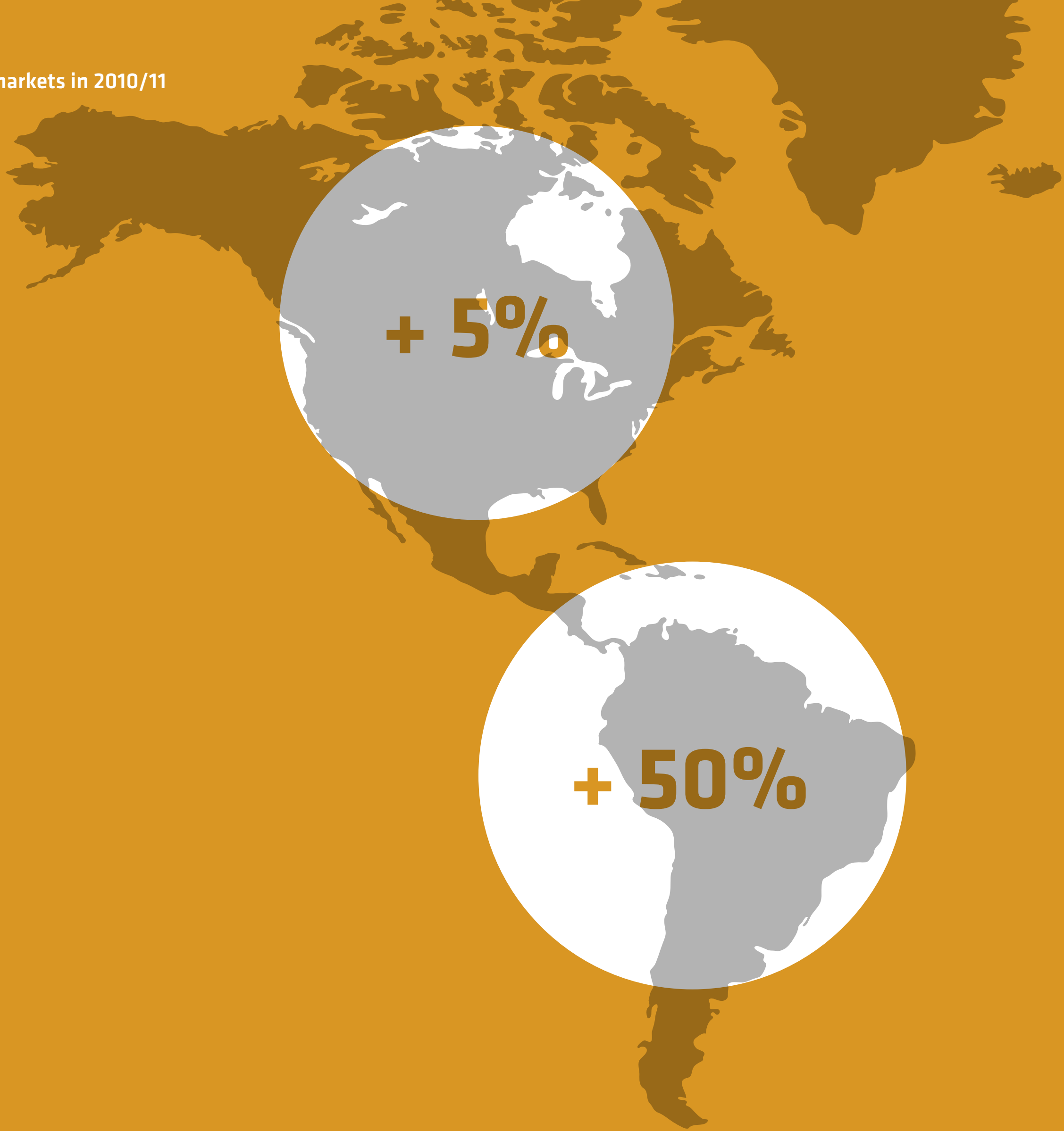
Annual Report
2010/2011

Roblon

Roblon's growth at essential markets in 2010/11



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INCREASE IN REVENUE

22.1 mill.

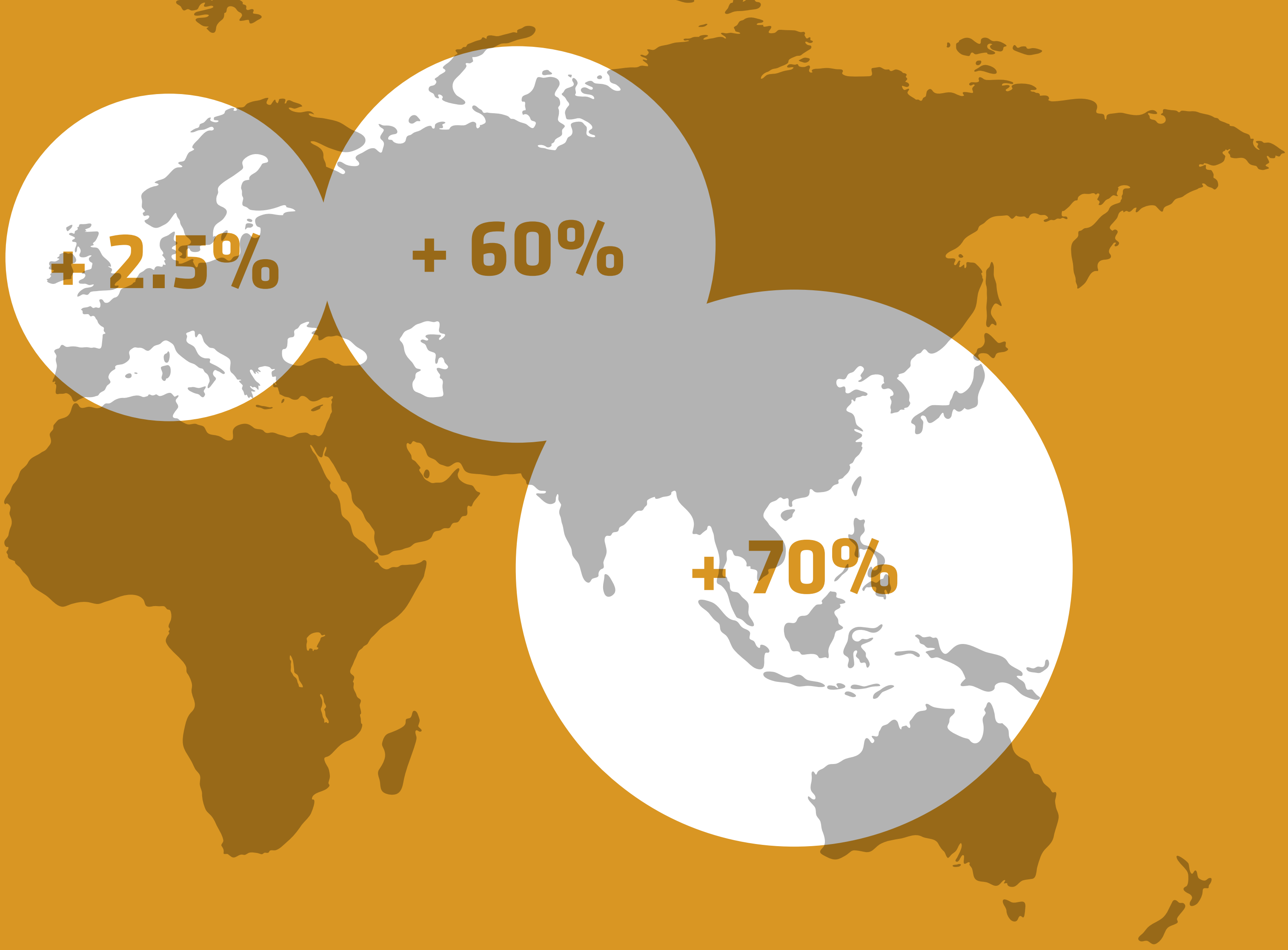
PROFIT BEFORE TAX

36.9 mill.

INCREASE IN OPERATING PROFIT

30.9%

The Annual Report 2010/11 has been prepared in a Danish-language and an English-language version. The English-language version is a translation of the Danish-language version. In the event of any inconsistency between the Danish version and the English version, the Danish version shall prevail.



Roblon is known around the world for its reliability, high quality and level of service. Combined with Roblon's quality products and a high degree of innovation and efficiency, this has made the company a leading manufacturer within its business areas. Focusing on growth and market development, Roblon continues to think ahead.

DIVIDEND	PROFIT RATIO	EXPORT SHARE
70%	**16.3%**	**89.1%**

Roblon in figures

Financial highlights (mill.DKK) *)	2006/07	2007/08	2008/09	2009/10	2010/11
INCOME STATEMENT					
Total revenue	234.0	251.9	185.9	201.7	223.8
Of which for export	216.5	234.3	174.4	183.7	199.4
Operating profit	32.1	32.8	12.0	27.8	36.4
Net financing, etc.	0.2	1.7	1.8	3.4	0.5
Profit before tax	32.3	34.5	13.8	31.2	36.9
Profit for the year	24.6	26.5	10.2	23.5	27.6
BALANCE SHEET					
Total assets	216.1	226.2	209.2	224.9	242.0
Share capital	35.4	35.7	35.7	35.8	35.8
Capital and reserves	176.8	185.5	178.3	190.5	200.7
Shareholder value	350.0	282.1	213.6	221.4	213.9
CASH FLOW					
Cash flow from operating activities	26.1	27.4	33.6	24.9	34.8
Cash flow from investment activities	(8.2)	(6.7)	(17.7)	(36.6)	15.5
Of which investment in tangible fixed assets (gross)	(5.5)	(6.3)	(4.3)	(2.2)	(1.4)
Cash flow from financing activities	(17.7)	(17.6)	(17.8)	(10.7)	(17.9)
Change in cash and cash equivalents	0.1	3.1	(1.9)	(22.4)	32.5
KEY FIGURES					
Profit ratio (%)	13.7	13.0	6.4	13.8	16.3
ROIC/return on average invested capital (%)	24.6	24.3	9.4	22.8	29.3
Solvency ratio (%)	81.8	82.0	85.2	84.7	82.9
Return on equity (%)	14.2	14.6	5.6	12.7	14.1
Earnings per share of DKK 100 (EPS)	68.9	74.5	28.6	65.8	77.3
Price/Earnings ratio (PE)	14.2	10.6	20.9	9.4	7.7
Payout ratio (%)	72	67	105	76	91
Cashflow per share of DKK 100 from operations	72.9	76.6	94.1	69.6	97.4
Dividend (% of nominal value)	50	50	30	50	70
Intrinsic value of shares	494	519	499	533	561
Stock-exchange listing, end of period	981	790	598	619	598
Number of full-time employees (average)	147	158	143	123	125

*) The main/key ratios for 2008/09, 2009/10 and 2010/11 were prepared on the basis of the figures in the annual report calculated in accordance with IFRS, whereas the previous years were calculated in accordance with the regulations in the Danish Financial Statements Act.

Equity for the year 2006/07 has thus not been adjusted to take account of the fair value adjustment of financial instruments concluded for the hedging of future cash flows. This adjustment was made in 2007/08.

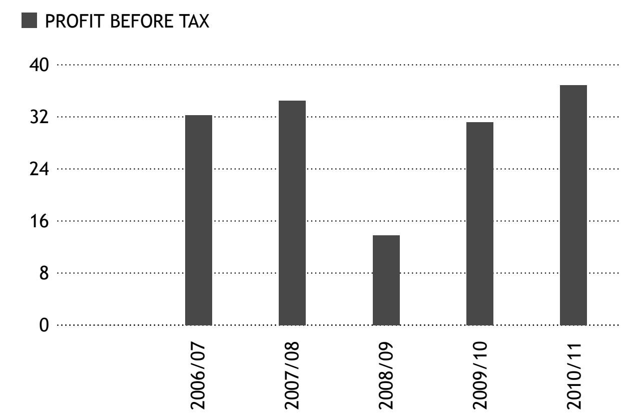
The key figures have been calculated in accordance with the Danish Society of Financial Analysts' recommendations. The stated share-based key figures relate to the B-shares.

Please see accounting policies for definitions and terms.

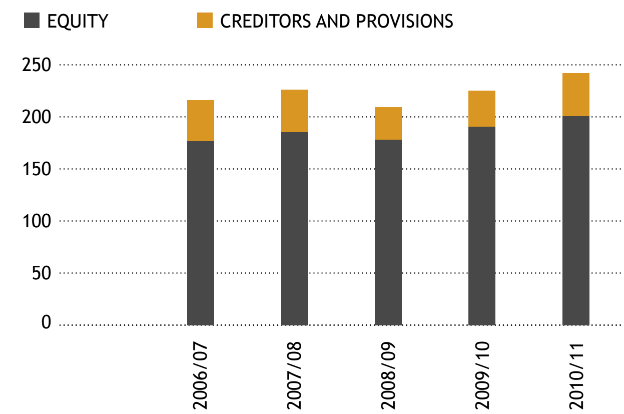
Summary

- In the financial year 2010/11 Roblon A/S realised better revenue and profits than expected at the start of the year.
- The profit before tax was DKK 36.9 million, DKK 5.7 million higher than last year's profit of DKK 31.2 million, which corresponds to an increase of 18.3%.
- The profit after tax rose by DKK 4.1 million to DKK 27.6 million compared to DKK 23.5 million last year.
- The operating profit of DKK 36.4 million was DKK 8.6 million higher than last year, which corresponds to an increase of 30.9%.
- Revenue increased by 11.0% to DKK 223.8 million compared to DKK 201.7 million last year.
- Against the background of a strong strategic focus, the second half of the financial year 2010/11 was very satisfactory for Roblon, especially within machines for the rope industry and the cable industry and within fibre-based products for manufacturers of lighting cables, the development has been positive.
- Under the influence of the global financial uncertainty that characterises many markets, Roblon A/S's Board of Directors considers the profit for the year to be very satisfactory.
- There is a proposed dividend of 70%, which amounts to DKK 25.0 million.
- From the beginning of the year, Roblon A/S has implemented a comprehensive organisational change, in order to improve efficiency and create more flexible decision-making processes, as well as making the organisation more customer-oriented.
- Having previously operated and been structured in three independent divisions, operations now take place across the organisation, which now works and functions as one unit and company.
- The new business structure means that Roblon A/S reports all conditions and information from 2010/11 in one annual report and as one company. According to IFRS, information regarding revenue and contribution margin 1 is this year made on two segments.
- In the financial year 2011/12, revenue is expected to be in the area of DKK 230 million and profit before tax in the area of DKK 30 million.

