SCANVAEGT
Imagine Superior Food Processing

SCANVAEGT INTERNATIONAL A/S

(Company Register number CVR 25 01 37 19)

ANNUAL REPORT FOR 2004/2005

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KEY INFORMATION ABOUT THE COMPANY

THE COMPANY:

Scanvaegt International A/S
P.O. Pedersens Vej 18
8200 Århus N
DENMARK

Board of directors:

Lars Grundtvig, chairman
Michael Grundtvig
Henrik Grundtvig
Erik Steffensen
Johan Blach Petersen
Tommy V. Christiansen
Kristian Kolding

Management:

Erik Steffensen

Auditors:

PricewaterhouseCoopers

Ownership:

The entire share capital of the company is owned by Scanvaegt International Holding ApS, P.O. Pedersens Vej 18, 8200 Århus N, Denmark.

KEY INFORMATIONABOUT THE COMPANY, CONTINUED...

SUBSIDIARIES:

Scanvægt Nordic A/S, Århus, 100% owned (Share capital DKK 5,000,000)

Digi-System A/S, Århus, 100% owned (Share capital DKK 8,835,000)

Dansk Kalibreringsteknik A/S, Århus, 100% owned (Share capital DKK 500,000)

Scanvaegt Leasing A/S, Århus, 100% owned (Share capital DKK 1,500,000)

Norfo A/S, Rønne, 100% owned (Share capital DKK 3,000,000)

Scanvaegt Automation A/S, 75% owned (Share Capital DKK 500,000)

Scanvaegt (GB) Ltd., England, 100% owned (Share capital GBP 300,000)

Scanvaegt Nederland B.V., Holland, 100% owned (Share capital EUR 227,406)

Scanvaegt Ireland Ltd., Ireland, 100% owned (Share capital EUR 507,895)

Scanvaegt Northern Ireland, Northern Ireland, 100% owned by Scanvaegt Ireland (Share capital GBP 10,000)

Scanvaegt France S.A.R.L., France, 100% owned (Share capital EUR 700,000)

Scanvaegt (Deutschland) GmbH, Germany, 100% owned (Share capital EUR 178,950)

Scanvaegt do Brasil Ltda, Brazil, 100% owned (Share capital BRN 250,000)

Scanvaegt Chile, Ltda, Chile, 100% owned (Share capital CHP 70,000,000)

Scanvaegt US Inc., USA, 100% owned (Share capital USD 3,276,000)

Scanvaegt Italia Srl., Italy, 100% owned (Share capital EUR 76,500)

Scanvaegt España SL, Spain, 100% owned (Share capital EUR 120,202)

Scanvaegt Norge AS, Norway, 100% owned by Scanvægt Nordic A/S (Share capital NOK 3,000,000)

Scanvaegt AB, Sweden, 100% owned by Scanvægt Nordic A/S (Share capital SEK 100,000)

Scanvaegt Ltd., New Zealand, 70% owned (Share capital NZD 200,000)

ASSOCIATED COMPANY:

Uniscale Sp.zoo., Poland, 50% owned (Share capital PLN 1,000.000)

BRANCH:

Scanvaegt Uruguay, Uruguay, 100% owned

MANAGEMENT'S REPORT

Today the board and the management have presented the annual report 2004/05 for Scanvaegt International A/S.

The annual report has been prepared in accordance with the Danish Annual Accounts' Act.

The chosen accounting principles are considered appropriate so that the annual report presents fairly the Group's and the company's assets and liabilities, financial position and the result.

The accounts are submitted to the General Meeting for approval.

Århus, July 1, 2005

Management:

Erik Steffensen

Board of Directors:

Lars Grundtvig (Chairman)

Michael Grundtvig

Henrik Grundtvig

Erik Steffensen

Johan Blach Petersen

Tommy V. Christiansen

Kristian Kolding

Approved at the general meeting held on September 22, 2005:

Chairman of the meeting

AUDITORS' REPORT

To the shareholder of Scanvaegt International A/S
We have audited the Annual Report of Scanvaegt International A/S for the financial year 1 May 2004 - 30 April 2005, which is rendered in accordance with the Danish Financial Statements Act.

The Annual Report is the responsibility of the Company Management. Our responsibility is to express our opinion on the Annual Report based on our audit.

The audit
We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the Annual Report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Annual Report. An audit also includes measuring the accounting policies applied and significant estimates made by Management, as well as evaluating the overall annual report presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any qualification.

Opinion
In our opinion, the Annual Report gives a true and fair view of the financial position at 30 April 2005 of the Group and Parent Company and of the results of the Group and Parent Company operations and consolidated cash flows for the financial year 1 May 2004 - 30 April 2005 in accordance with the Danish Financial Statements Act.

Århus, July 1, 2005
PricewaterhouseCoopers

Kim Tost
State Authorised Public Accountant

Susanne Varrisboel
State Authorised Public Accountant

KEY FIGURES FOR THE GROUP

Mill. DKK	2004/05	2003/04	2002/03	2001/02	2000/01
Profit and Loss Account:					
Net turnover	663	649	661	688	634
Gross profit	189	178	136	201	201
Result of primary operation	25	16	-39	27	39
Financial items, net	-9	-13	-10	-12	-9
Result of the year	12	4	-37	15	18
Balance:					
Total assets	465	470	509	572	554
Equity	115	104	102	147	133
Gross investments in tangible fixed assets	17	16	22	14	37
Key figures in %:					
Gross margin	28.5	27.5	20.6	29.3	31.7
Profit margin	3.7	2.5	-5.9	3.9	6.2
Return on investment	5.4	3.3	-7.3	4.9	8.3
Debt-equity ratio	24.7	22.2	20.1	25.7	24.0

