643,499**	**683,707**	**747,496**	**545,462**
Costs	522,236	572,925	623,497	695,961	592,541
EBITDA	106,342	117,254	104,118	97,027	-7,037
EBIT	61,259	70,574	60,210	51,535	-47,079
Operating profit	-4,231	-9,321	4,596	-4,333	-7,334
Profit before tax (EBT)	**57,028**	**60,661**	**65,216**	**48,163**	**-53,514**
Net profit	**44,039**	**39,369**	**48,141**	**32,791**	**-48,257**
Non-current assets	466,232	497,275	436,082	448,722	382,694
Current assets	327,734	369,243	443,372	436,021	320,166
Total assets	**793,966**	**866,518**	**879,454**	**884,743**	**702,860**
Share capital	136,000	155,000	168,000	168,000	168,000
Equity	**454,568**	**547,506**	**561,852**	**507,953**	**371,848**
Market value of own shares, factored in at DKK 0	1,654	3,943	4,047	53,328	76,985
Provisions	60,951	58,901	54,572	53,813	50,114
Long term payables	180,016	164,809	151,516	198,604	178,241
Short term payables	98,431	95,302	111,514	124,373	102,657
Cash flow from operating activities	87,966	86,898	82,313	48,403	41,299
Cash flow from investments	-3,958	-86,984	-10,823	-176,358	59,463
Cash flow from financing	-12,376	36,505	-36,684	-26,952	-80,527
Total cash flow	**71,632**	**36,419**	**34,806**	**-154,907**	**20,235**
Cash at bank and in hand, at the end of the financial year	149,941	186,360	220,856	70,327	87,253
Average no. of employees	**554**	**557**	**573**	**622**	**636**
No. of employees, end of year	551	562	605	652	602
Net profit margin	10.5	11.0	8.8	6.9	-8.6
Return on capital employed	11.5	13.9	12.4	10.8	-10.3
Gross margin ratio	37.6	38.0	38.6	38.2	29.5
Return on equity	10.2	7.9	8.7	6.1	-11.0
Equity ratio	57.3	63.2	63.9	57.4	52.9

The financial ratios have been prepared in accordance with the Danish Society of Financial Analyst's guidelines concerning the calculation of financial ratios.

Group report

First deficit ever

Group sales went 27% down, from DKK 747 m to DKK 545 m. There was a loss before tax of DKK 54 m compared to a profit of DKK 48 m the year before.

In January 2009, the crisis hit the group severely with a drop in sales of 33%. Revenue stayed roughly at this level throughout the whole financial year. Already in August, management announced comprehensive cost savings. During spring 2009, these measures were severely tightened to provide the basis for new profits from October 2009 onwards. The period of readjustment has been relatively long, partly due to the company cost structure with 64% salaried employees and 12% depreciations on group costs before financial items and excl. material consumption, and partly due to our values in relation to staff and collaborators.

Several factors have substantially influenced the size of this year's deficit. Extraordinary depreciation of buildings and stocks, provisions for complaints, and severance payment to employees leaving the company are among the factors that have influenced operations negatively by DKK 25 m. Fluctuations of various trading currencies have also had an unusually negative influence on this year's revenue, profit and equity statement.

New profits in the future

Already implemented measures and readjustments will give rise to new and strengthened profits the coming years, in most of our companies and in the group as a whole. Staff reductions have been carried out without impairing our competences. A relatively weak growth in revenue is expected, which is likely to bring group revenue back to the level of the financial year 2007/08 within 3-4 years, but with significantly stronger earnings. Potential new acquisitions are not taken account of in these figures.

Despite this year's deficit, management believes that group value as well as the competitive position has been, and will be further strengthened by the numerous initiatives implemented, and by new product and process innovations to be launched in the coming financial year.

Development of revenue – negative growth of 27%

The decline in revenue in the group's main activities, Tooling (cutting tools) and Fastening (fastening tools), were 31% and 41%, respectively, during the last 9 months of the year. Tooling sales had started to flatten out when the financial crisis really struck the industrial sector. Fastening, which mainly targets the Danish construction sector, experienced a decline in sales already from the beginning of the financial year.