PROFIT BEFORE TAX (MILLION DKK)



LIABILITIES (MILLION DKK)



The course is set

The goals for profits and revenue were achieved. The targets have been met against a background of challenging, widely fluctuating international business conditions, which increased towards the end of the year.

The year 2010/11 was a fairly exceptional year for Roblon A/S in many ways.

The year began as expected with slow developments in the markets and the world economy. Over the summer, there was a positive market atmosphere within all Roblon's product areas, although at the end of the year these areas were affected by a general uncertainty in the financial markets, primarily related to the serious situation in the Euro zone.

This uncertainty still characterises the primary markets for the lighting product area in a negative direction. The same applies to some extent in the machine area, as the banks are reluctant and have extensive demands for documentation meaning that processing time is prolonged.

Roblon has launched a new, expansive growth strategy which a.o. includes creating sustained sales and marketing focus on the business areas, segments and geographic areas in which expectations for growth potential are greatest. This strategic focus and related activities have been fruitful, and during the second half of the year, and particularly the fourth quarter, Roblon thus experienced very satisfactory growth within products for the fibre optic cable industry and machines for the rope industry.

Throughout the year, the markets have been characterised by extremely tough competition, which placed great demands on our sales activities and processes.

In addition to this, Roblon experienced an extremely challenging and at times dramatic increase in raw material prices during the financial year. Due to the energy-demanding manufacturing processes, the increase in raw material prices has been particularly high for those raw materials required for Roblon's products for the offshore industry and the fibre optic cable industry.

Roblon has, however, offset the effect of rising raw material prices with strong, focused activites in the new, common production function, in which regular increases in efficiency, rationalisation and simplification of all production processes have had a positive effect.

Together with the implementation of the company's new growth strategy, Roblon implemented a comprehensive organisational change at the beginning of the year. To prepare the organisation for future challenges and to make the company even more efficient and customer-oriented, Roblon has merged the three previously independent divisions and now functions as one unit and company, in which the employees work across the organisation.

Responsibility for continued business development is organised into two business units, which have the overall global responsibility for business development, sales and marketing and product portfolio.To support business development, the company is now organised with one common production function, one common procurement function and one common technology and development function.

The new business organisation and structure means that from the financial year 2010/11, Roblon will process the company's conditions and information as one company in the annual report. According to IFRS, revenue and contribution margin 1 will be stated for two segments.

The ability and readiness to change is a decisive competitive factor in our globalised world, where market conditions are changing at an ever-increasing rate. The employees at Roblon understand this well. The company's recent organisational change has strengthened the company's flexibility and made it possible to move employees across functions and departments as required.


PHOTO: ROBLON

In conclusion, we must note that the global financial and economic turbulence is continuing and another exciting, extremely challenging year lies before us. We are, however, confident about the company's future development, especially in the light of our strategic measures and the efficient, positive implementation of our new, dynamic organisational structure.

We have made a good start, and the course towards Roblon's goals for 2015 has been set.

We would like to extend a warm, sincere thank-you to our employees for all their efforts over the past year, and look forward to the challenges of 2011/12. We would also like to thank everyone for their interest in our company.

Klaus Kalstrup
Chairman of the Board

Jens-Ole Sørensen
Managing Director

Management's review

With the introduction of an expansive growth strategy and a new strategy process with the goal of achieving revenue of DKK 300 million by 2015 and an average annual EBT of 10% in the period, we began the year with the implementation of one of the most important points from the plan.

To make the decision-making paths and processes more flexible, the organisation even more efficient and also more customer-oriented, focused and dynamic, we implemented a comprehensive organisational change.

We went from having operated in and being structured in three independent divisions to work across the organisation and operate and function as one company. This has resulted in a significant synergy effect and increase in efficiency across the departments and functions, from which progress and speed has increased significantly for many business processes.

Roblon is now organised in a more matrix-like structure, in which we have placed business responsibility in two business units with global responsibility for business development, sales and marketing, as well as product portfolio in the relevant area.

Common production, procurement and product development

To support our business development, Roblon is now organised with one common production function, one common procurement function and one common development function.

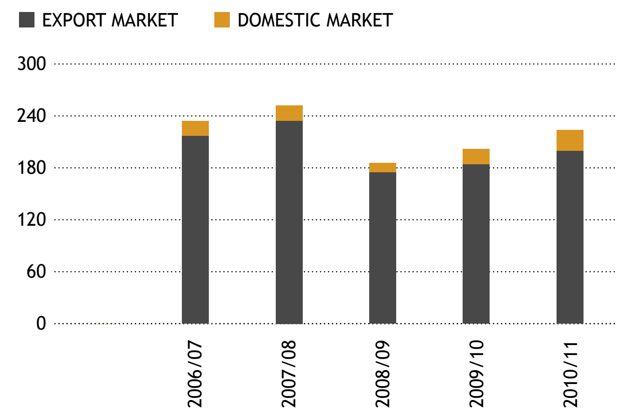
The new organisation and business structure means that Roblon presents all conditions and information in the annual report for the current year as one company, but with two segments according to IFRS with information of revenue and contribution margin 1.

The business year started as expected with considerable sluggishness in revenue growth against a background of the continued economic development in the world markets. The trend has, however, changed direction towards a satisfactorily positive development over the spring and summer, which applied to all Roblon's product areas, before once again being set back in the autumn, partly due to the debt crisis in Southern Europe.

However, based on a strong strategic focus, the second half of the year, and in particular the fourth quarter, were very satisfactory for our product groups for machines for the rope industry as well as products for the fibre optic cable industry, resulting in revenue of DKK 223.8 million for 2010/11, which is significantly higher than expected at the start of the year. Revenue has increased by DKK 22.1 million compared to last year's revenue of DKK 201.7 million, which corresponds to an increase in revenue of 11.0%.

The operating profit (EBIT) was improved by 30.9%, corresponding to DKK 8.6 million and was DKK 36.4 million compared to DKK 27.8 million last year.

NET REVENUE (MILLION DKK)



The profit before tax was DKK 36.9 million, which was better than expected at the start of the year and constitutes an increase of 18.3% compared to last year, when the profit before tax was DKK 31.2 million.

Growth within the product areas rope machines and products for fibre optic cables

The focused strategic business measures during the year, which were geographically directed at potential growth markets such as BRIC(S)* and other regions in Asia and South America, resulted in satisfactory developments for our product groups for machines for the rope industry as well as products for the fibre optic cable industry including cable machines for the same industry.

The activities were supported by several measures from our technology and development function, which has now been gathered at the technology centre in Sæby. New fibre products were launched for customers within the cable sector, and updated products were re-launched with new mechanical and control electrical solutions for machines for the rope industry.

New lighting product

We launched a newly developed innovative product in the field of lighting systems, a trend-setting light generator based on energy-optimised LED technology, where the product only uses approx 25% energy compared to a standard halogen light generator.

Business development for our products within the lighting segment has not been satisfactory. The area is partly affected by the same market mechanisms that apply to the construction industry. We can note that the uncertainty in the wake of the financial crisis and the current debt crisis in the Euro zone has postponed decisions about new investments in new constructions for e.g. museums and retail complexes. The range of projects is thus of limited size, and is affected by extremely strong competitive conditions. The business area's primary markets in Europe and the USA are affected by the crisis and its consequences.

Steady development within offshore

The trend in the offshore area was acceptable for the year as a whole. New, customer-oriented products to the global market were developed and introduced, and they represent attractive potential in the longer term.

Globalised business development is of decisive significance for Roblon and is one of the most important focus areas. In the next period, we will be increasing investments and efforts significantly in the new growth markets such as BRIC(S), Asia, Central and South America and selected markets in Eastern Europe.

* BRIC(S) consist of Brazil, Russia, India, China and South Africa.

Profit for the year
The profit for the year corresponds to the latest stock exchange notification dated 29 November 2011, in which Roblon adjusted expectations for revenue up to DKK 223 million against a previous DKK 200-210 million, with a profit before tax in the region of DKK 36 million compared to a previous declaration of DKK 26-29 million.

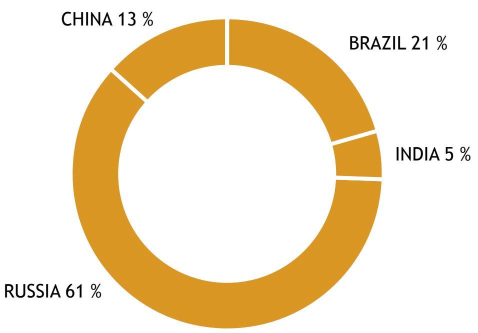
There have not been any significant conditions or events with a material effect on Roblon's financial position since the end of the financial year.

Future expectations
It must be expected that global economic growth for the new year will also continue to be very modest, as it will still be affected by the aftermath of the financial crisis and the debt problems in the Euro zone.

Despite the extremely difficult global economic conditions, there are still opportunities for business development in the world markets. It is important that Roblon maintains and builds competitiveness, even under difficult and challenging market conditions.

We are therefore emphasising the maintenance of significant investments in activities that support the expansive business development strategies.

SALES DISTRIBUTION FOR BRIC



Investments will be made in markets and sales, innovative product development, development of the organisation and employees, increasing production efficiency and production capacity to ensure the company's continued development and that we have the skills and capacity to develop new markets and attract new customers.

The objective for 2015 and the continued development of our strategic platform are supported by investments in both organic and acquisitive growth, balanced according to the economic conditions and with a constant, concentrated and strong control of cost development.

Several of the activities for the next period, which will receive a high priority and focus, can be grouped under the following head lines:

- Globalisation
- Safety
- Energy and environment
- Employees and organisation
- Acquisitions and partnerships

Globalised business development is of decisive significance for Roblon and is one of the most important focus areas.
In the next period, we will be increasing investments and efforts significantly in the new growth markets such as BRIC(S), Asia, Central and South America and selected markets in Eastern Europe. At the same time, we are working on establishing permanent Roblon representation in one or more of the growth markets in the new year.

Safety is an area in which Roblon wants to increase focus in relation to market trends and business development. For example, new net products will be introduced for the offshore industry, which will not only ensure continued regular production on oil platforms with servicing and use of Roblon's FOG net, but also introduces nets for personal safety on the platforms.

Energy and the environment are significant elements contained in Roblon's innovative product development. We want to develop and launch groundbreaking, energy-optimised products such as the new LED light generator, of which we have high expectations in the new year. This product will be one of the cornerstones in the revitalisation of our entire product segment for lighting products.

Furthermore, the investment in reducing energy consumption will continue in the company's factories, and new procedures will be implemented, for example, in connection with the recycling of glass waste from the ongoing production of cable products.

Employees and organisation is an important basis for Roblon as a global, innovative company.
Continued training is important, while employees need to be motivated via initiatives such as involvement. Employees in production receive more information than before, they have more responsibility and are involved in the processes, which means more satisfied employees. It is important for Roblon to motivate employees to utilise their full potential and contribute to achieving the general goals.

Acquisitions and partnerships is an important element for Roblon's strategic development.
We have been working in a structured manner on searching markets to identify attractive acquisition opportunities or to utilise partnerships to supplement Roblon's product portfolio within our respective core areas.

Acquisitions of product ranges to supplement the existing product areas were also investigated.

The turbulent situation on the financial markets will also have an effect on Roblon in the year ahead.
The just ended financial year has lived up to expectations from the start of the year, and the development in relation to last year is considered very satisfactory, not least under the influence of the global financial uncertainty that characterises many markets. Based on our strategies and significant investments in the new year, we are expecting this positive development to continue.

Roblon therefore expects a combined revenue for 2011/12 in the area of DKK 230 million and profit before tax in the area of DKK 30 million.

Statutory statement of corporate social responsibility
The company has not outlined an independent policy for this area. Roblon A/S strives to ensure that the company continues to be an attractive and environmentally-friendly workplace.

Business development and competitiveness are important for Roblon to maintain and improve, also under difficult and challenging market conditions. Therefore, we will focus on maintaining considerable investments in activities to support our expansive business development strategies.

Global focus: This is Roblon!

Roblon is a global business with activities in more than 80 countries. **From the USA to the Far East and from Greenland to South Africa.** This global presence provides new opportunities. But it also demands innovative ways of thinking, efficient processes, flexible employees and, most of all, products that do not just meet the market demands, but are trendsetting.

Intense competition and saturated markets in many parts of the Western world mean that there is a particular need to look beyond the traditional markets at the moment.