The key figures are prepared in accordance with the "Recommendations and Key figures 2005" of The Danish Association of Financial Analysts (Den Danske Finansanalytikerforening). The key figures are defined as follows:

Gross margin $$\frac{\text{Gross profit x 100}}{\text{Net turnover}}$$

Profit margin $$\frac{\text{Result of primary operation x 100}}{\text{Net turnover}}$$

Furthermore the following are shown:

Return on investment $$\frac{\text{Result of primary operation}}{\text{Average operational assets}}$$

Debt-equity ratio $$\frac{\text{Equity excl. of minority interest, end of period x 100}}{\text{Total liabilities, end of period}}$$

In accordance with §166, 4 of the Danish Financial Statements Act the comparative figures are not adapted as for the application of the "production principle" on work in progress, for capitalisation of financially leased assets as well as the measurement at amortised cost price of financial assets and liabilities, which are not expected to be repaid before expiry for the financial years 2000/01 - 2001/2002.

ANNUAL REPORT

Main activity

The main activity is development, production and sales of packing, process and weighing equipment as well as IT-based Production Control Systems for the global food industry. Development and production are made in the Parent Company and in one subsidiary whereas sales take place from the other subsidiaries and from the Parent Company.

Development within the financial year

The Group's result before tax for 2004/05 is a profit of 17 mill. DKK and the result after tax is a profit of 12 mill. DKK. The result is a significant improvement compared to former years and corresponds to the expectations expressed in the Annual Report for 2003/04.

At the beginning of the financial year the Group has sold the subsidiary JJ Stål A/S in order to increase focus on the core products of the Group. This disposal resulted in a minor profit.

The sales of the Group's products have been in accordance with plans and budgets throughout the year. This implies that the sales of core products widely seen has developed positively, but also that in segments of the food industry the level of investment has been very high and the Group has been able to use the potential in these segments extensively. In accordance with the consolidation strategy laid down, a number of activities has been initiated focusing on increased profitability, and in total the result is considered satisfactory.

Particular risks

Besides the general economic development, which influences the investment level, the Group is influenced by the following particular risks:

In general the competition within the food industry is growing in most countries, mainly driven by a still more aggressive retail industry. Together with the marked increase in competition between countries and regions within agriculture this leads to an additional concentration at the production stage. Simultaneously a number of working processes connected with agriculture are moved from high-income countries to low-income countries having lower production costs.

Diseases such as avian influenza, BSE or foot-and-mouth disease are risks that can influence the Group's sales in countries and regions affected.

The described development and indicated risks involve a number of challenges for the Group as for our own capability of serving a global food industry. This is particularly the case in certain sectors where the industry increasingly consists of large or very large companies operating over very large geographical areas. Simultaneously the food industry demands still more automatic and technological products and solutions. This demand is derived from the food industry's need for reducing the production costs, increasing their quality and ensuring traceability at all stages.

On the other hand this development and such risks imply a number of interesting possibilities for the company.

The Group, whose business is increasingly based on know-how, currently develops its technological level, its level of knowledge, its product range and its sales and marketing organisation in order to serve the global food industry over large geographical distances in the best possible way, thus achieving a considerable spread of its sales.

Resulting from considerable exports, the Group is exposed to changes in exchange rates and interest levels. It is the Group's policy actively to control financial risks, and no speculation is thus made.

Know-how resources

The Group's primary business basis is to deliver competitive products, solutions and technology to the food industry to enable the latter maintain its competitiveness. This makes heavy demands on developing and maintaining the know-how for employees, products and business processes. The Group therefore currently develops policies and procedures for recruitment, training and maintaining of employees and for development and documentation of products and business procedures.

Environmental exposure

In essentials the Group's production consists of mounting components from sub-suppliers and it is therefore the management's opinion that the Group's impact on the external environment is very small. In general it is Group policy to reduce such impact to the extent that this is financially defendable.

Research and development activities

Research and development are carried out in the Parent Company and in two subsidiaries and include current new and further development of products and processes for the food industry. In this financial year the Group has spent a little over 27 mill. DKK on development projects and activities. It is expected that next year's development activities will be at a higher level.

Expected development

The investment level in the food industry on a number of the Group's significant markets is clearly recovering. This, together with the continued introduction of a number of new products, solutions and processes and a continued optimisation of the competitiveness of the existing product range, means that a considerable growth is expected in the sales of core products and solutions. This growth is expected to take place without considerable extention of capacity, and simultaneously a number of activities to increase profitability has been initiated at all levels of the Group. This, together with the fact that the order portfolio at the beginning of the financial year is satisfactory, is one of the reasons why a considerably improved result is expected in the coming financial year.

Besides this, no essential events have occurred after the end of the financial year.

ACCOUNTING PRINCIPLES APPLIED

FOR THE FINANCIAL YEAR ENDED

APRIL 30 2005

The annual report has been prepared in accordance with the Danish Annual Accounts Act of 2001, the Company's articles of association and generally accepted accounting principles in Denmark. The annual report is rendered in accordance with accounting class C (large companies).

The accounting principles applied are unchanged compared to former years apart from a re-classification of certain items between production costs and distribution costs in the Profit and Loss Account. The comparison figures have been adjusted.

Generally about inclusion and measurement

In the Profit and Loss Account income is included para passu with realisation. Costs, spent to achieve the income of the year, including depreciation, writing down, and liabilities provided for are included in the Profit and Loss Account. Value adjustments of financial assets and liabilities, measured at current value or amortised cost price, are included in the Profit and Loss Account.

