« DANSK VERSION «

Annual Report 07/08

Roblon

Contents

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Dear shareholder,

The past year was again a particularly good one for Roblon A/S, with organic growth and a slight improvement in the profit for the year compared to the splendid profit of the previous year.

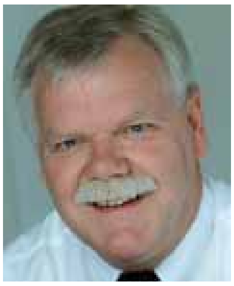
Roblon's three divisions have worked purposefully towards expanding on the positive development that has characterised the last few years. This has been successful in two divisions, while Roblon Lighting recorded a slight decline in some markets.

As an international company with clients on every continent, it is very important that all our employees demonstrate a great degree of insight, flexibility and solid performance in order to serve our customers, in the first instance, but also suppliers and other stakeholders in the best manner possible. These accounts for the year 2007/08 show that this has been successful.

In our globalised world, an increasing level of dynamism is being experienced. In order to safeguard Roblon's strategic market position to the best of our ability, all divisions are working purposefully towards implementing the strategy we have adopted under the conditions prevailing in the international markets. This creates a readiness for change in the divisions, which ensures a strong foundation for managing future challenges.

In 2009 Roblon A/S is in a stronger position than ever. The company has the best conditions for managing the change from a boom period and growth to a more moderate scenario.

Roblon A/S would also like to continue to be an attractive partner in the future for our business relations and a challenging and exciting workplace for our employees.



I would like to conclude by thanking our employees for their efforts in 2007/08.
I would also like to thank our shareholders for their continued interest in Roblon A/S.

Yours sincerely,
Roblon A/S

Flemming K. Bertelsen
Managing Director, CEO

Roblon A/S Concept
Roblon A/S wishes to be known locally, nationally and internationally as a well-reputed, sound and progressive company which sets credibility and honesty before short-term profits. This value is cherished and supported by employees, customers, suppliers and investors alike.

Objectives
- The overall financial objectives of Roblon A/S are:
- Organic growth of 10-15% annually on the turnover and profits of each business area
- A profit ratio in each business area of at least 10%.
- An equity ratio exceeding 50 at all times
- A liquidity ratio exceeding 2.0
- The dividend policy is described in more detail under Shareholders.

Strategies
Roblon A/S updates its strategic plans each year. High priority is given to product and market development that can help to generate organic growth.

Any opportunities of e.g. acquisitions, strategic cooperation or acquisition of licence rights within the company's business areas are investigated, if new opportunities should appear or if an acquisition is a means of reaching our strategic objectives.

The individual business areas'/divisions' development is subject to ongoing evaluation with focus on continued profitability and growth potential.

Summary

- Roblon A/S realised a profit before tax of DKK 34.5 million compared with DKK 32.3 million last year, which is an increase of 6.8%.
- Profit after tax is DKK 26.5 million, compared with DKK 24.6 million last year.
- Profit on primary activities is DKK 32.8 million compared with DKK 32.1 million last year.
- Turnover is DKK 251.9 million, compared with DKK 234.0 million last year, representing an increase of 7.6%.
- Roblon Industrial Fiber and Roblon Engineering both achieved turnover and earnings that are better than the previous year and better than expected at the beginning of the year.
- At Roblon Lighting, turnover and earnings were lower than last year and lower than expected at the beginning of the year.
- The Board considers the overall profit for Roblon A/S very satisfactory.
- It is proposed that the company continue to pay a high dividend of 50%, which amounts to DKK 17.8 million.
- During the financial year 2008/09, primarily due to the general downturn in our markets, we are expecting turnover in the region of DKK 210 – 220 million and profit before tax in the region of DKK 18 – 23 million.