We live in a world of change, with increasing global competition which reinforces the need to look towards new growth markets, including the BRIC(S) countries (Brazil, Russia, India, China and South Africa).

Customer focus and connections
All over the world, Roblon's customers place strict demands on competitive products and services. Roblon meets the challenges with customer-focused product development and market adaptation.

At Roblon, we emphasise selling to current and potential customers. We want to create and maintain connections, because in our experience it is these strong connections between us and the customer that create the best cooperation in the long term.

At the same time, we are working internally to create one global company at Roblon, in which employees and business units think and act globally with a focus on the customer. We must be open, tolerant and ready to break with tried and tested traditions and routines. We have already come a long way, and we are committed to maintain our course.

The result is a stronger Roblon, which works dynamically and towards growth. Today, the only limit for where the next products will take us is our imagination. If a demand exists, we are ready to research the potential. Both in terms of geographical expansion of the company and new products.

Roblon multi straps used together with products from three different customers.
PHOTO: AKER SOLUTIONS

Each market has its requirements

Combined, Roblon's business areas have a wide range of products and customers in most areas of the world.

Each market often demands individual adaptation so that we can best service individual customers. We therefore keep a close eye on market developments and regularly try to ensure that we have the ultimate setup in each market.

Strengthened focus in South East Asia

Over a number of years, Roblon has expanded its activities in South East Asia, and in 2010/11 we increased our investment further to strengthen Roblon's position. There are great expectations that this prioritisation and the increasing amount of resources will produce results.

The market for rope machines is among those showing progress. In countries such as Vietnam and China there is still strong demand for machines for producing ropes.
Marketing activities directed towards South East Asian rope customers have confirmed that Roblon has a strong brand, not least in Indonesia, where there are five million fishermen. Sales have risen considerably since the delivery of the first rope machines, and Roblon is currently responsible for many machines across the whole of Asia.

It is our assessment that a continued increase in focus and a strong market position combined with years of experience will contribute to Roblon's continued success in South East Asia.

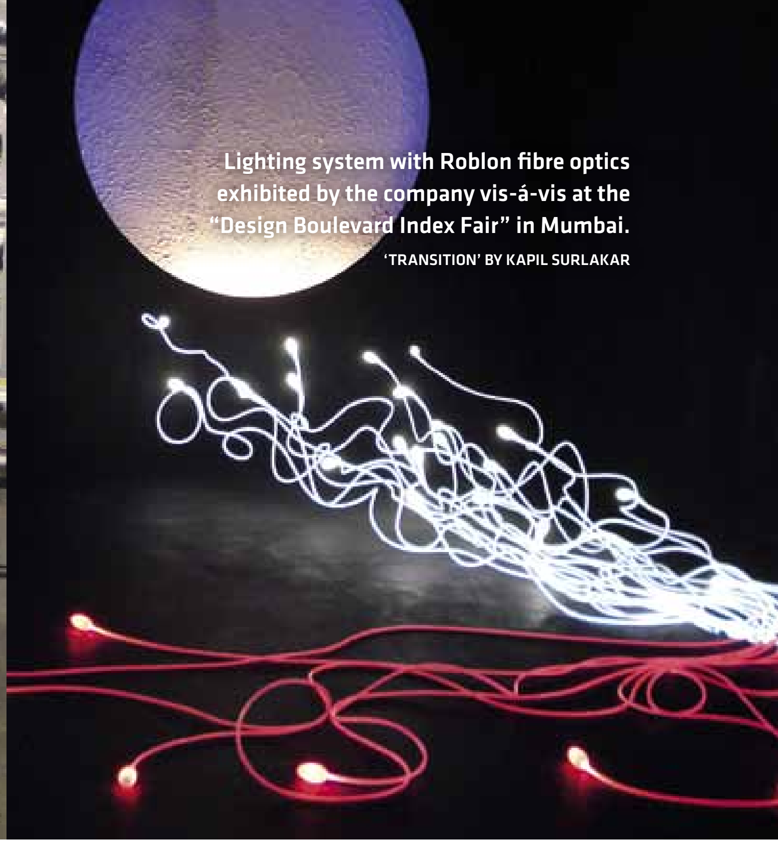
Own representation in India

India is one of the new emerging markets on which Roblon is focused. After fully four years of cooperation with an Indian distributor, we have decided to strengthen our efforts and have started to establish our own Roblon representation.

Roblon's new employee in India must support a more focused marketing of our products with particular focus on Delhi and Mumbai. There is a potential market for many of Roblon's products in the larger cities, where the Indian middle class has been experiencing explosive growth in recent years.

India is showing a rapid economic development, which has only just begun. At Roblon we therefore have great expectations of the results we expect to achieve by establishing our own representation in the country.

A part of 80 winders sent at the end of 2011 to a customer in South East Asia.
PHOTO: ROBLON



Lighting system with Roblon fibre optics exhibited by the company vis-á-vis at the "Design Boulevard Index Fair" in Mumbai.
'TRANSITION' BY KAPIL SURLAKAR

Offshore in Brazil
Brazil is developing into a significant market for the oil and gas industries. The country has considerable natural resources and large investments are being made in the area. The large port cities of Rio de Janeiro and Macaé are growing, and new towns are developed. The all-important player is the national oil company Petrobas.

This potential means that many foreign companies are showing an interest in Brazil, and the country needs the knowledge and technology that these companies offer. Roblon functions primarily as a subcontractor supplying straps and tapes to companies established in Brazil.

There are, however, challenges linked to creating a solid foothold on the Brazilian market. There are significant cultural differences between Denmark and Brazil, and the main requirements are perseverance and time to work the market. As a supplier, you have to work in a targeted way to create good, sustainable connections.

Currently Roblon is working to find the right local agent. It is our assessment that a local agent will be decisive, particularly in relation to forming connections with larger customers. In this respect we have particular focus on Petrobas, to whom we hope to sell our products. Together with our business partners, Roblon is highly focused on expanding its presence in Brazil over the next few years.

Russia is an interesting market in which to be present, and connections are an important part of Russian business culture. In Russia, a strong connection is often as important as the price and quality of the product. Our assessment is therefore that Roblon's tradition for creating strong, long-lasting relationships with customers will be a competitive advantage in the Russian market.

Russia rolls out fibre cables

Roblon entered the Russian market in 2005, and ever since the market for fibre cables has shown a high growth potential. Russia, like other growth countries, has an expressed need for development and investment in communication lines and infrastructure, both to optimise conditions for businesses and to give the population better opportunities for communication. Roblon has therefore strengthened its sales to the market by establishing a permanent distributor.

Roblon's success in the market is partly due to being at the cutting edge of technological developments in strength elements for data and communication cables. Roblon's products meet the highest technological standards, and the Russian market now constitutes a significant part of Roblon's sales of fibres for the fibre optics industry.

Despite the fact that the number of cable manufacturers in Russia is relatively high, the transition to the new cable design has only just begun. Roblon has the necessary experience and products, and so far there is no sign that the demand will fall.

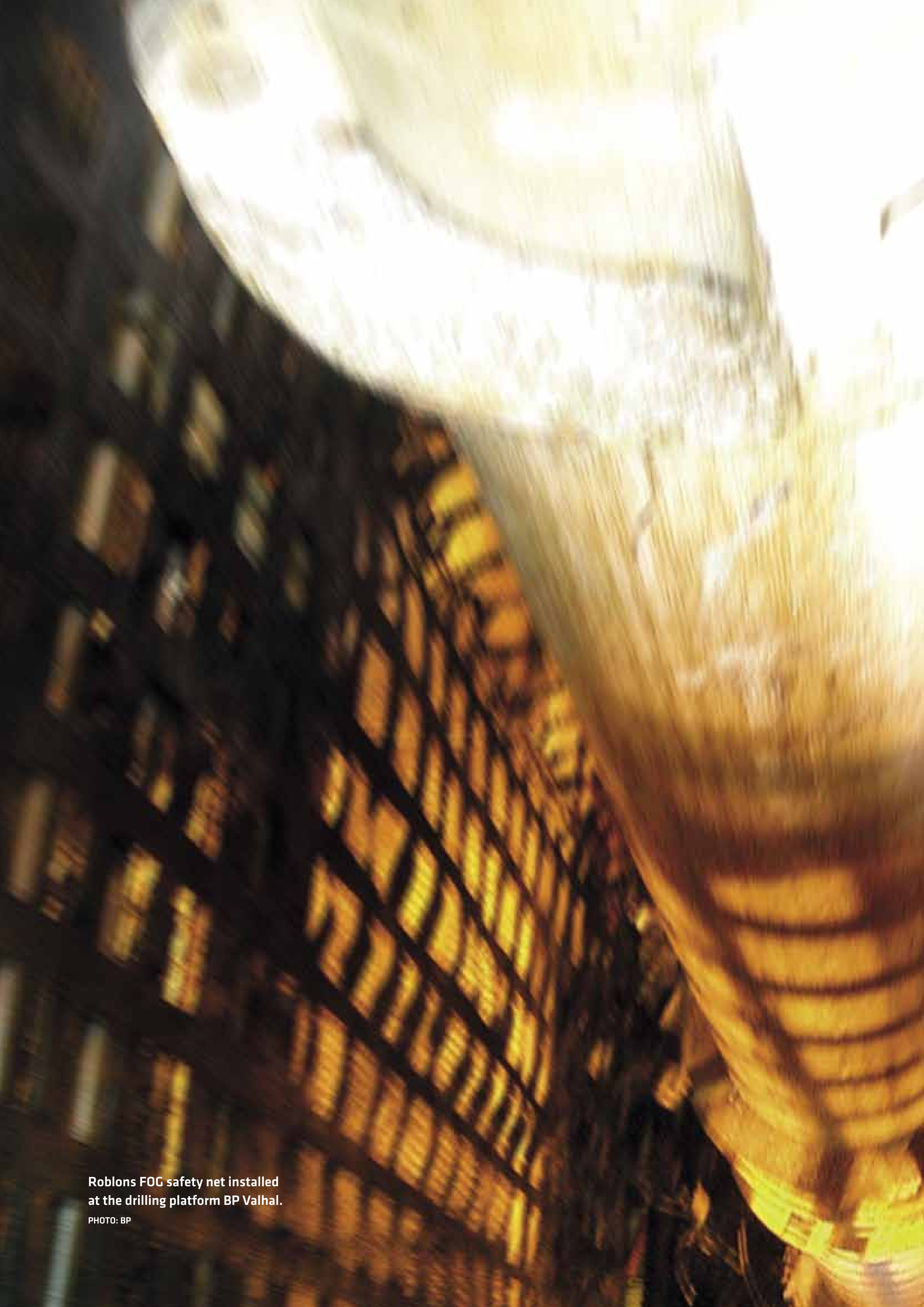
Lighting around the globe

Roblon supplies lighting all the way from the Arctic continent to Australia. With fibre optics and LED, Roblon is operating within two complementary technologies. Our lighting products, whether standard products or tailored solutions, are always meticulously designed with consideration to the customer's properties and the customer's customers around the world.

In many of Roblon's projects, our lighting preserves both the future and the past in global as well as local culture. One of the most famous libraries in the world, The Morgan Library & Museum in New York, uses Roblon lighting to ensure public has an insight into the world's cultural heritage, while preserving it as well as possible for the future. Original notes from Napoleon, Galileo and Voltaire are illuminated extremely carefully with fibre optics, while manuscripts by Twain, Dickens and Austin are lit using LED.

Closer to home, the municipal library in the fishing port of Skagen uses Roblon's LED lighting to light tourist brochures and books. From here, visitors can take a virtual tour of The Morgan Library & Museum, where a unique cultural inheritance is available. They can access global knowledge while surrounded by local knowledge. Both areas are illuminated by Roblon.

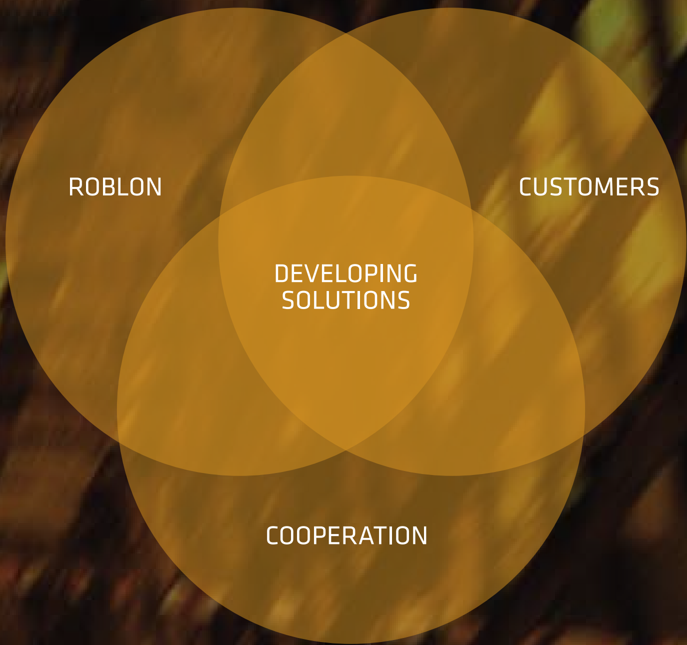
Morgan Library & Museum in New York illuminated by means of Roblon LED and fibre optical lighting.
PHOTO: MORGAN LIBRARY & MUSEUM



Roblons FOG safety net installed at the drilling platform BP Valhal.
PHOTO: BP

Roblon ensures industry safety

Roblon's product development takes place in close cooperation with customers, with a view to fulfilling concrete requirements. Roblon products fulfil real requirements. The result is added value for customers and staff awareness that their work is worthwhile and has a clear purpose.