Assets are included in the balance when it is likely that future financial advantages will accrue to the company and the value of the asset can be measured reliably. Liabilities are included in the balance when it is likely that future financial advantages will be deducted the company and the value of the liability can be measured reliably

At the first inclusion assets and liabilities are measured at cost price. Subsequently assets and liabilities are measured as described below for each financial item. Certain financial assets and liabilities are measured at amortised cost price, and thus a constant effective interest over the life is included. Amortised cost price is measured as original
cost price with deduction of possible instalments and addition / deduction of the accumulated amortisation of the difference between cost price and nominal amount.

Profits, losses and risks, which appear before the annual report is prepared and which confirm or the opposite conditions existing on the balance day will be considered at inclusion and measurement.

Consolidation

The Group accounts comprise the Parent Company Scanvaegt International A/S and the subsidiaries and associated companies listed on page 2.

The Group Accounts are prepared as a summary of the items in the accounts of the Parent Company and the subsidiaries and elimination is made of inter-company income and costs, shareholdings, accounts and dividends as well as of unrealised profit and loss. As for associated companies, inter-company profits and losses are eliminated pro rata.

At acquisition of shareholdings in subsidiaries and associated companies, a statement is made of the difference between the acquisition price of the shareholding and the current value of identifiable assets and liabilities at the time of acquisition. Positive differences (goodwill) are capitalised and systematically depreciated over the lifetime of each individual asset, however maximum 20 years. Negative differences, which correspond to an expected adverse development in results, will be provided for and taken to income as the adverse development occurs.

The result of acquired shareholdings will be included from the time of the acquisition.

Translation of Foreign Currencies

Transactions in foreign currencies are translated at the official exchange rate applicable on the day of the transaction. Exchange differences, which arise between the exchange rate applicable on the day of the transaction and the exchange rate on the day of payment, are included in the profit and loss account as a financial item.

Receivables and payables in foreign currencies, which are not settled on the balance day, are translated at the official exchange rates applicable on the balance day. Unrealised and realised exchange rate adjustments are entered in the Profit and Loss account under financial items.

When translating the profit and loss accounts of foreign subsidiaries and associated companies an average rate for the entire year is used. When translating the balances of foreign subsidiaries and associated companies the official exchange rates on the balance sheet date are used. The exchange differences, which occur when the equity of subsidiaries and associated companies is translated at the beginning of the year and when translating the profit and loss accounts to the exchange rate prevailing at the balance day, are taken directly to the equity.

Derived financial instruments

Derived financial instruments are first included in the balance at cost price and subsequently measured at current value. Positive and negative current values of derived financial instruments are included in other receivables and other debt, respectively.

The change of current value of derived financial instruments, which are classified as and fulfil the criteria for ensuring the current value of an included asset or an included liability, is included in the profit and loss account with possible changes of the current value of the ensured asset or the ensured liability.

The change of current value of derived financial instruments, which are classified as and fulfil the criteria for ensuring the future value of assets and liabilities, is included in other receivables or other debt and in the equity. Income and costs regarding such transactions are transferred from equity and included in the same items as the ensured.

As for derived financial instruments, which do not fulfil the conditions for classification as transactions, the changes are included in the profit and loss account.

PROFIT AND LOSS ACCOUNT

Net turnover

The net turnover at sales of goods and services is included in the Profit and Loss Account if delivery and passing of risk to buyer has taken place before the end of the financial year and if the income can be measured and is expected to be received. The net turnover is measured exclusive of VAT, taxes and with deduction for discounts in connection with the sales.

Work in progress for the account of a third party is included as the production is made, meaning that the net turnover corresponds to the sales value of the work of the year (production method). The net turnover is included when the total income and costs of the contract and the degree of finalisation on the balance day can be measured reliably and it is likely that the financial advantages, including payments, will reach the Group.

Production costs

Production costs include costs paid to achieve the net turnover of the year. The production costs include direct and indirect costs for raw materials, commodities and consumables, salaries and wages, rent and leasing as well as depreciation on production equipment and other fixed assets used in production. Furthermore, depreciation on inventories and depreciation in connection with expected loss on work in progress for the account of a third party is included. The production costs also include development costs, which do not fulfil the criteria for capitalisation as well as depreciation on capitalised development projects.

Distribution costs

The distribution costs include costs paid for sales and distribution of goods and services sold during the year as well as the sales carried through during the year. This includes costs for sales staff and depreciation.

Administration costs

The administration costs include costs paid during the year for management and administration of the Group, including costs for administrative staff, management, offices, insurance, office costs, etc. and depreciation.

Result of investments in subsidiaries and associated companies

In the profit and loss account of the Parent Company the pro rata share of each subsidiary's result before tax with deduction of the year's amortisation of goodwill is included. Any share of the subsidiaries' tax is included in tax on the year's result.

In the profit and loss account of the Parent Company as well as the Group the pro rata share of the associated companies' result before tax with deduction of the year's amortisation of goodwill and after elimination of a pro rate share of internal profit or loss is included. Any share of the associated companies' tax is included in tax on the year's result.

Financial items

Financial income and costs include interest income and costs, realised and unrealised capital gain and loss on securities and outstanding balances on transactions in foreign currencies, amortisation of financial assets and liabilities as well as additions and costs under the on account scheme, etc. Financial income and costs are included with the amounts, pertaining to the financial year.