All group companies have seen reductions in revenue of approx. 30%. However, Central Europe and the U.S. are hit harder than Scandinavia and the UK. From May 2009, China figures as an independent company with its own sales. At the beginning of the financial year, Unimerco in Norway was the company least affected, experiencing no reduction in revenue at all. In Unimerco Fastening Germany revenue fell 10%.

The management explains the remarkable slowdown of the economy by a western boom coming to an end, coinciding with a temporary collapse of the financial markets. Growth continued in Asia, though at a slower pace, and this was not enough to make up for the global slowdown.

During the last 3 quarters of the financial year, focus of the Tooling sales force has moved towards service and standard tools, while customised tooling processes are being streamlined and new competitive measures are developed. These measures will be introduced gradually from spring 2010. In Fastening, a new national and international concept has been prepared for introduction 1 January 2010, coinciding with the separation from Unimerco's former supplier. We have great international sales expectations to this change over the coming years. The Danish construction industry is currently experiencing an economic downturn which will probably last for at least a few years. This will result in an ongoing decline in revenue in this product area, also because ITW, our former partner, now becomes a competitor. In the longer term, though, considerable growth is expected in this area.

Due to expectations for a slow international industrial upturn and low construction activities in Denmark, a conservative estimate of group revenue is a decline of a few percent in 2009/10. Moreover, in the first quarter of 2008/09, Unimerco's revenue was not yet affected by the financial crisis. Start-up of production in China has been delayed significantly due to delayed machine import permits. Start-up is now not expected till around April 2010, and this has a dampening effect on revenue in China.

The preconditions for the above expectations are that the global crisis has reached its bottom and that a slow upturn takes its beginning during 2010.

This year's result – first deficit since the company was founded

This year's profit after tax was a deficit of DKK 48 m. Earnings before tax (EBT) amounted to a deficit of DKK 54 m. Never before has the group closed its accounts with a deficit. The financial crisis has had a major impact on this result, and concurrently the build-up of our international structures have not generated revenue and earnings as fast as required in order to cover costs for establishment, construction and operations. To a great extent, the levels of costs have been based on growth expectations which turned out the opposite because of the crisis.

In connection with the termination of production activities in our plant in Høje Taastrup, DK, the value of the building has been depreciated by DKK 14 m. The building is not expected to be put up for sale as long as prices are at the current low level. DKK 7 m have been carried to the debit side for severance payments to dismissed employees, DKK 1 m for complaints and DKK 3 m for additional stock depreciation.

Financial items are marked by realised exchange losses on bond holdings of DKK 3 m and unrealised losses on holdings of listed shares of DKK 7 m, while a refinancing of a GBP loan has given an exchange profit of DKK 6 m. A capital increase in partly owned Lamina Technologies, Switzerland, has increased the value of Unimerco's share interest by almost DKK 3 m.

In total, operational deficit has increased from approx. DKK 29 m to DKK 54 m by the above mentioned regulations. Some of the unrealised losses may occur as profits in future financial years.

As a whole, during this financial year, costs in all companies have been adjusted to the reduced levels of revenue. Cost management has been tightened, and the organisations have been adapted to the levels of activity and profit of the individual companies. A considerably tightened cost management will pursue throughout 2009/10 and will become a more permanent measure. None of the conducted cutbacks in the group have reduced our competency levels or our innovation potential.

Because of the adjustments undertaken, a sound profit is estimated for the financial year 2009/10 despite an expected further decline in revenue.

Market development – a historical low with prospects of new but slow growth

In 2008/09, Unimerco has experienced a historical downturn in demand for industrial tooling products as well as for fastening products to the construction sector. A diversification of sales on more than 30 countries, to virtually all industries, to customer segments from craftsmen and medium-sized businesses to giant corporations in several industries, and on more than 20,000 active customers, have not been enough to curb the downturn.

Declining demand for consumer goods induced a strongly aggravated slump in the industrial sector, which, along with stock reductions, almost put parts of the industry on standby. Drops in demand from 30% up to 80% in some sectors caused panicky conditions in the industry for quite some time.