IN 2010/11 ROBLON PRODUCED, ASSEMBLED AND DELIVERED MORE THAN

250

CABLE AND ROPE MACHINES

IN 2010/11 APPROX

160,000

KM OF REINFORCEMENT TAPE WAS SOLD TO OFFSHORE PROJECTS. THIS IS ENOUGH TO CIRCLE THE EARTH FOUR TIMES

Small Roblon safety nets installed at the drilling platform Maersk Reacher.
PHOTO: MAERSK

When it comes to the safety of businesses and people, the work is obviously particularly worthwhile. Roblon's activities in the area of safety include safety nets for drilling platforms and the newly developed High Voltage Pulling Rope (HVPR) – a highly insulating rope, capable of withstanding 800,000 volt, a.o. used during exchange and servicing of high-voltage lines with full electrical power. The rope is approved according to the latest IEC standards.

Increased safety means fewer accidents and thus also fewer interruptions to production. This way the customer's investments in safety contribute to optimising operations in the long term.

Safety on water

Drilling platforms are busy workplaces for many people. The oil industry places great demands on safety, both above and below the sea's surface, and Roblon has developed several forms of safety net for drilling platforms over recent years.

Roblon has, for example, developed a strong and multi-functional safety net made from a mix of aramid fibres and thermoplastic polyurethane, which can be installed in handrails and large openings. This net contributes to preventing the loss of items between floors, where there is often a significant difference in height. This reduces the risk of serious injury to people or important installations caused by falling objects.

Safety is also central in connection with risk-filled lifting and installations on the platform's oil well. The drilling platform's activities normally come to a standstill when the risk becomes too big, but this is an expensive and time-consuming process. As an alternative, Roblon has cooperated with one of its customers to develop Roblon Composite Net, which serves as a 'falling object guide' when 'christmas trees'* and high-pressure pipes are installed. The collapsible net does not block the safety systems, and this saves time, space and money.

Safety in the air

This year, Roblon High Voltage Pulling Rope (HVPR) became the first rope of its kind to pass the IEC *Ropes for Live Working standard* and be certified for *Human External Cargo work*. Only one other, older product of this type even exists. The rope has been developed in a stimulating partnership with British energy company National Grid.

National Grid use helicopter access techniques to access the high-voltage overhead line network. This involves suspending operatives in a basket to carry out repairs and maintenance work on the live conductors. That way, maintenance staff can reach even the most inaccessible areas quickly and then, in mid-air, carry out work without switching the electricity off.

The HVPR will be used to suspend the basket, containing two National Grid live linesmen, from the helicopter. In the event that it touches the live high-voltage wires, the rope's insulating properties ensure that no electricity is transmitted between the phase wires or to the helicopter.

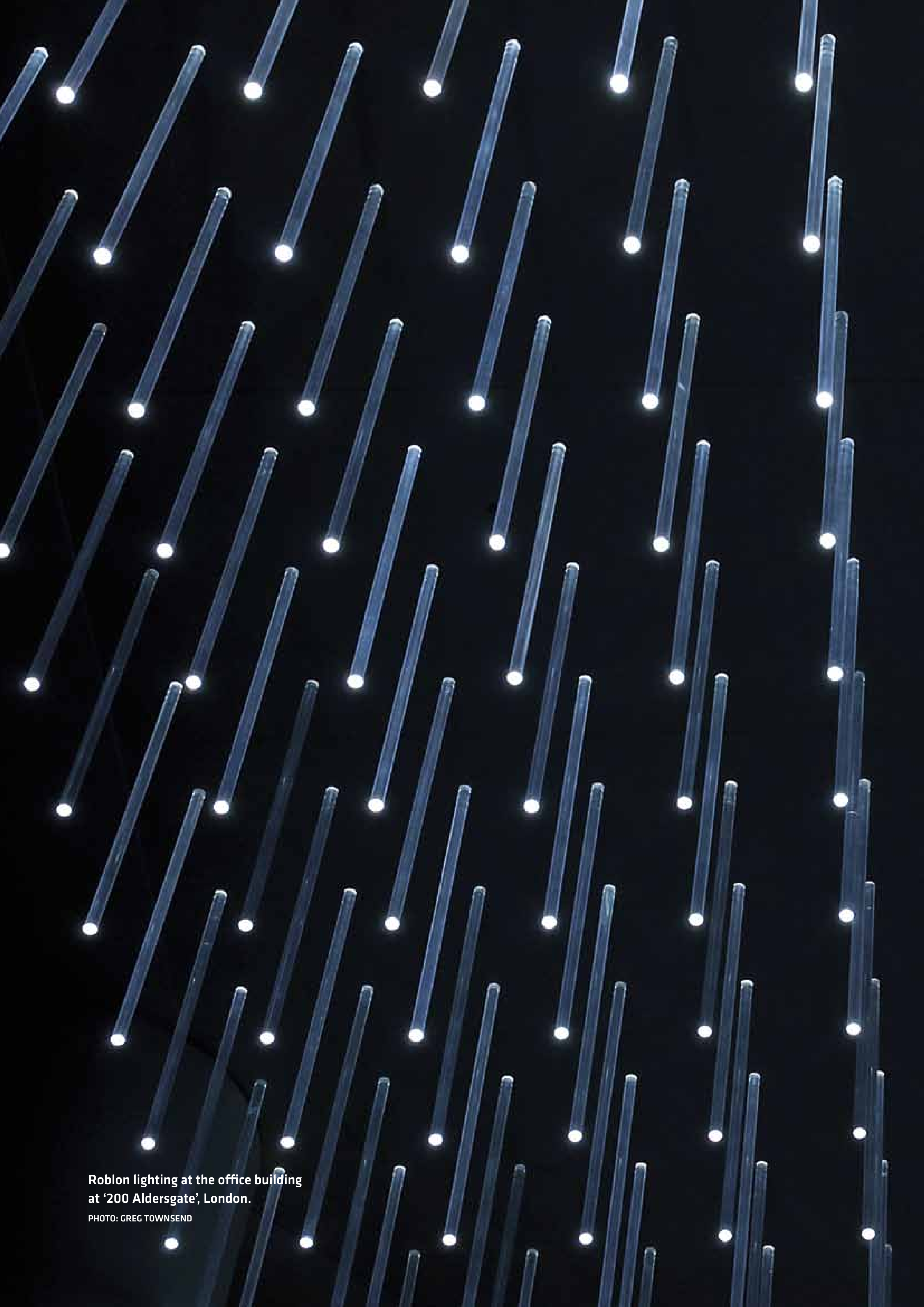
* A 'christmas tree' is a collection of valves, meters and choke coils that control the oil and gas pressure in a closed well.

Test of a new, round FOG safety net for oil rigs.
PHOTO: ROBLON

National Grid engineers are airlifted in to work on high-voltage lines.
PHOTO: NATIONAL GRID UK

"**When we started, there was only one rope in the whole world that could pass all these tests. Now there are two, and Roblon's applies newer technology.** Roblon is right at the top of its field. It uses new fibres and is able to get the rope down to the lowest possible weight without compromising its mechanical properties. The lighter the rope is, the more time we have in the air. It was a unique development project. Along the road, we had to tinker about with different things. The developers had to go back to the drawing board a few times. They always just went away and fixed the problem. Wherever Roblon met a brick wall, it always found a way to get over it."

Christopher Land, National Grid Liveline Engineer, on working with Roblon to develop High Voltage Pulling Rope for helicopter access work.



Roblon lighting at the office building at '200 Aldersgate', London.
PHOTO: GREG TOWNSEND

Energy-efficient, effective lighting

The lighting of the future must be energy-efficient, evocative and environmentally friendly. Roblon wants to be at the forefront of this development, and during the financial year 2010/11 the company introduced its LED-based FL 1000 light generators, which combine fibre optics with energy-efficient LED technology.

With FL 1000, Roblon has developed a particularly efficient light generator, which can replace traditional halogen systems and which in many cases provides energy consumption equivalent to only 25% of a halogen solution.

FL 1000 was developed in response to customer demand and the desire to create an environmentally friendly product, without compromising the ability of the lighting to create mood and attention.

Roblon also wants to focus strongly on increasing awareness of the new LED light-source technology over the next few years. We expect that this will generate renewed interest in fibre optics.

The development of LED technology is still extremely dynamic and the market still demands a high quality of lighting from LED systems. It will be decisive for Roblon to follow this development carefully, and for the new technology to be implemented in such a way that it makes sense and provides added value to the customers.

APPROX

134,000

KM OF BASIC FIBRES WERE SOLD IN 2010/11. THIS IS SUFFICIENT TO CIRCLE THE EARTH APPROX 3.5 TIMES

THE NEW FL 1000 LIGHT GENERATOR CONSUMES AS LITTLE AS

25%

OF THE ENERGY REQUIRED FOR A HALOGEN SOLUTION

“Working across business areas creates innovation. When you move across to help within a new discipline, at first you ask banal questions. Therefore, the experienced employees are provoked to think in a different way, which provides greater scope for solutions. It creates more proposals for solutions, and we come up with better solutions.”

Goran Rudan, Development

Product development at Roblon

At Roblon we wish to maintain and strengthen the market perception of us being a market leader and technical innovator within our business areas with regard to our products and product ranges as well as customised solutions.

It is important that we constantly develop and introduce trendsetting quality products with a high level of innovation so that we can offer the markets the most efficient energy and environmentally optimised solutions that create value for the customers.

Roblon's restructuring in 2010/11 strengthened our innovative power and customer-focused product development. We have created a new development and technology centre, Roblon Technology Centre, where our development resources are centralised in one location. We have already seen good results and received good feedback from both employees and customers, and we have created a strong and creative environment with considerable synergy effects.

Strategic business development

Historically speaking, Roblon has been good at product development. We will now be even better. The company's global presence makes it critical to prioritise product development so that assignments with high potential are carried out quickly and efficiently.

In addition to the establishment of the development and technology centre, we have established a project forum consisting of employees from the development department, production departments and sales departments. Together they will use their different expertise and experience to create the best solutions.

All projects have provisionally contributed positively to earnings, and it is Roblon's aim that future products will generate significant revenue within one year of launch.

Interruptions are not welcomed by customers

Roblon's customers and business partners often need development of specific solutions for special assignments, and we therefore focus on targeted product development together with customers. Our guarantee for strong product characteristics is decisive for the quality of the final product. **The strength lies in the details!**

"The show must go on" is an expression that applies not only to show business, but is relevant to all forms of business. In a globalised and strongly competitive world, the decisive factor for Roblon's customers is to be able to maintain production while, for example, service is being carried out or new electrical systems are being installed.

In a hotel in Saudi Arabia, for example, guests must receive service 24 hours a day, so hotel services cannot be interrupted. This creates a challenge for the electrician, who needs to install lighting in the hotel sauna or the outdoor fountain. The fact that there is damp, water and a temperature of 70°C in the sauna, and sun, sand dust and a temperature of 30°C in the garden does not help either.

Correspondingly, a production business needs to keep production running 24 hours a day. It is therefore critical that the production staff can, for example, replace 24 kg fibre spools on fast-running spooling machines in a matter of seconds. It is important that the time is used as well as possible.

A third example of an absolutely unwelcome interruption is the electricity supply. When a UK company carries out servicing on high-voltage electric cables, the engineers are often suspended 40 m above the ground, suspended in a basket from a helicopter. The cables carry 400,000 volts and the area must be supplied with electricity around the clock, even when it rains.

Many of Roblons customers and their businesses run continuously. At the same time, it is important that their customers are served without interruptions. This can be done because development staff at Roblon Technology Centre strive to develop particularly innovative solutions.

The result could be water- and sand-resistant lighting for the hotel in Saudi Arabia. Or a spontaneously invented spindle,

"It is constantly being said that: **'We all stand for the innovation that needs to be done, we all take responsibility regardless of what happens'.** When an idea needs to be taken out into the world, this attitude signals that this is exactly just what we do. This really allows you to work on something new, because the support really does exist. Shared responsibility creates more scope to act."

Arne Sørensen, Production.

which a production employee can release in a split second without physical effort. Or the water and current-resistant rope that can carry two UK service engineers in a 'flying' basket.

Roblon's restructuring has created the basis for more innovative results. Development employees are now brought together across disciplinary and product borders. They use dynamic working methods which support their readiness for change and their desire to share resources and knowledge.

The key word is cooperation between employees in development and production as well as customers and suppliers. The aim is realising new ideas and developing products that are not only inventive, but functional and saleable.

Employees and organisation

The organisation at Roblon A/S consists of dedicated, motivated and competent employees. The high level of competence is maintained and expanded regularly. Hereby, we ensure that we are well equipped to meet future challenges.

The ability and readiness to change are also decisive competitive factors in our globalised world, where market conditions can change quickly. The employees at Roblon understand this well.