THE BALANCE

Intangible fixed assets

Development projects

Development projects comprise costs which directly and indirectly can be applied to the development activities of the company and which comply with generally accepted criteria for inclusions. Capitalised development projects are measured at cost price with deduction for accumulated depreciation or at recovery value, whichever is the lower. Capitalised development projects are depreciated according to the straight-line method over the financial period of use after the completion of the development project. The depreciation period is usually 5 years and not more than 20 years.

Goodwill

Goodwill, arising in connection with the purchase of companies, is capitalised and depreciated over the useful life of each individual asset, however not more than 20 years.

Tangible fixed assets

Tangible fixed assets are measured at cost price with deduction for accumulated depreciation. Depreciation is made according to the straight-line method over the expected useful life as follows:

Buildings	50 years
Leasehold improvements	Max. 10 years
Cars	Max. 6 years
Machines, technical equipment and inventory	5-10 years
Software	3 years

Improvements and minor acquisitions below DKK 25,000 are charged to the Profit and Loss Account when they occur. Land is not depreciated.

Leasing contracts on tangible fixed assets, on which the Group carries all essential risks and advantages related to the ownership (financial leasing), are measured at first inclusion at current value or at present value of the future leasing instalments, whichever is the lower. When calculating the present value the internal interest level of the leasing contract is used as discounting factor or an approximate value for this. Henceforth financially leased assets are treated as the Group's other tangible fixed assets. The capitalised remaining leasing obligation is included in the balance as a debt commitment and the interest part of the leasing instalments is included over the lifetime of the contract in the profit and loss account as a financial cost.

Financial fixed assets

Investments in subsidiaries and associated companies are included in the balance at the pro rata share of the companies' recorded intrinsic value made up according to the accounting principles of the Parent Company with deduction or addition of unrealised profits and losses and with addition or deduction of remaining positive or negative differential value made up according to the acquisition method.

Subsidiaries and associated companies with a negative book value are recorded at no value and possible receivables with these companies will be depreciated by the Parent Company's share of the negative equity to the extent that amounts receivable are considered irrecoverable. If the recorded negative equity exceeds the receivable, the remaining amount will be recorded under provisions to the extent the Parent Company has a legal or real obligation to cover the negative balance of the subsidiary.

The net appreciation of investments in subsidiaries and associated companies are transferred under equity to net appreciation according to the equity method to the extent that the book value exceeds the acquisition value with deduction for depreciation on goodwill.

Other securities are measured at current value, when such can be measured reliably. If not, such securities are measured at purchase price. Securities, which are not expected to be redeemed before redemption date, are measured at amortised cost price meaning that the capital gain currently is entered into the profit and loss account as an interest income.

Depreciation

The book value of intangible tangible and financial fixed assets are measured annually to find out whether there is any indication of decrease in value. Whenever such indication is present, the recovery value of the asset is estimated. The recovery value is the net realisation value or the utility value of an asset, whichever is the higher. A loss at decrease of value is included when the book value of an asset or the cash-generating unit exceeds the asset or its cash generating unit's recovery value. Loss at decrease of value is included in the profit and loss account.

Inventories

Inventories are measured at the lower of cost and net realisable value, where the cost price is based on the first-in, first-out principle. The cost price for commodities as well as raw materials and consumables is measured as purchase price with addition of delivery costs.

Work-in-progress and finished goods are valued at direct costs for material and wages with addition of indirect production costs. Indirect production costs include indirect materials and salaries, maintenance of and depreciation on the machines and the equipment used for the production process, costs for premises as well as administration and management of the factory.

Accounts receivable

Accounts receivable are measured at amortised cost price which normally corresponds to nominal value. Accounts receivable are depreciated to counter for expected loss based on an individual estimate of each account receivable.

Work in progress for the account of a third party

Work in progress for the account of a third party is measured at the sales value of the work made. The sales value is measured on basis of the degree of completion on the balance day and the total expected income on each work in progress. The degree of completion is measured as the proportion between the resources used and the total expected resources for the completion of the contract.

When the sales value of a work in progress cannot be measured reliably, the work in progress is included in the costs or at net realisation value, whichever is the lower.

Each work in progress is included in the balance under receivables or liabilities, depending on the net value of the sales amount with deduction of part invoicing and pre-payments. Costs in relation to sales work and gaining of contracts are included in the profit and loss account as they occur.

Securities

Securities, which are current assets, are entered at current value.

Equity

Dividend for the year is included as a specific item under equity. The dividend is included as a liability at the time of approval at the ordinary general meeting.

Provision for liabilities

Provision for liabilities includes expected costs for guarantee commitments, loss on work in progress, reorganisation, etc.

Financial liabilities

Financial liability commitments are included at the borrowing and at the proceeds received with deduction for the transaction cost paid. In subsequent periods financial liabilities are included at amortised cost price corresponding to the capitalised value when applying the actual interest rate, meaning that the difference between the proceeds and the nominal value is included in the profit and loss account.

Financial liabilities equally comprise the capitalised remaining leasing liability on financial leasing contracts.

Other liability commitments, including debt to suppliers, subsidiaries and associated companies as well as other debt and accrued expenses and deferred income are measured at amortised cost price that usually corresponds to nominal value.

Accrued expenses and deferred income

Accrued expenses and deferred income include payments received pertaining to income in subsequent years.

Taxes

The tax of the year, consisting of the actual tax of the year as well as changes in provision for deferred tax, is entered in the profit and loss account with the part which pertains to the result of the year and in the equity with the part which pertains to entries directly in the equity.