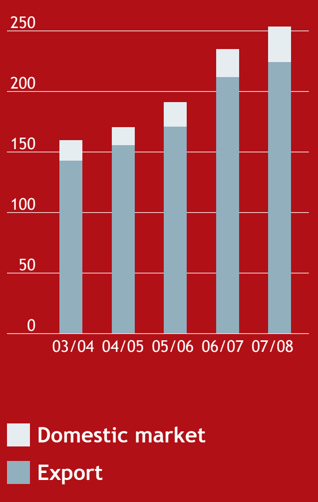
ROBLON IN FIGURES

Financial Highlights (DKK mill.)	**2003/04**	**2004/05**	**2005/06**	**2006/07**	**2007/08**
Income Statement:					
Total turnover	160.6	171.8	189.4	234.0	251.9
Of which for export	144.1	157.0	174.9	216.5	234.3
Profit on primary activities	10.6	16.0	24.5	32.1	32.8
Net financing, etc.	0.4	1.1	0.8	0.2	1.8
Profit before tax	11.0	17.1	25.3	32.3	34.5
Profit for the year	7.8	12.5	18.2	24.6	26.5
Balance Sheet:					
Total assets	170.0	180.8	211.8	216.1	226.2
Share capital	35.4	35.4	35.4	35.4	35.7
Capital and reserves	144.9	150.7	169.8	176.8	185.5
Shareholder value	119.9	192.9	302.5	350.0	282.1
Cash Flow:					
Cash flow from operating activities	12.5	32.2	24.0	26.1	27.4
Cash flow from investment activities	(1.2)	(3.0)	(2.9)	(8.2)	(6.7)
Of which investment in tangible fixed assets (gross)	(1.4)	(1.6)	(1.7)	(5.5)	(6.3)
Cash flow from financing activities	(3.3)	(6.8)	1.0	(17.7)	(17.6)
Change in cash and cash equivalents	8.0	22.5	22.1	0.1	3.1

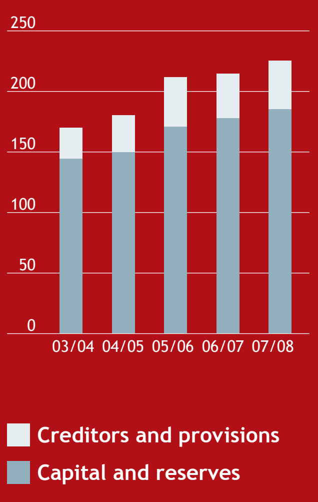
Key Figures	2003/04	2004/05	2005/06	2006/07	2007/08
Profit ratio (%)	6.6	9.3	12.9	13.7	13.0
ROIC/return on average invested capital (%)	7.7	12.1	19.2	24.6	24.3
Equity ratio (%)	85.2	83.3	80.2	81.8	82.0
Return on equity (%)	5.5	8.5	11.3	14.2	14.6
Earnings per share of DKK 100 (EPS)	22.9	36.7	50.9	69.0	74.3
Price/Earnings ratio (PE)	15.4	15.4	16.7	14.2	10.6
Payout ratio (%)	87	81	97	72	67
Cash flow per share of DKK 100	36.7	94.6	67.4	73.0	76.7
Dividend (%)	20	30	50	50	50
Intrinsic value of shares	425	442	476	495	520
Stock-exchange listing, end of period	352	566	847	981	790
Number of employees (average)	136	139	138	147	158

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

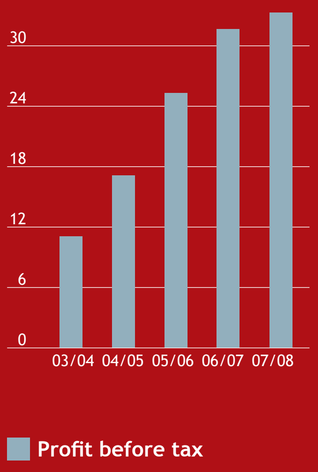
Turnover (DKK mill.)



Liabilities (DKK mill.)



Profit before tax (DKK mill.)



Management's review

In the financial year 2007/08 Roblon A/S achieved a profit before tax of DKK 34.5 million compared with DKK 32.3 million in the previous year, representing an increase of 6.8%. Profits are better than expected at the beginning of the year.

Turnover in 2007/08 was DKK 251.9 million compared with DKK 234.0 million in the previous year, representing an increase of 7.6%.

In 2007/08 Roblon Industrial Fiber and Roblon Engineering achieved turnover and profit on primary activities that were better than last year and better than expected at the beginning of the year. At Roblon Lighting, activity and profits have been decreasing, which was not expected at the beginning of the year.

Against the background of market trends, particularly in the recent period, and our expectations at the beginning of the year, the Board of Directors considers the overall profit for the year very satisfactory.

In the interim report of June 19, 2008, the expected profit for the year was adjusted upwards to a profit before tax in the region of DKK 34 - 36 million, compared with the profit in the region of DKK 30 - 32 million that was previously expected. The profit therefore corresponds to the expectations announced.

The export ratio was 93.0% compared with 92.5% in the previous year.