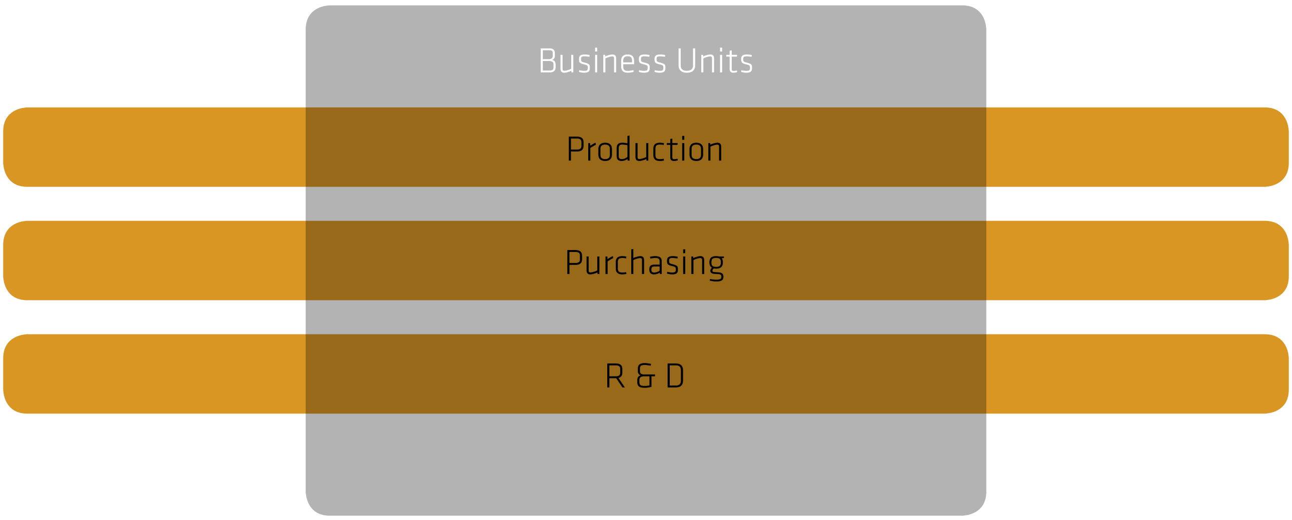
In 2010/11, Roblon carried out a comprehensive organisational change. We have gone from three independent divisions to working across the organisation as one unit, which benefits the whole company. Roblon is now organised into a production function with one common management team, one common development function and one common procurement function.

This organisational change has provided incredible flexibility, and it has been possible to move employees across departments and functions, depending on where the need and demand has been biggest.

Improved efficiency and quality control
The establishment of common management for the three production divisions has made it possible to focus on overall product efficiency as well as the efficiency in each division.

Based on the LEAN philosophy, all production processes are examined and streamlined. Improving efficiency also includes the administrative business procedures, e.g. order systems, procurement and processing. We work across production facilities with the aim of creating an understanding of our common goal: To create added value for Roblon and our customers.

ROBLON A/S



In 2010/11 Roblon also maintained an extraordinary focus on quality control and on localising critical factors. Regular motivation, coaching and training of employees have raised the bar for what is possible at Roblon.

More employee involvement
As a result of the merger, it is now possible to organise production as one unified division and move employees as required.

This need is particularly pressing in connection with peak loads or particularly demanding assignments, and the result is a significant increase in flexibility in production. At the same time, the sales departments have now been given extra leeway in relation to planning the customers' orders.

Production employees experience greater involvement in the processes, they take on more responsibility and receive more information than before. This means more satisfied employees.

Focus on the environment
One of Roblon's goals is to reduce the company's total energy consumption. During the financial year 2010/11 Roblon implemented several environmental and energy measures, including a new procedure for recycling the more than 100 tonnes of glass waste, which is surplus each year in connection with manufacturing fibre products.

Instead of removing and scrapping the glass waste, as before, they now undergo a special process before being used as subcomponents in fibre-based products at one of Roblon's business partners. This allows the glass that cannot be used in Roblon's production to find a new use.

The investment in the energy and environmental area will continue in 2011/12, when Roblon will employ external help to reduce the company's total energy consumption, based on screening the company's three production facilities. The focus will be on reducing the energy consumption.

Three production units – one common goal

Roblon's organisational change has among other things resulted in a merger of the company's three production sites in Gærum, Sæby and Frederikshavn. The divisions now operate under a common management function with joint action plans, and the employees have a higher degree of involvement in the ongoing planning of production.

NUMBER OF EMPLOYEES

Roblon A/S had an average of 125 employees in 2010/11, compared to 123 in 2009/10. The number of employees was 130 at the start of the year, compared to 121 last year.

Risk factors

Economic trends
Roblon monitors the development of economic trends on an ongoing basis, because fluctuations in conditions have a significant impact on the company's financial results.

In general, we have a good spread of products and markets, and to counter geographically determined fluctuations in demand, all business areas in Roblon are working to globalise sales in all product areas. Furthermore, activities are directed at several different customer areas.

It should, however, be noted that this spread does not have an effect if there is a general downturn in international economic conditions.

Environment
Roblon's production facility in Gærum is environmentally certified according to ISO 14001 and has no emissions from processes that have an impact on the external aquatic environment and emissions to air are limited and subject to ongoing control.

Roblon's production facility in Sæby does not use any production processes that have a particular impact on the environment, which means that the external environmental impact is very limited and can be attributed primarily to energy consumption for lighting, heating and the painting process.

The environmental impact from Roblon's production facility in Frederikshavn is caused primarily by heating and lighting. Energy is also used to control light sources. There are very 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
Roblon has financed its activities via its operations, and as at 31/10 2011 the company has a liquidity surplus. Roblon has unutilised ongoing credit facilities, and further financing is available by raising loans against buildings and machinery as collateral.

Corporate governance

NASDAQ OMX Copenhagen A/S has adopted a set of recommendations for good corporate governance. The company conforms to these recommendations and explains why their policies deviate from the recommendations. Roblon's Board of Directors and Management have considered the recommendations (updated November 2011 and described in detail and in full length on Roblon's website http://www.roblon.com/en/company_profile/investor_relations/governance). Roblon A/S complies materially with the recommendations and describes an extract below on areas, where the Board has chosen a different policy:

1. Reporting
The Board has also decided to submit interim statements in future, since quarterly reports are not deemed to contribute towards a better understanding of the company's activities.

2. Board of Directors
Roblon does not publish recruitment criteria or the board profile, and no formalised annual evaluation is carried out. The Board is composed in such a manner as to guarantee that there is a broad base of professional experience. There is ongoing evaluation of whether the Board's expertise is in line with the company's needs and activities. On these grounds there is no age limit set for board members.

Five board meetings were held in 2010/11.

Three of the four board members elected by the AGM are considered to be independent, while one member of the board is not independent. Deputy Chairman Ole Krogsgaard is not independent due to family relations with ES Holding Frederikshavn ApS.

3. Remuneration paid to the Board of Directors and the Management
In its annual report the company provides information on the total remuneration paid to the Board and the Management respectively. The information is provided for the Board and the Management as a whole and not individually. This is done on the grounds that this information is of a personal nature that will also only be of limited relevance to shareholders. The company does not offer incentive schemes or special retirement schemes to Management.

4. Governance committee
Due to its size and complexity, the company does not make use of a governance committee, including nomination and remuneration committees. It has been decided that the Board as a whole will undertake the auditing committee's tasks.

On Roblon A/S's website (http://www.roblon.com/en/company_profile/investor_relations/governance), there is a detailed description of good corporate governance.

Reporting on internal control and risk management systems

The Board and Management bear overall responsibility for the company's control and risk management in connection with the presentation of financial statements, including compliance with relevant legislation and other regulation in relation to the preparation of financial statements. The company's control and risk management systems may create reasonable, but not absolute, certainty that the misuse of assets, loss and/or the presence of material errors and defects in conjunction with the preparation of financial statements can be avoided.

Control environment

At least once a year the Board evaluates the company's organisational structure, the risk of fraud and the existence of internal rules and guidelines.
The Board and Management define and approve overall policies, procedures and controls for important areas in connection with the process of preparing financial statements. The Board has adopted policies, manuals, procedures, etc. within important areas regarding the preparation of financial statements, and the policies, manuals and procedures are available on the company's intranet. Compliance is regularly emphasised and random compliance monitoring and tests are performed regularly.

The Management regularly checks compliance with relevant legislation and other regulations and provisions in connection with the preparation of financial statements, and reports on this are submitted to the Board on an ongoing basis.

Risk assessment

At least once a year, the Board carries out a general risk assessment as part of the process of preparing financial statements. As part of this risk assessment, the Board considers the risk of fraud and what precautions should be taken in order to reduce and/or remove these risks. With this in mind, any management incentives/motives related to manipulating accounts or other fraud must be discussed.

Audit

In order to safeguard the interests of the shareholders and the public, a state-authorised public accountancy firm is appointed at the annual general meeting in accordance with the recommendation of the Board. The auditors present a report to the Board once a year and also immediately after the identification of any circumstances that require the Board to make a decision. The auditors attend board meetings as part of the adoption of the annual report.

Besides making recommendations to the general meeting, the Board assesses the auditors' independence, expertise, etc., in consultation with the Management.

Shareholders

Dividend

At the Annual General Meeting on February 28, 2012 the Board of Directors will propose a dividend ratio of 70%, corresponding to DKK 25.0 million.

In the current situation with prospects of a positive cash flow 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 2010/11 of 70% (DKK 70 per B-share of DKK 100 and DKK 700 per A-share of DKK 1,000), against 50% in 2009/10. The distribution amounts to 91% of the total income of the year. At a year-end price of DKK 598, this implies a direct return of 11.7%.

Notifications to the stock exchange

January 4, 2011	Preliminary statement 2009/10
January 20, 2011	Major shareholder announcement
February 10, 2011	Interim statement
February 15, 2011	Change in Roblon A/S' Board
June 23, 2011	Interim report 2010/11
June 30, 2011	Change in Roblon A/S' management
August 25, 2011	Interim statement
September 13, 2011	Financial calendar 2011/12
November 29, 2011	Deviation from earlier announced expectations

Financial calendar

January 9, 2012	Preliminary statement 2010/11
February 28, 2012	Annual General Meeting and interim statement
June 28, 2012	Interim report 2011/12
August 30, 2012	Interim statement
January 10, 2013	Preliminary statement 2011/12
February 20, 2013	Annual General Meeting and interim statement

Capital and reserves

At the end of the year the company's capital and reserves total DKK 200.7 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 30/6 2012. 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.

Accountants

Deloitte
Statsautoriseret Revisionspartnerselskab
Gøteborgvej 18, 9200 Aalborg SV, Denmark

Attorney

Advokatfirmaet Hjulmand & Kaptain
Havnepladsen 7, 9900 Frederikshavn, Denmark

Primary Bank

Danske Bank, Finanscenter Jylland Nord, 9000 Aalborg, Denmark

Ownership

The following shareholders are subject to the provisions of Section 55 of the Danish Companies Act:

	Ownership interest %	Voting right %
ES Holding Frederikshavn ApS, Bøgevej 11, DK-8370 Hadsten	25.1	68.8
Investeringsrådgivning ApS, Østergade 27b, 1. tv., DK-7400 Herning	6.6	2.75
The Danish Labour Market Supplementary Pension Fund (ATP), Kongens Vænge 8, DK-3400 Hillerød	6.4	2.7
Danske Bank Group, Holmens Kanal 2-12, DK-1092 Copenhagen K	5.6	2.3

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

The Board of Roblon A/S seen from the left: Klaus Kalstrup, Henrik Hougaard, Peter Sloth Vagner Karlsen, Eva Lyngen, Ole Krogsgaard and Lasse Østergaard Nielsen.

Board of Directors and Management

In accordance with Section 107 of the Danish Financial Statements Act concerning managerial posts in Danish limited liability companies held by members of the Board of Directors and Management of Roblon Aktieselskab, the following has been reported:

Board of Directors

Klaus Kalstrup, Director
– (Chairman), born 1965, joined the Board in 2004.
Director of KKI ApS
Director of Kilde ApS

Ole Krogsgaard, Senior Master
– (Deputy Chairman), born 1947, joined the Board in 2002.

Henrik Hougaard, Managing Director
– born 1958, joined the Board in 2007.
Managing Director of Skiold Holding A/S, Henrik Hougaard Invest ApS, Skaarupgaard Skov ApS and Thoraso ApS.
Chairman of the Board of: SKIOLD A/S, Graintec A/S, Engsko A/S, FirstFarms A/S, DK-TEC A/S, United Milling Systems A/S, Fortin Madrejon A/S and Scandinavian Farm Invest A/S.
Member of the Board of: DAMAS A/S and Ejendomsselskabet Møllehuset A/S.

Peter Sloth Vagner Karlsen, Director
– born 1963, joined the Board in 2011.
Member of the Board of Hals Sparekasse and Grundfos Sen A/S.

Eva Lyngen, Machine Operator *)
– born 1956, joined the Board in 2007.
Member of the Board of Håndværkerafdelingen A/S.

Lasse Østergaard Nielsen, Sales Manager *)
– born 1978, joined the Board in 2011.

Management

Jens-Ole Sørensen, Managing Director, CEO
- born 1958, employed at Roblon in 2009.

Portfolio of shares of the Board
Number of shares per October 31, 2011:

Klaus Kalstrup, 0 shares
Ole Krogsgaard, 168 shares (Birgitte Krogsgaard 2789 shares)
Henrik Hougaard, 458 shares (and 1038 shares in the name of Skiold Holding)
Peter Sloth Vagner Karlsen, 79 shares
Eva Lyngen, 25 shares
Lasse Østergaard Nielsen, 25 shares.

*) elected by the employees

Financial review

In continuation of the Management's review, the financial review includes comments on the annual accounts for 2010/11 and the accounting policies.