Deferred tax is calculated according to the balance oriented liability method and is provided for all temporary accounting and fiscal value of assets and liabilities. Deferred tax is calculated by using the tax rate valid at any time. Changes in the provision for deferred taxes due to changes in tax rates are taken to the profit and loss account. Deferred fiscal assets, including the fiscal value of carry-forwards are entered at the value at which they are expected to be used, either by offset in tax of future income or by setoffs in deferred fiscal liabilities within the same legal, fiscal unity and jurisdiction.

Deferred tax on goodwill is not included, unless it is fiscally depreciable.

The Parent Company is jointly taxed with a number of the 100% owned subsidiaries. As a consequence of the joint taxation, the calculated tax of the result in the jointly taxed companies is charged to the account with the Parent Company in which provision for due income taxes is made. Tax on the consolidated taxable income is divided between the jointly taxed Danish companies.

The jointly taxed companies pay taxes according to the on account scheme. Premiums or discounts related to the payment of the income taxes are classified as financial items and are not included in the expensed income tax.

Cash Flow Statement:

The cash flow statement for the Group, which is made in accordance with the indirect method, shows the cash flow from operating activities, investment activities, financing activities as well as the cash and short-term bank debt of the Group at the beginning and the end of the year.

The cash flow from the operating activities is made up as the year's result of the primary operation, adjusted for non-cash operation items, changes of working capital and payments regarding financial items and company tax.

The cash flow from investment activities comprises payments in connection with purchase and sale of companies as well as intangible, tangible and financial assets.

The cash flow from financial activities comprises changes of the long-term debt and payment of dividend.

In relation to the cash flow statement, liquidity includes the Group's short-term bank debt after deduction of cash.

Segment information

Segment information is given with reference to the transitional rules of the annual accounts act about geographical markets. The segment information are in line with the Group's accounting principles, risks and internal financial controlling. Segment income and cost as well as segment fixed assets and liabilities include the items, which can be directly referred to each segment as well as the items, which indirectly can be allocated to the segment in question on a reasonable basis. Investments in associated companies as well as interest giving financial fixed assets and liabilities are not included in segment fixed assets and segment liabilities, respectively.

PROFIT AND LOSS ACCOUNT FOR THE YEAR

ENDED APRIL 30, 2005

(DKK 1,000)

	Group			Parent Company		
	Note	2004/05	2003/04	Note	2004/05	2003/04
NET TURNOVER	1	662,970	649,383	1	263,207	242,229
Cost of sales	2	-474,026	-470,930	2	-222,463	-206,794
GROSS PROFIT		188,944	178,453		40,744	35,435
Distribution expenses	2	-105,134	-100,122	2	-30,832	-25,692
Administrative expenses	2	-59,216	-62,302	2	-13,348	-10,642
OPERATING RESULT		24,594	16,029		-3,436	-899
Result before tax in subsidiaries		-	-	9	26,143	9,758
Result before tax in associated company	9	879	1,214	9	879	1,214
Financial items, net	3	-8,687	-12,787	3	-6,469	-5,500
RESULT BEFORE TAX		16,786	4,456		17,117	4,573
Tax on the year's result	4	-5,473	-941	4	-5,473	-941
GROUP RESULT		11,313	3,515		11,644	3,632
Minority interests		331	117		-	-
NET RESULT OF THE YEAR		11,644	3,632		11,644	3,632

Suggestion for disposal of result

Transfer to (from) provision for reserves for net revaluation according to equity method	-8,950	9,433
Dividend	-	-
Transferred to next year	20,594	-5,801
	11,644	3,632

BALANCE AS AT APRIL 30, 2005

ASSETS

(kr. 1,000)

	Group			Parent Company		
	Note	2005	2004	Note	2005	2004
FIXED ASSETS						
Intangible fixed assets:						
Development projects	5	44,496	46,397	6	41,908	44,276
Goodwill	5	6,232	9,444		-	-
		50,728	55,841		41,908	44,276
Tangible fixed assets						
Land and buildings	7	75,494	77,154	8	42,748	43,611
Leasehold improvements	7	828	865		-	-
Tangible assets and fixtures	7	25,703	26,197	8	3,564	3,552
		102,025	104,216		46,312	47,163
Financial fixed assets						
Investments in subsidiaries		-	-	9	100,536	107,117
Investments in associated company	9	3,519	2,820	9	3,519	2,820
Stocks and shares	9	1,615	1,666	9	1,615	1,666
Deposits		663	745		161	184
		5,797	5,231		105,831	111,787
Total fixed assets		158,550	165,288		194,051	203,226
CURRENT ASSETS						
Inventories	10	116,926	121,304	10	45,660	41,022
Accounts receivable:						
Trade receivable	11	140,514	149,637	11	25,914	23,791
Work in progress for the account of a third party	12	20,501	4,618	12	19,079	5,971
Receivables from subsidiaries		2,947	-		44,301	54,692
Deferred tax asset	4	2,879	4,280	4	-	-
Other receivables		17,955	20,425		6,278	7,969
		184,796	178,960		95,572	92,423
Securities		55	42		-	-
Cash		4,947	4,697		1,204	44
Total current assets		306,724	305,003		142,436	133,489
TOTAL ASSETS		465,274	470,291		336,487	336,715

BALANCE AS AT APRIL 30, 2005

LIABILITIES

(DKK 1,000)