To Unimerco's experience, the activity level in general is not declining further in the markets where we operate. Some progress can be registered in orders as well as new project requests. There are still large differences from market to market and from industry to industry. Nowhere do we register a general incipient build-up of stocks. However, we have the impression of a nascent optimism in most markets, yet with some exceptions. Unimerco benefits from renewed activity in Asia, yet this still only has little impact. However, the impact will increase this year when production starts up.

The financial markets seem to be functioning again, yet there is some uncertainty due to lack of transparency. The downturn of the industrial sector appears to be much more severe than in the market for consumer goods (apart from the automobile market), so an increase must be expected the coming year if commodity shortages are to be avoided. This imbalance motivates our conservative positive estimations.

We believe that these expectations will result in a slow-paced upturn over the next 3-4 years, and in 2012/13 we will probably return to the level of 2007/08. These prospects are in line with a number of economic forecasts. We also base the assumptions of our progress on plans for new focus areas, among these the internationalisation of Fastening and the introduction of parametric constructions of customised tools in the Tooling division. The latter initiative is expected to substantially strengthen our competitive position and production efficiency, and at the same time it will open for new distribution channels on existing as well as new markets.

The labour market - from impossible to possible

The widespread labour shortages seen in the financial year 2006/07 in all countries where Unimerco is operating have been replaced by an internationally soaring unemployment. Over the coming years, this situation will generate additional and probably more qualified applicants. In Denmark, the unemployment rate is expected to continue increasing, though from a relatively low level compared to many western countries. In Norway, the situation does not appear to have changed significantly.

In the group as a whole, the number of employees has fallen from 652 to 602. In addition, a further 50 employees have been given notice and will leave during the first half of 2009/10.

We are only planning a few appointments the next 2-3 years, since the existing workforce represents a great reserve of capacity. Not least because the working hours of employees and managers are currently reduced by 10-15% at their own expense. Regarding machinery, a high level of automation and new process automations further increase an already large amount of spare capacity. Furthermore, we are working on process automations and simplifications in order flow and administration which will postpone the point of time where new growth will require new appointments. In the next few years, potential retirements are not expected to trigger appointments.

Significantly better capacity utilisation in all group companies is one of the prerequisites of the targeted improvements of profit margins, which we will be working at in the group in the coming years. This applies to all functional areas from sales to construction, production, logistics and administration.

Acquisitions, new establishments and investments – 2008/09 was a quiet year
No acquisitions were made in the recently closed financial year. Unimerco Technologies Ltd., Wuxi, China, was established, and the existing representation offices in Wuxi and Beijing became part of the new company. At the end of the year we moved to refurbished production buildings in Wuxi in which we are now preparing production start-up. Production staff has been employed and trained. At present, we are only awaiting the final import permits to ship the production equipment to Wuxi. Production start-up is expected in April 2010. More than 1 year has passed since staff was employed and buildings rented. This has negatively influenced results in the new company and will also do so the coming financial year.

The investment level in machinery and buildings was very low compared to previous years and is expected to remain low the coming years. Our production capacity is not utilised optimally at the current level of sales. As a consequence, production activities in Høje Taastrup have been discontinued. Some machines are awaiting shipment to China, while others have already been shipped to the US, the UK or Sunds, DK. The remaining machines have been stored until their final location has been decided.

Apart from the above-mentioned plans for China, there are no plans for acquisitions, considerable new investments or establishments the coming financial year.

Capital increase and company structure
In Unimerco Sp. z o.o., Poland, share capital was increased during the financial year. The purpose was to uncover the accumulated deficit and to ensure sufficient capital for future operations. Furthermore, capital was invested in the newly established company in China, Unimerco Technologies Ltd., Wuxi. Plans have been laid for additional investment in this company the coming year, since actual production and service to the Chinese market will be started up.

As part of administrative simplification, the companies Unimerco Sp. z o.o., Poland, and Unimerco s.r.o., Czech Republic, will presumably be changed into sales companies of Unimerco A/S.

Equity and liquidity
Equity was reduced by a total of DKK 136 m, to DKK 372 m. The reduction consists of the year's deficit after tax, DKK 48 m, paid dividend, DKK 42 m, exchange rate adjustments of equities in subsidiaries and associated companies, DKK 21 m, net adjustments of hedging instruments, DKK 2 m, and purchase of own shares, DKK 23 m.