The financial statements for 2010/11 for Roblon A/S are presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports for accounting class D (listed companies), cf. the IFRS Executive Order issued pursuant to the Danish Financial Statements Act.

Income statement
The revenue for the financial year was DKK 223.8 million against DKK 201.7 million in the previous year.

The export share was 89.1% compared to 91.1% in the previous year.

Costs for raw materials and consumables have increased as a result of higher revenue, just as other external costs and staff costs have increased.

Profit on primary activities for Roblon A/S was DKK 36.4 million against DKK 27.8 million in 2009/10.

The profit before tax for Roblon A/S was DKK 36.9 million against DKK 31.2 million in 2009/10.

Balance sheet
The company's balance sheet total has increased to DKK 242.0 million from DKK 224.9 million in the previous year.

Intangible assets are unchanged at DKK 9.5 million like one year earlier. Tangible assets decreased to DKK 44.9 million from DKK 50.7 million.

Current assets increased to DKK 186.5 million from DKK 164.8 million. Stocks increased to DKK 53.8 million from DKK 49.1 million, while the debtors increased to DKK 44.2 million from DKK 41.7 million and cash at bank and in hand and bonds increased to DKK 88.5 million from DKK 74.0 million one year earlier.

The company's capital and reserves amount to DKK 200.7 million and the solvency ratio is 82.9%.

Cash flow statement
Cash flow from operating activities was DKK 34.8 million in the financial year, compared to DKK 24.9 million in the previous year. The operating profit amounts to DKK 36.4 million against DKK 27.8 million one year earlier. The stocks and debtors are higher, and short-term creditors lower than last year. In total these figures reduce the net liquidity by DKK 4.4 million, while it was reduced by DKK 12.3 million one year earlier. Corporate tax amounts to DKK 6.4 million against DKK 3.9 million one year before.

Cash flow from investment activities shows a liquidity surplus of DKK 15.5 million (of which DKK 18.5 million concerns sale of bonds) against tied-up capital of DKK 36.6 million (of which DKK 32.3 million bonds) in 2009/10. Cash flow from financing activities concerns payment of dividend of DKK 17.9 million.

Cash at bank and in hand increased by DKK 32.5 million to DKK 66.7 million.

Director's report

We have today presented the annual report of Roblon A/S for the financial year 2010/11.

The annual report is presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

In our opinion, the annual report gives a true and fair view of the company's assets, liabilities and financial position at October 31, 2011 and of its result and cash flows for the financial year November 1, 2010 – October 31, 2011.

We also consider the management report to give a fair review of the development of the company's activities and performance, the profit of the year and the company's financial position as a whole, together with a description of the principal risks and uncertainties that it faces.

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

Frederikshavn, January 9, 2012

Management

Jens-Ole Sørensen
Managing Director, CEO

Board of Directors

Klaus Kalstrup Chairman	Ole Krogsgaard Deputy Chairman	Henrik Hougaard
Peter Sloth Vagner Karlsen	Eva Lyngen	Lasse Østergaard Nielsen

Independent auditor's report

To the shareholders of Roblon A/S

Report on the financial statements
We have audited the financial statements of Roblon A/S for the financial year 1 November 2010 - 31 October 2011, which comprise the statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including the accounting policies for the company. The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management's responsibility for financial statements
Management is responsible for the preparation and fair presentation of financial statements in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and basis of opinion
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion
In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 October 2011 and of their financial performance and their cash flows for the financial year 1 November 2010 - 31 October 2011 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the management commentary
Management is responsible for preparing a management commentary that contains a fair review in accordance with Danish disclosure requirements for listed companies.

Our audit did not include the management commentary, but we have read it pursuant to the Danish Financial Statements Act. We did not perform any procedures other than those performed during the audit of the financial statements.

Based on this, we believe that the disclosures in the management commentary are consistent with the financial statements.

Aalborg, 9 January 2012

Deloitte
Statsautoriseret Revisionspartnerselskab

Poul Erik Wagner	Torben Toft Kristensen
State Authorised	State Authorised
Public Accountant	Public Accountant

Cash flow statement

tDKK	2010/11	2009/10
Operating profit	**36,404**	**27,777**
Profit on sale of tangible assets	-954	-134
Depreciation and write-downs of tangible and intangible assets	9,749	10,068
Change in other provisions for liabilities	19	-135
Change in stocks	-4,764	3,300
Change in debtors	-3,564	-15,697
Change in current liabilities	3,904	139
Cash flow from primary activities	**40,794**	**25,318**
Financial payments received	1,282	3,464
Financial costs paid	-798	-1
Corporate tax paid	-6,441	-3,886
Cash flow from operating activities	**34,837**	**24,895**
Investment in intangible fixed assets	-2,580	-2,363
Investment in tangible fixed assets	-1,384	-2,225
Sales proceeds from tangible fixed assets	954	305
Purchase and sale of financial assets available for sale (net)	18,532	-32,326
Cash flow from investment activities	**15,522**	**-36,609**
Payment of dividend	-17,882	-10,729
Capital augmentation as part of the employee share scheme	0	51
Cash flow from financing activities	**-17,882**	**-10,678**
Change in cash at bank and in hand	32,477	-22,392
Cash at bank and in hand as at 1/11 2010	34,210	56,602
Cash at bank and in hand as at 31/10 2011	**66,687**	**34,210**

Income statement for the period November 1, 2010 - October 31, 2011

tDKK	Note	2010/11	2009/10
Net revenue		223,835	201,726
Other operating income		954	134
Costs for raw materials and consumables	4	-94,755	-88,311
Other external expenses	5,6	-26,886	-23,500
Staff costs	7	-56,995	-52,204
Depreciation and write-downs of tangible and intangible fixed assets		-9,749	-10,068
Operating profit		**36,404**	**27,777**
Interest income	8	1,282	3,464
Interest expenditure	9	-798	-1
Profit before tax		**36,888**	**31,240**
Tax on profit for the year	10	-9,251	-7,738
Profit for the year		**27,637**	**23,502**
Fair value adjustment of financial assets available for sale		32	-587
Fair value adjustment of liquidated financial assets transferred to the income statement	8,9	508	-126
Fair value adjustment of financial instruments concluded for the hedging of future cash flow		0	2
Fair value adjustment of liquidated financial instruments transferred to the income statement	8,9	-2	-96
Tax of other comprehensive income	10	-134	202
Other comprehensive income		**404**	**-605**
Total comprehensive income		**28,041**	**22,897**
Earnings per share (EPS)	**11**	**77.3**	**65.8**

Balance sheet as at October 31, 2011

tDKK	Note	2010/11	2009/10
ASSETS			
Non-current assets			
Completed development projects		5,852	6,764
Acquired patent		605	1,210
Ongoing development projects	4,5,7	3,008	1,504
Intangible assets	12	9,465	9,478
Land and buildings		36,334	38,961
Plant and machinery	4,7	6,867	9,220
Fixtures and fittings, tools and equipment		1,688	2,173
Tangible assets in the course of construction		28	336
Tangible assets	13	44,917	50,690
Trade debtors	15	1,101	0
Total non-current assets		**55,483**	**60,168**
Current Assets			
Stocks	14	53,830	49,066
Trade debtors	15	41,942	39,765
Other debtors		1,941	1,516
Accruals		292	431
Total debtors		44,175	41,712
Financial assets available for sale	16	21,786	39,778
Cash at bank and in hand	17	66,687	34,210
Total Current Assets		**186,478**	**164,766**
Total assets		**241,961**	**224,934**

Balance sheet as at October 31, 2011

tDKK	Note	2010/11	2009/10
LIABILITIES			
Capital and Reserves			
Share capital	18	35,763	35,763
Other reserves	19	-34	-438
Profit carried forward		164,932	155,176
Total capital and reserves		**200,661**	**190,501**
Non-current liabilities			
Deferred tax	20	4,648	4,448
Other provisions for liabilities	21	569	550
Total Non-current liabilities		**5,217**	**4,998**
Current liabilities			
Suppliers of goods and services		13,986	12,014
Corporate tax	22	6,696	3,952
Other debt		15,401	13,469
Total current liabilities		**36,083**	**29,435**
Total Liabilities		**241,961**	**224,934**

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Capital and reserves statement

tDKK	Share capital	Other reserves	Profit carried forward	Total
Capital and reserves as at 31/10 2009	35,698	167	142,417	178,282
Profit for the year			23,502	23,502
Other comprehensive income		-605		-605
Comprehensive income for the financial year		-605	23,502	22,897
Capital augmentation as part of the employee share scheme	65		3	68
Costs on employee shares			-17	-17
Dividend distributed			-10,729	-10,729
Capital and reserves as at 31/10 2010	35,763	-438	155,176	190,501
Profit for the year			27,637	27,637
Other comprehensive income		404		404
Comprehensive income for the financial year		404	27,637	28,041
Capital augmentation as part of the employee share scheme				
Costs on employee shares				
Dividend distributed			-17,881	-17,881
Capital and reserves as at 31/10 2011	35,763	-34	164,932	200,661

The share capital of 35,763,000 consists of the following shares:

A shares:	5,555	of DKK	1,000, in total	DKK 5,555,000
B shares:	302,080	of DKK	100, in total	DKK 30,208,000

Each A share of DKK	1,000 gives	100 votes.
Each B share of DKK	100 gives	one vote.

The A-shares are not listed on the stock exchange.

In accordance with the company's Articles of Association the B shares are entitled to dividend of 8% before any other allocation is made.

	31/10 2011		31/10 2010	
No of shares	A-shares	B-shares	A-shares	B-shares
Number of shares 01/11 2010	5,555	302,080	5,555	301,425
Capital augmentation by cash payment	0	0	0	655
Number of shares 31/10 2011	5,555	302,080	5,555	302,080

In February 2011, Roblon A/S distributed tDKK 17,881 as an ordinary dividend to the shareholders, equivalent to DKK 50 per DKK 100 share. In February 2010, a dividend of tDKK 10,729 was distributed, equivalent to DKK 30 per DKK 100 share.

For the financial year 2010/11 the Board has proposed dividend of tDKK 25,034 corresponding to DKK 70 per DKK 100 share, which will be distributed to the shareholders immediately after the Annual General Meeting on February 28, 2012 provided that the general meeting approves the proposal of the Board.

Notes

1. Accounting policies applied for the financial year 2010/11

The financial statements for 2010/11 for Roblon A/S are presented in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for annual reports for accounting class D (listed company), cf. the IFRS Executive Order issued pursuant to the Danish Financial Statements Act. The financial statements also comply with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

In the financial year we have used all the new and changed standards and interpretations, which are relevant to the company, and which were entered into force for financial periods, starting as per 1. november 2010. The implementation of new and changed standards have not affected the accounting policies for the company.

The accounting policies applied are described in full in Note 29.

2. Accounting estimates and judgements

Uncertainty of estimates

Calculating the carrying amounts of certain assets and liabilities requires assumptions, estimates and judgements to be made with regard to future events.

In this connection it is necessary to presume a sequence of events etc. that reflects the Management's evaluation of the most probable sequence of events. The assumptions may be inaccurate or incomplete and unexpected events or circumstances may arise. This has a significant impact on the assets and liabilities recognised and may require corrections in the subsequent financial year if the presumed sequence of events is not as expected.

Accounting judgements

As part of the application of the company's accounting policies, the Management makes judgements that can have a significant impact on the amounts included in the annual report.

Such judgements include whether development projects meet the criteria for activation.

Recovery of intangible assets generated internally in the Group
During the financial year, company management assessed the possibilities of recovering the carrying amount of the company's completed and ongoing development projects, which as of 31 October 2011 have a value of DKK 5.9 million and DKK 3.0 million (31/10 2010: DKK 6.8 million and DKK 1.5 million).

Detailed sensitivity analyses were conducted for the individual projects, and even though earnings were not as high as originally presumed, it is the view of management that the carrying amounts for the individual development projects will be recovered. Management will monitor future developments in this area closely and will make additional adjustments to the carrying amounts if developments necessitate it.

Notes

3. Segment information

	Industry		Lighting		Total	
tDKK	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10
Revenue	187,360	158,556	36,475	43,170	223,835	201,726
Contribution margin	88,419	72,793	18,897	22,180	107,316	94,973
Non-distributed costs					70,912	67,196
Operating profit					**36,404**	**27,777**

Non-distributed costs consist of a.o. production costs, purchase, sales and administration costs, product development, personnel costs, depreciations etc.

The company changed its structure during the financial year. The company was previously organised in three segments: Industrial Fiber, Engineering and Lighting. As of the beginning of the financial year, the company introduced a more matrix-like structure, the effects of which included the company's sales and business development being organised in two business units: Industry and Lighting. For a more detailed description of the structural and organisational change, please refer to the management's review.

Revenue can be divided into the following product groups:

tDKK	2010/11	2009/10
Product group		
Lighting	36,475	43,170
Offshore	39,205	40,595
Cable and cable machinery	93,358	69,183
TWM (Twisters, winders and rope machinery)	52,579	45,180
Other industry	2,218	3,598
Total	**223,835**	**201,726**

4. Costs for raw materials and consumables

Consumption of goods	95,139	87,595
Depreciation of stocks	423	1,426
	95,562	89,021
Materials included under non-current assets	-807	-710
Consumption regarding sold goods	94,755	88,311

5. Product development costs

Product development costs incurred	9,249	9,655
Product development costs recognised as intangible assets	-2,580	-2,363
Recognised in the income statement under other external costs and staff costs	6,669	7,292

6. Fees to auditors elected by the General Meeting

Statutory audit of annual accounts	168	165
Fee for other declarations with assurance	3	17
Tax counselling	5	0
Other services	83	25

Notes

tDKK	2010/11	2009/10
7. Staff costs		
Fees to the Board of Directors	375	375
Wages, management	2,512	2,588
Wages and salaries	51,186	46,313
Contribution pension, management	240	259
Contribution pensions, others	3,760	3,691
Other social security expenses	994	911
	59,067	54,137
Wages and salaries recognised under non-current assets	-2,072	-1,933
Staff costs charged to the income statement	56,995	52,204

The Management hold the entitlement to company cars, for which the taxable value amounts to tDKK 178.