	Note	Group 2005	Group 2004	Note	Parent company 2005	Parent company 2004
SHAREHOLDERS' EQUITY						
Share capital	13	10,000	10,000	13	10,000	10,000
Reserve for equity method		-	-	13	9,334	18,169
Retained earnings	13	104,958	94,466	13	95,624	76,297
Suggested dividend	13	-	-	13	-	-
Shareholders' equity		**114,958**	**104,466**		**114,958**	**104,466**
MINORITY INTERESTS						
Minority interests		**189**	**240**		**-**	**-**
PROVISIONS						
Deferred taxes	4	**9,624**	**10,637**	4	**10,621**	**10,714**
LONG-TERM LIABILITIES						
Long-term liabilities	14	**107,873**	**115,991**	14	**68,598**	**72,132**
CURRENT LIABILITIES						
Short-tem part of long-term liabilities	14	11,315	10,807	14	3,530	3,419
Bank debt		80,610	95,561		49,405	60,261
Prepayments from customers	12	9,819	20,673	12	3,874	51
Trade payables		38,257	30,195		14,175	13,380
Payables to subsidiaries		-	3,431		45,224	48,577
Income tax payable	4	2,547	675	4	731	-
Other debt	15	76,965	65,143	15	25,371	23,715
Accrued expenses and deferred income	16	13,117	12,472	16	-	-
Total current liabilities		**232,630**	**238,957**		**142,310**	**149,403**
Total liabilities		**340,503**	**354,948**		**210,908**	**221,535**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		465,274	470,291		336,487	336,715

	Note			Note		
Fee for public accountant	17			17		
Transactions with close parties	18			18		
Guarantee commitments and contingencies	19			19		

CASH FLOW STATEMENT

FOR THE YEAR ENDED APRIL 30, 2005

(DKK 1,000)

	2004/2005	2003/2004
OPERATING ACTIVITIES		
Operating result	24,594	16,029
Net profit on sales of fixed assets and exchange rate adjustments	-2,434	-1,958
Depreciation	30,571	29,252
Change of inventories	4,444	10,085
Change of receivables	-3,974	-3,668
Change of prepayments from customers	-10,854	5,426
Change of trade payables	8,062	-570
Change of other debt and of accrued income and deferred expenses	4,011	-3,336
Cash flow from primary operation	**54,420**	**51,260**
Net payment regarding financial items	-8,687	-12,787
Cash flow from ordinary operation	**45,733**	**38,473**
Tax paid	-2,471	-1,677
Total cash flow from operating activities	**43,262**	**36,796**
INVESTMENT ACTIVITIES		
Purchase of fixed assets	-28,160	-23,116
Sales of fixed assets	7,204	7,206
Dividend from associated company	360	305
Cash flow effect at sale of company	-	2,880
Total cash flow to investment activities	**-20,596**	**-12,725**
FINANCING ACTIVITIES		
Raising of long-term loans	2,736	2,837
Instalments on long-term loans	-10,201	-11,002
Dividend paid	-	-
Investment from minority interest	-	366
Total cash flow from financing activities	**-7,465**	**-7,799**
Total change of cash and short-term bank debt	**15,201**	**16,272**
Cash and short-term bank debt as at May 1, 2004	-90,864	-107,135
Cash and short-term bank debt as at April 30, 2005	**-75,663**	**-90,863**
Cash and short-term bank debt are specified as follows:		
Cash	4,947	4,697
Short-term bank debt	-80,610	-95,561
Cash and short-term bank debt as at April 30, 2005	**-75,663**	**-90,864**

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED

APRIL 30, 2005

(DKK 1,000)

1. SEGMENT INFORMATION:

Group	Denmark	Abroad	Total
Result before financial items	11,333	13,261	24,594
Segment fixed assets	20,389	133,027	153,416
Segment liabilities	40,992	97,166	138,158

In accordance with § 65, 2 of the Danish Financial Statements Act, it is the view of the management that information on segmentation of the net turnover would cause considerable harm which is why such information is not given.

2. PERSONNEL EXPENSES

	Group		Parent company	
	2004/2005	2003/2004	2004/2005	2003/2004
Salaries, wages and compensation	229,982	239,032	86,206	78,263
Pension	5,747	5,584	2,260	1,808
Other expenses for social security	12,503	9,303	3,767	240
	248,232	253,919	92,233	80,311
Number of full time employees	629	686	221	204

The total compensation to the directors and the Board of Directors in the parent company amounts to 806 against 775 in 2003/04.

3. FINANCIAL ITEMS

	Group		Parent company	
	2004/2005	2003/2004	2004/2005	2003/2004
Interest income, subsidiaries	-	-	1,754	3,447
Interest expenses, subsidiaries	-	-	-1,523	-1,159
Interest income, etc.	2,616	2,015	500	179
Interest expenses, etc.	-11,303	-14,802	-7,200	-7,967
	-8,687	-12,787	-6,469	-5,500

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED

APRIL 30, 2005

(DKK 1,000)

4. TAXES

Group	Income taxes payable / (receivable)	Deferred tax	Tax on the year's result
Provision as at May 1, 2004	675	6,357	-
Exchange rate adjustments etc.	-	-13	-
Paid during the year	-2,471	-	-
Tax of the year's result	4,540	933	5,473
Tax in non-consolidated companies	-197	-	-
Tax of the year's movements of equity	-	-532	-
Provision as at April 30, 2005, net	2,547	6,745	5,473
- entered in the balance sheet as follows:			
Tax payable	2,547	-	
Deferred tax asset	-	-2,879	
Deferred tax	-	9,624	
Provision as at April 30, 2005, net	2,547	6,745	

Parent company	Income taxes payable / (receivable)	Deferred tax	Tax of the year's result
Provision as at May 1, 2004	-	10,714	-
Corrections regarding previous years	546	-216	330
Paid during the year	-	-	-
Tax of the year's result in the parent company	-4,554	536	-4,018
Tax of the year's result in subsidiaries	-	-	9,161
Refund received from jointly taxed subsidiaries	4,739	-	-
Tax of the year's movements of equity	-	-413	-
Provision as at April 30, 2005, net	731	10,621	5,473

For the group as well as for the parent company the deferred tax mainly consists of the net value of accounting added value. To a limited extent the group also includes fiscal deficits, which are expected to be used in forthcoming years.