Roblon Industrial Fiber, which supplies products to the cable industry, primarily within the fibre-optic communication cable segment, experienced an increase in sales to this industry. Within the offshore segment we experienced a considerable increase in sales.

The setback to Roblon Lighting was due to a decline in some markets. Other markets and OEM customer segments demonstrated positive growth. There was, however, a decrease in turnover and earnings.

Roblon Engineering's increased turnover is primarily attributable to a significant increase in sales of cable machines and a large project-related sale of winders, whereas sales of rope machines were weaker compared with the level of the previous year.

Each division operates independently. The divisions are distinctive within each of their niches as acknowledged suppliers on the world market. They have a good, broad range of products – also when compared with those of their competitors – and are known for flexibility, quality and speedy follow-up. At the same time, day-to-day interaction between the divisions regarding product development and marketing activities also generates synergies that contribute towards the creation of future-oriented solutions.

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

FUTURE EXPECTATIONS

The Divisions

Roblon Industrial Fiber expects the global demand for fibre-optic cables to decrease and expects a lower turnover than the level achieved in 2007/08. A greater increase in sales to offshore and other industry is expected. Earnings in the division are expected to be lower than in 2007/08, due to an overall reduction in the level of activity. Furthermore, increased depreciations in connection with investments in new production equipment for the offshore segment will affect profits.

Roblon Lighting expects turnover and profits to be slightly lower than in 2007/08. Development costs in connection with the development of LED-based illumination systems will be capitalised and will not have any noticeable effect on profits.

Roblon Engineering expects sales of cable machines to fall again to a more normal level. A small increase in sales is expected in the markets for rope machines, twisters and winders. On the whole, Roblon Engineering expects a fall in turnover and increased sales and marketing costs. Accordingly, on the whole profits are expected to be considerably lower than in 2007/08.

All three divisions will work towards maintaining their present high levels of activity. We have, however, noted a reduction in demand in some of our business areas.

Roblon A/S

In 2008/09 the company has budgeted for a lower turnover than in the previous year. A small increase in total expenditure is expected in 2008/09, while sales and development costs will be maintained at a high level as far as possible in order to maintain our long-term strategy for increased organic growth and a high level of activity.

Sales to producers of fibre-optic communication cables is still Roblon A/S's biggest single customer area and this has constituted a large part of the company's total turnover in the past year.

The company's three divisions operate in very different markets, which are affected very differently by the situation. Some business areas appear to have a better chance of developing than others in the coming year. On the whole, however, we expect a lower turnover in all divisions.

In the current global financial situation there is considerable uncertainty involved in assessing activity for the coming year.

On this basis, primarily due to the general downturn in our markets, turnover in the financial year 2008/09 is expected to be in the region of DKK 210 - 220 million and profit before tax in the region of DKK 18 - 23 million.

Roblon Industrial Fiber

PROGRESS IN BOTH THE CABLE AND OFFSHORE INDUSTRIES. TURNOVER WITHIN THE DIVISION INCREASED BY 13% – EARNINGS INCREASED BY 9.6%

In 2007/08 Roblon Industrial Fiber achieved turnover and earnings that were higher than in the previous year and higher than expected at the beginning of the year.

In recent years Roblon Industrial Fiber has experienced growth in turnover as well as a satisfactory development in earnings. The increase in turnover and earnings relates to fibre-based products for both the cable and offshore industries. Sales to the cable industry still form the greater part of turnover and earnings at Roblon Industrial Fiber. Sales to the offshore area have, however, constituted an increasingly large proportion of the division's total sales during the recent years.

Concept

Roblon Industrial Fiber develops, produces and sells flexible products that can transmit or absorb force. The products are based on the use of synthetic fibres – often with impregnation and coatings to improve function. Related products for existing customer areas can be incorporated in the product range.

Expertise

Roblon Industrial Fiber has the expertise necessary to perform existing assignments and any assignments expected in the next financial year. This expertise comprises:

- Impregnation and rewinding of fibre products for the cable industry (glass, polyester and aramid fibre).
- Coating of aramid tapes for the offshore industry.
- Production of PP foampaper for power cables.
- Coating of fibre for various specialist applications.

Markets

Roblon Industrial Fiber will continue to be an important supplier for the cable, oil and gas industries. At the same time, we will develop activities within other market segments.

In the cable area, the present market share in Europe is being maintained, and concurrent efforts are being made to increase the market share in new markets.