The company only has defined contribution pension schemes and pay regular contributions to an independent pension fund, and is not exposed to any risk regarding future development of interest rates, inflation, mortality, disability etc. with regard to the amount that is to be paid to the employee in due course.

Average number of full-time employees	125	123

8. Financial income		
Other interest income	601	263
Interest on debtors	110	84
Interest on bonds	571	1,988
Interest income	1,282	2,335
Exchange rate gains and adjustments (net)	0	116
Realised capital gain on bonds	0	791
Fair value adjustment of liquidated financial assets transferred to the income statement	0	126
Fair value adjustment of liquidated forward business transferred to the income statement	0	96
Recognised under the income statement	1,282	3,464

9. Financial expenses		
Interest costs recognised under the income statement	8	1
Exchange rate losses and adjustments (net)	83	0
Realised loss on bonds	201	0
Fair value adjustment of liquidated financial assets transferred to the income statement	508	0
Fair value adjustment of liquidated forward business transferred to the income statement	-2	0
Recognised under the income statement	798	1

Notes

tDKK	2010/11	2009/10
10. Corporate tax for the year		
Tax payable	9,185	7,940
Change in deferred tax	200	-404
Tax in total	9,385	7,536
Of this tax on other comprehensive income	-134	202
Corporate tax for the year	9,251	7,738
Reconciliation of corporate tax:		
25% tax on the profit before tax	9,223	7,810
Tax effect on non-deductible costs	28	-72
	9,251	7,738
Effective tax rate (%)	25.1	24.8
Tax of income and costs recognised in other total income is accounted for as follows:		
Change in fair value adjustments of financial instruments concluded for the hedging of future cash flows	0	-24
Change of reserve for fair value adjustment of financial assets available for sale	134	-178
	134	-202
11. Earnings per share		
Profit for the year after tax	27,637	23,502
Number of A-shares of DKK 1,000	5,555	5,555
Number of B-shares of DKK 100	302,080	302,080
Earnings per A-share	773.0	658.0
Earnings per B-share	77.3	65.8
The number of shares is not affected by share options or anything else that affects the diluted earnings per share.		
Diluted earnings per A-share	773	658.0
Diluted earnings per B-share	77.3	65.8

Notes

tDKK	Completed development projects	Acquired patents	Ongoing development projects
12. Intangible assets			
Purchase price:			
Balance as at 1/11 2010	10,258	3,025	1,504
Addition of self-developed assets 2010/11	1,076	0	1,504
Balance as at 31/10 2011	11,334	3,025	3,008
Depreciation and write-downs:			
Balance as at 1/11 2010	3,494	1,815	0
Depreciation of the year	1,988	605	0
Balance as at 31/10 2011	5,482	2,420	0
Net book value as at 31/10 2011	**5,852**	**605**	**3,008**
Purchase price:			
Balance as at 1/11 2009	5,151	3,025	4,248
Addition of self-developed assets 2009/10	5,107	0	622
Disposals 2009/10	0	0	-3,366
Balance as at 31/10 2010	10,258	3,025	1,504
Depreciation and write-downs:			
Balance as at 1/11 2009	2,054	1,210	0
Depreciation of the year	1,440	605	0
Balance as at 31/10 2010	3,494	1,815	0
Net book value as at 31/10 2010	**6,764**	**1,210**	**1,504**

Apart from the ongoing development projects, all other intangible assets are considered to have certain lifetimes which depreciate the value of the assets, cf. description of accounting policies in note 29.

Ongoing development projects are tested for impairment on an annual basis.

Notes

tDKK

	Land & Buildings	Plant & machinery	Fixtures and fittings, tools and equipment	Tangible fixed assets in the course of construction
13. Tangible fixed assets				
Purchase price:				
Balance as at 1/11 2010	80,841	76,460	8,535	336
Additions 2010/11	0	1,371	321	28
Disposals 2010/11	0	-919	0	-336
Balance as at 31/10 2011	80,841	76,912	8,856	28
Depreciation and write-downs:				
Balance as at 1/11 2010	41,880	67,240	6,362	0
Concerning assets sold	0	-919	0	0
Depreciation of the year	2,627	3,724	806	0
Balance as at 31/10 2011	44,507	70,045	7,168	0
Net book value as at 31/10 2011	**36,334**	**6,867**	**1,688**	**28**
Purchase price:				
Balance as at 1/11 2009	81,281	75,142	9,677	302
Additions 2009/10	57	1,383	751	336
Disposals 2009/10	-497	-65	-1,893	-302
Balance as at 31/10 2010	80,841	76,460	8,535	336
Depreciation and write-downs:				
Balance as at 1/11 2009	39,681	62,774	7,288	0
Concerning assets sold	-438	-65	-1,866	0
Depreciation of the year	2,637	4,531	940	0
Balance as at 31/10 2010	41,880	67,240	6,362	0
Net book value as at 31/10 2010	**38,961**	**9,220**	**2,173**	**336**

The annual profit on the sale of tangible assets amounts to tDKK 954 and is recognised under other operating income (tDKK 134 in 2009/10).

Notes

tDKK	2010/11	2009/10
14. Stocks		
Raw materials and consumables	30,027	30,917
Work in progress	5,935	5,411
Manufactured finished goods	17,868	12,738
	53,830	49,066

15. Trade debtors		
Receivables from sales, non-current part	1,101	0
Receivables from sales, current part	41,942	39,765
	43.043	39.765

Of the total receivables from sales tDKK 23,821 is hedged by documentary credit, other security provided by a third party or credit insured (tDKK 11,460 in 2009/10).

Receivables are written down if their value, based on individual assessment of the individual debtors' ability to pay, has been impaired, e.g. in the event of an administration order, bankruptcy etc. Write-downs are done at the calculated net realisable value.

Receivables are written down directly and provisions for loss are regarded as realised, when it is no longer considered likely that there will be further payments on the debt.

Provisions 1/11 2010	265	643
Recorded losses for the year	0	-378
Provisions for the year to cover losses	80	0
Provisions account 31/10 2011	345	265

16. Financial assets available for sale

The item consists of listed mortgage bonds that are measured at fair value in the form of the market price on the balance sheet data.

17. Cash at bank and in hand		
Cash at bank and in hand	66,687	34,210

The company has unutilised credit facility of tDKK 18,000 (31/10 2010: tDKK 18,000)

18. Share capital		
Changes in share capital:		
Share capital as at 1/11 2006		35,383
Capital augmentation employee shares 2007/08 (B-shares)		315
Capital augmentation employee shares 2009/10 (B-shares)		65
Share capital as at 31/10 2011		35,763

The A-shares are not listed on the stock exchange.

The B-shares are listed on the stock exchange and according to the company´s articles of Association the B-shares are entitled to dividend of 8% before any other alloction is made.

Notes

tDKK

	Reserve for hedging transactions	Reserve for fair value adjustments of financial assets avail-able for sale	Total
19. Other reserves			
Capital and reserves as at 1/11 2009	72	95	167
Transferred to the income statement for cleared transactions	-72	-95	-167
Fair value adjustment in 2009/10	2	-440	-438
Other reserves as at 31/10 2010	2	-440	-438
Transferred to the income statement for cleared transactions	-2	382	380
Fair value adjustment in 2010/11	0	24	24
Other reserves as at 31/10 2011	0	-34	-34

Cleared hedging transactions have been recognised under net revenue in the income statement.

The reserve for value adjustment of hedging instruments includes the accumulated net change in the fair value of hedging transactions that meet the criteria for hedging future cash flows and where the hedged transaction has not yet been completed.

The reserve for the value adjustment of financial assets available for sale includes the accumulated net change in the fair value of financial assets that are classified as financial assets available for sale. The reserve is dissolved as the relevant financial assets are sold or expire.

Notes

tDKK	2010/11	2009/10
20. Provisions for deferred tax		
Deferred tax as at 1/11 2010	4,448	4,852
Deferred tax included in the profit for the year	200	-404
Deferred tax as at 31/10 2011	4,648	4,448
The amount allocated for deferred tax relates to:		
Current assets	522	325
Intangible fixed assets	2,366	2,370
Tangible fixed assets	1,760	2,023
Non-current liabilities	0	-270
	4,648	4,448

A tax rate of 25% has been used for calculating deferred tax.

21. Other provisions for liabilities		
Other provisions for liabilities as at 1/11 2010	550	685
Additions 2010/11	379	325
Applied 2010/11	-360	-330
Charged back in 2010/11	0	-130
Other provisions for liabilities as at 31/10 2011	569	550

Other provisions for liabilities consist of security liabilities expected to be applied within one year.

Guarantee obligations concern sold goods that are delivered with a guarantee that varies for the different business areas. The obligations are calculated on the basis of experience from previous years.

22. Corporate tax		
Balance as at 1/11 2010	3,952	-102
Payment of corporate tax concerning previous year	-4,859	-1,937
	-907	-2,039
Corporate tax payable	9,185	7,940
Tax paid on account in 2010/11	-1,582	-1,949
Balance as at 31/10 2011	6,696	3,952

Notes

tDKK	2010/11	2009/10
23. Financial risks		
Specification of financial assets and liabilities		
Financial assets available for sale (securities) measured at fair value via the income statement (noted prices, level 1)	21,786	39,778
Financial assets used as hedging instruments (the difference between agreed forward rate and market rate, level 2)	0	2
Receivables	44,175	41,710
	65,961	81,490
Financial liabilities measured at amortised cost price	36,083	29,435

As a result of its operation and investments, the company is exposed to a number of financial risks, including market risks (currency and interest rate risks) and credit risks.

The company's liquidity reserve consists of cash and cash equivalents, bond holdings and unutilised credit facilities.

Roblon's policy is to operate with a low risk profile so that currency, interest rate and credit risks only arise in connection with commercial conditions. The company's policy is not to engage in active speculations in financial risks.

The company's holding of bonds was reduced in 2010/11. Apart from this, there is no significant changes to the company's risk exposure or risk management compared to 2009/10.

Foreign currency exchange risks

The company's foreign currency exchange risks are primarily hedged by balancing payments received and payments made in the same currency.

Exchange rate fluctuations in single currencies are not considered to have a significant impact on the company's profit and equity.

The company uses hedging instruments such as forward exchange contracts and swaps in order to hedge recognised and unrecognised transactions. Hedged balance sheet items include cash and cash equivalents, receivables and financial liabilities. There are no active instruments as per 31/10 2011.

On the balance sheet date the fair value of the company's derivative financial instruments concluded for the hedging of recognised financial assets and liabilities amounted to tDKK 0 (31/10 2010 tDKK 2). The fair value of derivative financial instruments was in 2009/10 recognised in the balance sheet under other receivables and in the income statement under other comprehensive income.

Notes

tDKK

23. Financial risks (continued)

The company's foreign exchange positions as at 31/10 2011 in tDKK:

Currency	Receivables/ cash and cash equivalents	Liabilities	Forward exchange contracts	Net position
EUR	47,243	-8,142	0	39,101
USD	4,118	-811	0	3,307
GBP	925	-48	0	877
Others	0	-17	0	-17
	52,286	-9,018	0	43,268

The company's foreign exchange positions as at 31/10 2010 in tDKK:

Currency	Receivables/ cash and cash equivalents	Liabilities	Forward exchange contracts	Net position
EUR	34,339	-6,119	0	28,220
USD	2,263	-184	-2,168	-89
GBP	417	-40	0	377
Others	140	0	0	140
	37,159	-6,343	-2,168	28,648

Corporate trade debtors and trade creditors usually fall due no later than three months after delivery.

Interest-rate risks:

Over the years the company has built up a liquidity surplus and has not been dependent on debt financing. The surplus liquidity is kept in banks and Danish mortgage bonds. The bonds are in Danish kroner and EUR with a term of 5.59% and 5.04% respectively used as a basis for the below calculation of the interest rate's impact on equity.

An annual rise of one percentage point in the market interest rate compared to the interest level on the balance sheet date would have a negative impact of DKK 1.2 million on the company's equity relating to capital loss on bond holdings (2009/10 DKK 2.5 million).

Liquidity risks

The company has no significant credit risk as there is a large surplus liquidity. The company's assets are not pledged and there is no debt.

Notes

tDKK

23. Financial risks (continued)

Credit risks:

The primary credit risk in the company relates to receivables from the sale of goods and services. The company is not exposed to any significant risks in terms of an individual customer or business partner. The company's policy for assuming credit risks means that all larger customers and business partners undergo a credit rate check. Receivables are partially credit insured and a significant portion of the company's receivables are hedged using another form of security.

Historically speaking, the company has had relatively few losses on debtors and the risk of a significant loss on all receivables is considered to be limited. Please also refer to note 15, Trade debtors.

Agreements regarding derivative financial instruments are only entered into with recognised credit institutions.