Nominal holdings of own shares minus equity amount to 16 m or 9.3% of share capital, representing a total share value of DKK 77 m. The remaining 86.8% of share capital is owned by management and employees, while 3.9% are in the possession of employees under notice and former employees.

Liquidity has increased by DKK 17 m to DKK 87 m. Among others factors, the improvement is due to disposal of bonds, DKK 76 m, and a reduction of working capital by DKK 52 m.

In the coming financial year, liquidity is expected to increase through positive earnings and considerable depreciation on paid assets, among other factors.

Organisation, management and IT
The global financial crisis and the resulting severe reductions in sales and earnings left the group with no alternatives to staff cuts. In both the short and the long run, these cuts have been necessary to create new profits and a structure that can bring up revenue to a level which matches the group's strategy and competences.

The number of employees has fallen from 652 to 602, and another 50 have been given notice for later resignation. For the sake of liquidity, the group has not bought back shares from dismissed employees or employees under notice since spring. However, after closure of the financial year a solution has been found allowing us to buy back shares from dismissed employees.

We consider local managements and members of staffs in all our companies to be skilled and competent, and they have shown their flexibility in times of cutbacks, and their ability to manage hardship not least during the global financial crisis.

Group sickness absence and employee turnover
Short-term sickness absence has remained unchanged at 1.1% which must be considered a low and satisfactory level.

This year, the number of employees in the group is expected to fall from currently 602 to around 540, since several dismissed employees will leave during the first half year. The companies are doing their best to assist the dismissed employees find new jobs. A number of forthcoming retirements are not expected to be refilled by new appointments. Not many new jobs will be created the coming year.

Group employee turnover (not counting company-decided workforce reductions) has fallen from 6.7% to 5.4%.

For the 9th consecutive year, Unimerco A/S, Denmark, took part in the 'Great Place to Work' competition and was ranked as no. 14. This ranking is not quite as good as previous years. In spite of this, Unimerco remains the highest ranking industrial workplace. The result should be seen in the light of Unimerco's many crisis measures. It remains a goal for Unimerco to be placed in the top 10 due to our business model which makes it possible to simultaneously foster good, challenging and safe working lives as well as good results, while ensuring a well consolidated group.

The IT situation

As of 1 April 2009, the group started using a new IT system for sales, production and logistics. The system has been under development for several years, and the implementation was thoroughly planned. Nevertheless, it is a huge task to start up a new system in 12 different countries concurrently, among these China. We have had our problems, and we still do. However, when fine-tuning is completed in the summer of 2010, it is no doubt going to be a truly great system which will make administration much more effective and enhance most management and information tasks. The road has been rough, but we have also learned a lot on the way. The ERP system has been improved with a 'data warehouse' reporting system which provides complete cross-company management reporting on targets and deviations. Only our most recently acquired company, Derek Walmsley, now Unimerco Walmsley, has not yet been integrated. This will happen by 1 October 2010.

Management believes that our technical as well as our administrative IT systems are well-qualified, and these systems will continue to further strengthen our international competences and competitiveness.

Patents, product and process development

No new patent applications have been filed during the past financial year, but in December Unimerco patented the UM First PCD hogger. A further 4 applications are pending, and patent on the PCD HeliReam is expected to be granted at the end of 2010. Additionally, throughout the year Unimerco has developed and improved a range of new and existing tooling solutions. They are user-driven and patent will not be taken out, the main reasons being inadequate market volume, lack of novelty value or patent costs.

During the year, Unimerco has presented the following significant new products:

- Complete range of PCD Vein drills and milling cutters – primarily for the aerospace industry
- New version of the PCD hogger
- Further development of precision tools for power generation
- Further development of MQL tooling
- Market introduction of the C8 coating

On 1 January 2010 Unimerco Fastening launches a new and complete fastening concept, Tjep, including gas and compressed-air-powered tools with complete ranges of nails, staples and finish nails. The range also features compressors and a comprehensive selection of accessories.