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED

APRIL 30, 2005

(DKK 1,000)

5. INTANGIBLE FIXED ASSETS, GROUP:

	Goodwill	Finished development projects	Development projects in progress	Total development projects
Cost price				
Cost price as at May 1, 2004	23,454	65,218	15,173	80,391
Exchange adjustment as at May 1, 2004	-126	-	-	-
Additions	-	837	10,203	11,040
Transferred	-	8,764	-8,764	0
Disposals	-23	-6,802	-	-6,802
Cost price as at April 30, 2005	23,305	68,017	16,612	84,629
Accumulated depreciation				
Depreciation as at May 1, 2004	14,010	33,994	-	33,994
Exchange adjustment as at May 1, 2004	-124	-	-	-
Disposals	-	-6,802	-	-6,802
Depreciation of the year	3,187	12,941	-	12,941
Depreciation as at April 30, 2005	17,073	40,133	-	40,133
Net value as at April 30, 2005	6,232	27,884	16,612	44,496

6. INTANGIBLE FIXED ASSETS, PARENT COMPANY

	Finished development projects	Development projects in progress	Total Development projects
Cost price:			
Cost price as at May 1, 2004	65,218	13,052	78,270
Additions	837	9,236	10,073
Transferred	8,764	-8,764	0
Disposals	-6,802	-	-6,802
Cost price as at April 30, 2005	68,017	13,524	81,541
Accumulated depreciation:			
Depreciation as at May 1, 2004	33,994	-	33,994
Disposals	-6,802	-	-6,802
Depreciation of the year	12,441	-	12,441
Depreciation as at April 30, 2005	39,633	0	39,633
Net value as at April 30, 2005	28,384	13,524	41,908

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED

APRIL 30, 2005

(DKK 1,000)

7. TANGIBLE FIXED ASSETS, GROUP

	Land and buildings	Leasehold improvements	Other tangible assets
Cost price:			
Cost price as at May 1, 2004	90,849	1,667	81,432
Exchange adjustments as at May 1, 2004	-130	-19	-206
Additions	17	153	16,950
Disposals	-	-	-17,498
Cost price at at April 30, 2005	90,736	1,801	80,678
Accumulated depreciation			
Depreciation as at May 1, 2004	13,695	802	55,235
Exchange adjustments as at May 1, 2004	8	-11	-97
Disposals	-	-	-12,903
Depreciation of the year	1,539	182	12,740
Depreciation as at April 30, 2005	15,242	973	54,975
Net value as at April 30, 2005	75,494	828	25,703

The latest official assessed cash value of land and buildings for taxation purposes amounted to 63,330.

The booked value of this land and these buildings is 56,847 as at April 30, 2005.

Other tangible assets include leased assets with a book value of 7,937.

8. TANGIBLE FIXED ASSETS, PARENT COMPANY

	Land and buildings	Other tangible assets
Cost price:		
Cost price as at May 1, 2004	52,726	18,736
Additions	-	2,887
Disposals	-	-1,625
Cost price as at April 30, 2005	52,726	19,998
Accumulated depreciation		
Depreciation as at May 1, 2004	9,115	15,184
Disposals	-	-342
Depreciation of the year	863	1,592
Depreciation as at April 30, 2005	9,978	16,434
Net value as at April 30, 2005	42,748	3,564

The latest official assessed cash value of land and buildings for taxation purposes amounted to 47,450.

No leased assets are included in the tangible assets of the parent company.

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED

APRIL 30, 2005

(DKK 1,000)

9. FINANCIAL FIXED ASSETS

	Parent company	Group and Parent company	
	Subsi-diaries	Associated company	Other stocks and securities
Cost price:			
Cost price as at May 1, 2004	80,367	1,120	1,666
Additions	18,050	-	99
Disposals	-11,000	-	-150
Cost price as at April 30, 2005	87,417	1,120	1,615
Accumulated appreciation and depreciation			
Depreciation as at May 1, 2004	16,469	1,700	-
Exchange adjustments of equity	13	377	-
Disposals	5,434	-	-
The year's share of result before taxes	26,143	879	-
Tax on the result of the year	-8,964	-197	-
Mouvements of equity	-393	-	-
Tax on movements of equity	118	-	-
Dividend paid	-31,885	-360	-
Appreciation and depreciation as at April 30, 2005	6,935	2,399	0
Net value as at April 30, 2005	94,352	3,519	1,615
Negative equity items counterbalanced in outstanding amounts with subsidiaries	6,184	-	-
Gross value as at April 30, 2005	100,536	3,519	1,615

All foreign subsidiaries and the associated company are considered separate entities.

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED

APRIL 30, 2005

(DKK 1,000)

10. INVENTORIES

	Group		Parent company	
	2005	2004	2005	2004
Finished goods and work in progress	70,762	84,446	22,297	15,702
Raw materials and consumables	46,164	36,858	23,363	25,320
	116,926	121,304	45,660	41,022

11. TRADE RECEIVABLES

Out of total trade receivables for the Group, 3,135 (2003: 6,418) are due for payment more than one year after the balance day.