Overdue but not impaired receivables are distributed as follows:

	31.10.11	**31.10.10**
Overdue by up to one month	9,120	6,046
Overdue by between one and three months	1,753	3,994
Overdue by between three and six months	480	159
Overdue by more than siz months	536	1,267
	11,889	11,466

The maximum credit risk linked to receivables is equivalent to their carrying amounts.

Optimisation of capital structure:

The Management continuously assesses whether the company's capital structure complies with the interests of the company and its shareholders. The overall goal is to ensure a capital structure that supports long-term financial growth and at the same time maximises the return for the company's stakeholders. The company's overall strategy is unchanged compared to last year.

The company's capital structure consists of financial assets available for sale, liquid funds and equity, including share capital, other reserves and net income brought forward.

The company has a high level of equity and good capital resources, which are considered to be a significant strength with regard to any future activity expansions. With the current ownership structure, the company has no immediate plans to merge the two share classes, which would be considered an obstacle to acquiring capital on the stock exchange. This situation means that there is a need for more capital resources than would normally be the case.

24. Contingent liabilities

Bank guarantees have been issued to a value of DKK 2.4 million as security for prepayments.

Notes

tDKK

25. Closely related parties

Closely related parties with control

ES Holding Frederikshavn ApS, Bøgevej 11, 8370 Hadsten, owns the A-shares of Roblon A/S and has the controlling interest of the company.

Transactions with closely related parties

In the financial year, Roblon A/S has purchased raw materials worth tDKK 3,195 from a company owned by a Board member. The purchase was made at market-based prices. As at 31/10 2011 Roblon A/S owes the company in question tDKK 382. In 2009/10 Roblon A/S purchased goods worth tDKK 1,901 from the company and the debt as per 31/10 2010 amounted to tDKK 52.

Please refer to note 7 for details on remuneration to members of the Management.

There have been no other transactions with closely related parties.

26. Shareholder relations

Roblon A/S has registered the following shareholders with more than 5% of the share capital's voting shares or nominal value:

	Ownership interest %		Voting share %	
	2010	**2011**	**2010**	**2011**
ES Holding Frederikshavn ApS, Bøgevej 11, DK-8370 Hadsten	25.2	25.1	68.8	68.8
Investeringsrådgivning ApS, Østergade 27b, 1. tv., DK-7400 Herning		6.6		2.75
Arbejdsmarkedets Tillægspension (ATP), Kongens Vænge 8, DK-3400 Hillerød	12.6	6.4	5.3	2.7
Danske Bank Group Holmens Kanal 2-12, DK-1092 Copenhagen K	5.6	5.6	2.3	2.3

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

27. Events after the balance sheet date

No significant events with a material effect on the annual report have occured since the balance sheet date.

28. Approval of annual report for publication

At the Board meeting on January 9, 2012, the Board approved the present annual report for publication. The annual report shall be submitted to Roblon A/S' shareholders for adoption at the Annual General Meeting on February 28, 2012.

Notes

29. Accounting policies

The financial statements for 2010/11 for Roblon A/S are presented in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for annual reports for accounting class D (listed company), cf. the IFRS Executive Order issued pursuant to the Danish Financial Statements Act. The financial statements also comply with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The financial statements are presented in Danish kroner (DKK) rounded to the nearest DKK 1,000.

The financial statements are presented on the basis of historical cost prices except for financial assets and financial liabilities that are measured at fair value when first recognised. cf. below.

Recognition and measurement in general
Assets are recognised on the balance sheet if it is probable that future financial benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet where, as a result of a previous event, the company has a legal or actual liability and it is probable that future economic benefits will be removed from the company, and the value of the liability can be measured reliably.

On initial recognition assets and liabilities are stated at cost price. Subsequently assets and liabilities are measured as described for each individual item below.

Recognition and measurement take into account gains, losses and risks occurring before the presentation of the annual report, which confirm or disprove circumstances existing as at the balance sheet date.

Revenue is recognised on the income statement as it is generated, including value adjustments of financial assets and liabilities, which are stated at fair value or amortised at cost price. Costs incurred in order to achieve the revenue for the year are also recognised, including depreciation, write-downs and provisions for liabilities, as well as reversals as a result of changes in accounting estimates of amounts previously recognised in the income statement.

Translation of foreign currencies
Transactions in foreign currencies are translated when first recognised at the exchange rate applying on the transaction date. Differences between the exchange rate on the transaction date and the payment date are recognised under financial items in the income statement.

Debtors, creditors and other monetary items in foreign currencies are translated at the exchange rate applying on the balance sheet date. The difference between the exchange rate on the balance sheet date and at the time when the debtor or creditor item occurred or was recognised in the latest annual accounts is recognised under financial income and expenses in the income statement.

Derivative financial instruments
When they are first recognised, derivative financial instruments are measured at fair value on the settlement date.
After the initial recognition, derivative financial instruments are measured at fair value on the balance sheet data. Positive and negative fair values of derivative financial instruments are recorded under other receivables and other debt respectively.

Changes in the fair value of derivative financial instruments that are classified as and satisfy the conditions for hedging the fair value of a recognised asset or a recognised liability are recognised under the profit/loss together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments that are classified as and satisfy the conditions for the effective hedging of future transactions are recognised in other comprehensive income. The ineffective portion is recognised immediately under the profit/loss. When the hedged transactions are executed, the accumulated changes are recognised as a portion of the cost price of the transactions in question.

Derivative financial instruments that do not satisfy the conditions for processing as hedging instruments are treated as trading books and are measured at fair value with ongoing recognition of fair value adjustments in the profit/loss under financial items.

INCOME STATEMENT

Net revenue
Net revenue from the sale of goods for resale and manufactured goods is recognised in the income statement, when delivery and the transfer of risk to the purchaser have taken place.

Cost of raw materials and consumables
The costs consist of raw materials and consumables that are used in the manufacturing production process in order to achieve revenue.

Notes

29. Accounting policies (continued)

Other external costs
Other external costs consist of expenses in connection with production, sales, procurement and development as well as costs in connection with company administration.

Staff costs
Staff costs consist of costs for production personnel as well as sales, procurement, development and administration.

Financial income and costs
Financial income and costs include interest income and costs, realised and unrealised capital gains and losses on securities and transactions in foreign currency, as well as extra payments and refunds under the Danish Tax Prepayment Scheme.

The interest accrued on purchases and sales is recognised as interest rates.

Tax
The tax for the year, which consists of current taxes and changes in deferred taxes, is reported under profit for the year as the portion attributable to the profit for the year and in other comprehensive income as the portion attributable to items in other comprehensive income.

When calculating the current tax for the year, the applicable tax rates and tax rules in force on the balance sheet date are used.

The company is jointly taxed with the parent company. The current Danish corporate tax is split between the jointly taxed companies on a pro rata basis in relation to their taxable incomes (full split with refund for tax losses).

BALANCE SHEET

Intangible assets
Intangible assets are valued at cost price less accumulated depreciations and write-downs or at recoverable value, whichever is lower.

Development projects comprise costs and wages directly and indirectly attributable to the company's development activities. Any interest expenses on loans for financing development projects are included in the cost price, if they relate to the development period.

Development projects which are clearly defined and identifiable, where the technical degree of utilisation, sufficient resources and a potential future market or development opportunity in the company can be demonstrated, and where the intention is to produce, market or utilise the project are recognised as intangible assets, if the cost price can be reliably calculated and there is adequate security that future revenue will cover the development costs and other overheads. The part of the company's development costs, which do not comply with the above mentioned criteria for recognition, are recognised in the income statement as expenses in the year in which they incurred.

After completion of the development activities the capitalised development costs are depreciated on a straight-line basis over their estimated useful lives. The depreciation period for capitalised projects is five years.

Acquired patents are written down throughout their duration.

Development projects in progress are tested annually for impairment.

Tangible assets
Land and buildings, property, plant and equipment as well as other fixtures and fittings, operating equipment and inventories are measured at cost price less accumulated depreciation and write-downs. There is no depreciation in respect of land.

The cost price includes the purchase price and all costs directly linked to the acquisition up until the point where the asset is ready for use. For assets manufactured by the company itself, the cost price covers direct and indirect costs for materials, components, sub-contractors and wages. Any interest expenses on loans for financing the manufacture of tangible assets are included in the cost price if they relate to the period of production.

Tangible assets are written down to the recoverable value if this is lower than the carrying amount.

The basis of depreciation is the asset's cost price less the residual value. Depreciation values are calculated on a straight-line basis over the expected lifetime, which is as follows:

Buildings	25 years
Significant modifications to buildings	5 years
Property, plant and equipment	3 to 10 years
Other fixtures and fittings, operating equipment and inventories	3 to 5 years

Profits and losses on the sale of tangible fixed assets are calculated as the difference between the sales price less sales costs

Notes

29. Accounting policies (continued)

and the book value at the time of sale. The profit or loss is recognised in the income statement under other operating income and operating expenses.

Impairment of intangible and tangible assets
The carrying amount of non-current intangible and tangible assets is assessed regularly, at least once a year, to determine whether there are indications of impairment. If such an indication is evident, the asset's recoverable value is calculated. The recoverable value is an asset's fair value less the expected costs of disposal or the capital value, whichever is the higher. The capital value is calculated as the current value of expected future cash flows from the asset or the cash flow-generating units of which the asset is part.

A loss from impairment is recognised, when the carrying amount of an asset or a cash flow-generating unit exceeds the recoverable value of the asset or of the cash flow-generating unit.

Stocks
Stocks are stated at cost price according to the FIFO method. If the net realisable value is lower than the cost price, the latter is written down to this lower value.

The cost price for raw materials and consumables comprises the purchase price plus landed cost.

The cost price for finished goods and work in progress comprises cost price for raw materials, consumables, direct labour costs and indirect production costs. Indirect production costs comprise indirect materials and labour costs as well as maintenance and depreciation of the machinery, plant and equipment used during the manufacturing process.

The net realisable value of stocks is stated as the sales price less completion costs and costs for effecting sales, and is determined taking into account marketability/unmarketability and the development in the expected sales price.

Receivables
Receivables include receivables from the sale of goods and services as well as other receivables.

Receivables are measured at fair value when they are first recognised and subsequently at amortised cost price, which usually amounts to the nominal value less write-downs to meet the expected loss. Write-down is carried out using a provisions account.

Financial assets available for sale
Financial assets available for sale recognised under current assets cover listed bonds.

Financial assets available for sale are measured at fair value, when they are first recognised on the settlement date plus attributable costs upon purchase. The assets are subsequently measured at fair value on the balance sheet date (equivalent to the market price) and changes to the fair value are recognised under other comprehensive income. When assets are sold or disposed of, they are recognised under other comprehensive income on the trade date together with the recognised accumulated fair value adjustments.

Other provisions
Allocated obligations/provisions are recognised when the company, due to circumstances occuring before or at the balance sheet date, has legal or actual obligations, and it is probable that financial benefits must be renounced in order to honour the obligation.

Debt commitments
Short-term debt commitments comprising debt to suppliers and other debts, are valued at amortised cost price, which normally corresponds to nominal value.

Corporate tax
Tax payable and tax receivable are recognised in the balance sheet as calculated tax on the taxable revenue for the year, adjusted for tax paid on account.

The company is jointly taxed with ES Holding Frederikshavn ApS.

Deferred tax
Deferred tax is valued according to the balance-sheet-oriented debt method on all temporary differences between book value and fiscal value of assets and liabilities.

Deferred tax assets are recognised at the value at which they are expected to be used and balanced in deferred tax liabilities. Deferred tax is valued on basis of the tax rules and tax rates under the legislation applying as at the balance sheet date, when the deferred tax is expected to be payable. Changes in deferred taxes as a result of changes in tax rates are recognised under profit for the year as the portion attributable to the profit and under other comprehensive income as the portion attributable to items under other comprehensive income.

Notes

29. Accounting policies (continued)

Cash flow statement
The cash flow statement is presented according to the indirect method based on ”Operating profit” in the income statement. The cash flow analysis shows the impact of the following three activities on the liquidity for the year.

Cash flow from operating activities comprises profit for the year adjusted for non-liquid operating items, changes in operating capital during the year and paid corporation tax.

Cash flow from investment activities comprises cash flow from purchase and sale of intangible, tangible and financial assets.

Cash flow from financing activities comprises cash flow from dividend to shareholders, purchase and sale of own capital investments and subscription of employee shares.

Cash at bank and in hand comprises cash at bank and in hand.

Key ratios
Key ratios have been calculated in accordance with the recommendations from the Danish Society of Financial Analysts.

Financial highlights and key figures stated in the table are calculated as follows:

Profit ratio:	Profit on primary activities as a percentage of revenue.
ROIC/return on average invested capital.	Operating profit (EBIT) as a ratio of average invested capital. Invested capital includes capital and reserves and corporate tax less liquid items and bonds.
Solvency ratio	Capital and reserves as a ratio of total assets, end of period.
Return on equity	Profit after tax as a ratio of average capital and reserves.
Earnings per share of DKK 100	Earnings after tax as a ratio of average number of shares (excluding own shares).
Price/earnings ratio (PE)	Stock exchange listing as a ratio of earnings per share of DKK 100.
Payout ratio	Total payout of dividend as a ratio of profit on ordinary activities after tax.
Cash flow per share of DKK 100	Cash flow from operating activities as a ratio of average number of shares (excluding own shares).
Intrinsic value of shares	Capital and reserves as a ratio of number of shares (excluding own shares), end of period.

The key figures are adjusted for capital augmentations.

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