The global crisis has not led to reductions in Unimerco's development activities, and the coming year we expect to present several significant innovations to improve Unimerco's profit potential.

Environment and quality

Unimerco Fastening A/S has decided to no longer be ISO-certified, since the certification does not really make sense in light of the company's activities. All certified Tooling companies in the group have sustained and passed all audits in relation to their ISO quality and environmental certifications.

The group has no plans to extend or curtail the current certifications next year.

Due to extensive global focus on energy consumption and pollution, including CO2 emissions, in its activities as well as its marketing, the group intends to attract greater attention to the fact that a large part of our business activities, RE•NEW™, is all about recycling. The company's consulting and optimisation activities are all designed to reduce production costs through tool savings, reduced material and energy consumption, as well as reductions in the number of machining processes and machine/man hours.

A number of promising processes have been initiated to simplify administrative and production processes. This will have positive effects on costs and energy consumption per manufactured unit.

Shareholders and dividend

As of 30 September there were 473 shareholders in the group. 77% of the group's employees were shareholders in the company.

Exceptionally, and in spite of this year's deficit, the board of directors recommends that a 10% dividend be paid out. The motivation is Unimerco's very special ownership model which means that the company is nearly 100% owned by employees and management. They all have financial commitments. Comprehensive self-paid reductions in working hours and staff cuts have reduced everyone's wages, but have allowed the company a rapid transition towards profitability. The payment of dividend counterbalances the great flexibility and sacrifice of our shareholders. However, the decisive prerequisites for payment of dividend are strong solidity and liquidity coupled with well-founded prospects of new sound profits in 2009/10.

The targeted sales and earnings have been attained in the first quarter of 2009/10.

At the annual general meeting, 29 January 2010, the board of directors will recommend that a 10% dividend for 2009/10 be approved, equivalent to DKK 16.8 m.

Management's statement on the annual report

The Board of Directors and the Management have today considered and adopted the annual report of UNIMERCO GROUP A/S for 2008/09.

The annual report has been prepared in accordance with the Danish Financial Statements Act. We consider the accounting policies applied appropriate, and thus the annual report provides a true and fair view of the Group's and the company's assets, liabilities and financial position for the year as of 30 September 2009, and of the results of the Group's and the company's activities and cash flows for the financial year 2008/09.

We recommend the annual report for adoption at the Annual General Meeting.

Sunds, 14 December 2009

Management

Kenneth Iversen
CEO

Board of Directors

Lars Kolind
(Chairman)

Niels Chr. Nielsen

Michael Fiorini

Kenneth Iversen

Preben Skov

Lise Rahbek Laursen

Income statement for the period 1 October – 30 September

Note	DKK '000	Group 2008/09	Group 2007/08	Parent company 2008/09	Parent company 2007/08
1	**Revenue**	545,462	747,496	0	0
2	Production costs	-384,717	-462,003	0	0
	Gross profit	**160,745**	**285,493**	**0**	**0**
2	Distribution costs	-142,369	-152,729	0	0
2,3	Administration costs	-57,681	-65,509	-9,087	-10,069
	Other operating income	1,178	0	4,999	5,754
	Other operating costs	0	-2,626	0	-2,626
8	Goodwill amortisation	-8,952	-13,094	0	0
	Operating profit	**-47,079**	**51,535**	**-4,088**	**-6,941**
4	Result after tax in subsidaries	0	0	-42,510	37,957
	Result after tax in associated undertakings	-1,647	-1,585	-1,647	-1,585
5	Financial income	14,288	10,498	14,749	9,191
6	Financial expenses	-19,076	-12,285	-14,537	-6,635
	Profit before tax	**-53,514**	**48,163**	**-48,033**	**31,987**
7	Tax on profit for the year	5,257	-15,372	-224	804
	Profit for the year	**-48,257**	**32,791**	**-48,257**	**32,791**

	Proposal for distribution of profit for the year				
	Proposed dividend			16,800	42,000
	Retained profit			-65,057	-9,209
				-48,257	**32,791**