12. WORK IN PROGRESS FOR THE ACCOUNT OF A THIRD PARTY

	Group		Parent Company	
	2005	2004	2005	2004
Work in progress for the account of a third party	26,449	9,578	21,833	7,926
On account invoicing	-15,767	-25,633	-6,628	-2,006
Net value as at April 30, 2005	10,682	-16,055	15,205	5,920
- which is included as follows:				
Work in progress for the account of a third party	20,501	4,618	19,079	5,971
Prepayments from customers	-9,819	-20,673	-3,874	-51
Net value as at April 30, 2005	10,682	-16,055	15,205	5,920

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED

APRIL 30, 2005

(DKK 1,000)

13. EQUITY

	Group			
	Share capital	Retained earnings	Suggested dividend	Total
Balance as at May 1, 2004	10,000	94,466	-	104,466
Dividend paid	-	-	-	0
Exchange adjustments	-	390	-	390
Adjustment of derivated financial				0
instruments at market value after tax	-	-1,542	-	-1,542
Net result of the year	-	11,644	-	11,644
Balance as at April 30, 2005	10,000	104,958	0	114,958

	Parent company				
	Share capital	Reserve for equity method	Retained earnings	Suggested dividend	Total
Balance as at May 1, 2004	10,000	18,169	76,297	-	104,466
Dividend paid	-	-	-	-	-
Exchange adjustments of shareholdings in subsidia-ries and associated company	-	390		-	390
Adjustment of derivated financial instruments at market value after tax	-	-	-1,267	-	-1,267
Adjustment in susidiaries of derivated financial instru-ments at market value after tax	-	-275	-	-	-275
Net result of the year	-	-8,950	20,594	-	11,644
Balance as at April 30, 2005	10,000	9,334	95,624	0	114,958

NOTES TO THE ANNUAL ACCOUNTS FOR THE YEAR ENDED

APRIL 30, 2005

(DKK 1,000)

14. LONG-TERM LIABILITIES

	Group			
	Short-term part	Long-term part	Total	Hereof due after more than 5 years
Mortgage debt	2,265	44,027	46,292	34,392
Bank debt	5,543	59,310	64,853	4,107
Leasing commitments	3,507	4,536	8,043	-
	11,315	107,873	119,188	38,499

	Parent company			
	Short-term part	Long-term part	Total	Hereof due after more than 5 years
Mortgage debt	1,568	30,998	32,566	1,258
Bank debt	1,962	37,600	39,562	24,290
	3,530	68,598	72,128	25,548

15. OTHER DEBT

The most important items included in other debt are VAT due, payrolll tax, salaries, holiday allowances and other payables.

16. ACCRUED EXPENSES AND DEFERRED INCOME

The accrued expenses and deferred income primarily relate to invoiced services for delivery during the next financial year.

17. FEE FOR THE PUBLIC ACCOUNTANT

	Group		Parent company	
	Audit	Other services	Audit	Other services
PricewaterhouseCoopers	688	85	405	69
Other auditors in foreign subsidiaries	476	298	-	-
	1,164	383	405	69

18. TRANSACTIONS WITH CLOSELY RELATED PARTIES:

The closely related parties with controlling interest of the company consists of the Parent Company Scanvaegt International Holding ApS and its controlling shareholder Lars Grundtvig. Besides closely related parties are the remaining board and the management as well as subsidiaries and associated company as shown in page 2.

During the accounting year the company has sold the subsidiary J.J. Stål A/S to Scanvaegt International Holding ApS. Apart from this there are no agreements or transactions with the Parent Company besides a normal interest-bearing account.

There are no agreements or other transactions with the Group in which the board or the management have had financial interests besides the transactions that are a consequence of the employment.

Trade between the companies in the Group takes place at market conditions and is eliminated in the Group accounts.

19. GUARANTEE COMMITMENTS AND CONTINGENCIES:

The company is jointly taxed with some of the other companies in the Group and is liable for the total calculated tax. In case one of the foreign companies comprised by the joint taxation should leave this latter, the Parent Company might face a contingency of totally 11 mill. DKK.

No provision has been made to comply with legal guarantee obligations as the management considers that the potential obligation is immaterial.

The Parent Company has granted surety for a few subsidiaries' bank and leasing engagements. As at April 30, 2005 these commitments amount to 62 mill. DKK. The Parent Company has made supporting declarations for a few subsidiaries.

In subsidiaries assets have been given in security for bank debt of totally 9 mill. DKK. In the Parent Company assets have been given in security of totally 7 mill. DKK. In the Group there are obligations ensuring from bills of 0.4 mill. DKK.

Forward contracts of 33 mill. DKK have been made as hedging for Scanvaegt International's receivables and debts as well as potential orders in foreign currencies.

Interest swaps with a total principal of 63 mill. DKK have been made as hedging for the Parent Company's interest on debt with variable interest. In the Group the total principal on such interest swaps amount to 79 mill. DKK. The current value of these interest swaps is included in the balance.

Bank guarantees of 8 mill. DKK have been made to customers, suppliers, etc. by the Parent Company. In the Group bank guarantees amount to 10 mill. DKK. The Parent Company has made guarantee towards a subsidiary of the credit risk on receivables of totally 0.4 mill. DKK.

The annual commitment on lease and leasing contracts amounts to 0.9 mill. DKK in the Parent Company. The terms of the leasing contracts in the Parent Company do not exceed 3 years. The annual payment on lease and leasing contracts amounts to approx. 4 mill. DKK in the Group. The terms of the leasing contracts do not exceed 5 years.

The Group's total commitment on financial leasing contracts amounts to 6 mill. DKK, which is included in the balance, cf. note 14. The terms of these leasing contracts do not exceed 5 years.