Balance sheet

		Group		Parent company	
Note	**DKK '000**	**30/9 2009**	**30/9 2008**	**30/9 2009**	**30/9 2008**
	ASSETS				
	Completed development projects	1,195	523	0	0
	Acquired rights	8,759	1,310	0	0
	Goodwill	28,627	37,579	0	0
	Development projects in progress and prepayments	1,322	5,604	0	0
8	**Intangible assets**	**39,903**	**45,016**	**0**	**0**
	Land and buildings	166,949	214,403	0	0
	Plant and machinery	81,970	87,118	0	0
	Fixtures and operating equipment	13,999	19,360	0	0
	Property, plant and equipment in progress and prepayments	194	5,946	0	0
9,10	**Property, plant and equipment**	**263,112**	**326,827**	**0**	**0**
11	Participating interest in subsidiaries	0	0	326,310	472,470
11	Participating interest in associated undertakings	33,553	31,926	33,553	31,926
11	Securities	3,303	3,137	3,303	3,137
11	Amounts owed by associated undertakings	5,583	5,596	5,583	5,596
12	Deferred tax assets	37,240	36,220	0	0
	Financial assets	**79,679**	**76,879**	**368,749**	**513,129**
	NON-CURRENT ASSETS	**382,694**	**448,722**	**368,749**	**513,129**
	Raw materials and consumables	13,525	24,111	0	0
	Work in progress	1,241	4,487	0	0
	Finished goods and goods for resale	66,235	75,953	0	0
	Inventories	**81,001**	**104,551**	**0**	**0**
	Trade receivables	86,174	134,818	0	0
	Amounts owed by subsidiary undertakings	0	0	70,888	45,231
	Corporation tax receivable	9,256	491	3,542	0
	Other receivables	985	4,780	15	1,365
	Assets for sale	21,400	0	0	0
13	Prepayments	6,097	7,081	0	0
	Receivables	**123,912**	**147,170**	**74,445**	**46,596**
	Securities	**28,000**	**113,973**	**28,000**	**113,973**
	Cash at bank and in hand	**87,253**	**70,327**	**30,210**	**5,177**
	CURRENT ASSETS	**320,166**	**436,021**	**132,655**	**165,746**
	TOTAL ASSETS	**702,860**	**884,743**	**501,404**	**678,875**

Note	DKK '000	Group		Parent company	
		30/9 2009	30/9 2008	30/9 2009	30/9 2008
	EQUITY AND LIABILITIES				
14	Share capital	168,000	168,000	168,000	168,000
	Retained earnings	187,048	297,953	187,048	297,953
	Proposed dividend	16,800	42,000	16,800	42,000
	EQUITY	**371,848**	**507,953**	**371,848**	**507,953**
15	Provisions for deferred tax	50,114	53,813	36,434	36,798
	Provision	**50,114**	**53,813**	**36,434**	**36,798**
	Mortgage debt	120,914	130,032	0	0
	Credit institutions	49,327	60,572	48,038	59,196
	Loan UNIMERCO's Fond	8,000	8,000	8,000	8,000
16	**Long-term liabilities**	**178,241**	**198,604**	**56,038**	**67,196**
16	Long-term liabilities falling due within one year	13,233	10,148	5,111	4,158
	Amounts owed to subsidiary undertakings	0	0	29,729	58,233
	Trade payables	33,941	44,223	38	54
	Corporation tax payable	6,130	16,430	0	2,319
17	Other payables	49,353	53,572	2,206	2,164
	Current liabilities	**102,657**	**124,373**	**37,084**	**66,928**
	PAYABLES	**280,898**	**322,977**	**93,122**	**134,124**
	TOTAL EQUITY AND LIABILITIES	**702,860**	**884,743**	**501,404**	**678,875**

19 **Contigent liabilities and other financial liabilities**

20 **Related parties**

UNIMERCO

UNIMERCO GROUP

UNIMERCO is an international manufacturer, distributor and service provider within machining. The core activities comprise optimisation guidance and sales of tooling solutions for e.g. the automotive, aerospace, metal, woodworking, power generation, fluid power and food industries. UNIMERCO was established in Denmark in 1964, and today has companies in Europe, the Americas and Asia.

Since 2003, UNIMERCO has been consistently chosen as one of the 100 best European workplaces by the Great Place to Work Institute.

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