The division's high level of activity within the offshore industry is expected to continue in the years ahead due to factors including increased activity within the industry. The tougher requirements for strength in relation to weight demanded within the offshore area have resulted in interest in the division's corresponding fibre-based solutions continuing to increase.

Opportunities/Risk Factors

The majority of Roblon Industrial Fiber's products are aimed at manufacturers of fibre-optic communication cables. At present Roblon Industrial Fiber has a good position in the market. The continuing development of new products with a view to achieving a wider, more complete range of products will ensure that the division's competitiveness is maintained/improved.

Sales of straps to the oil and gas industry depend on the industry's routine maintenance of and investment in oil extraction facilities at great sea depths. At present there is a great deal of activity in this area, and it is expected that this activity will continue in the years to come.

The great experience and expertise that the division possesses within the areas of development, production and sales of fibre-based strength elements provide good opportunities for developing new business areas within segments other than the present ones. Work will proceed on developing these business areas.

The Future

Roblon Industrial Fiber expects the level of activity in 2008/09 within the cable industry to decline. A decrease in turnover and earnings in the cable area is therefore expected.

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

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

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

In addition to this, the division will, with its extensive knowledge of manufacturing fibre products, continue to work in a targeted way on the development of products for other market segments.

On the whole, Roblon Industrial Fiber expects turnover and profits to be at a lower level than in 2007/08.

(TDKK)	2007/08	2006/07
Turnover	103,288	91,167
Profit on primary activities before joint expenditure	18,742	17,099
Profit ratio (%)	18.1	18.8
Investments	4,510	4,315
No of employees (average)	51	44

Roblon Lighting

TURNOVER FELL BY 8.5%
- DECREASE IN EARNINGS OF 37.5%

In 2007/08 Roblon Lighting realised turnover and earnings that were considerably lower than in the previous year and lower than expected at the beginning of the year.

This setback was due to a decline in some markets. Some segments and markets have demonstrated progress. The cruise market has, for example, demonstrated positive growth and some OEM customers (companies that use fibre optics in their products) have also made progress in their sales. Our sales to the American market have made progress this year despite the fact that a number of casino and hotel projects in the USA have been stopped.

Concept

Roblon Lighting aims to be a unique provider of precision lighting for the professional illumination market worldwide. This will be achieved by offering a wide range of optimised concepts, all of which utilise the special opportunities of advanced illumination systems for creating high-quality illumination.

These products will be marketed globally to the professional illumination market.

Expertise

The division is constantly working in a targeted manner to maintain a leading market position in the fields of:

- Optical design.
- Functional design.
- Product documentation.
- Flexibility and readiness for change.

Markets

During the year, work has been undertaken to create a more intensive partnership with distributors, as experience shows that developing long-term strategic partnerships is absolutely vital for success in the individual markets. New distributors in the Middle East, India and Russia are demonstrating positive growth. Over the year work on establishing new OEM customers was therefore stepped up.

Opportunities/Risk Factors

LED technology provides a number of opportunities for developing new products.

With the division's expertise in the field of optical and functional design, opportunities can be seen for the development of unique products in which LED light sources are used directly. There are many more operators within this product area than within the area of fibre optics, which means that marketing, market communication and sales initiatives must be very targeted and segmented.

The central element in future growth will be even closer cooperation between Roblon Lighting, our distributors and large OEM customers as well as the development of new products.

The Future

In 2008/09 lower turnover and earnings are expected than in 2007/08.

During the year an overall strategy was laid down defining how Roblon Lighting will develop in the years ahead in the field of LED illumination technology. Projects have been started up on the basis of this strategy, and the first products are being developed. These will be launched in the next financial year, but are not expected to contribute considerably towards earnings until the following year. Development costs in connection with the development of LED-based illumination systems will be capitalised and will not have any noticeable effect on profits.

The emphasis is on securing resources to continue to develop and maintain these fibre optic activities at the same time as developing LED products.

(TDKK)	2007/08	2006/07
Turnover	61,474	67,173
Profit on primary activities before joint expenditure	6,457	10,334
Profit ratio (%)	10.5	15.4
Investments	971	3,860
No of employees (average)	51	51

Roblon Engineering

TURNOVER INCREASED BY 15.1%
– EARNINGS INCREASED BY 37.0%

In 2007/08 Roblon Engineering realised turnover and earnings that were considerably higher than in the previous year and higher than expected at the beginning of the year.

Sales of twisters and machinery to the rope-making industry were lower than in the previous year, while sales of cable machines were considerably higher.

There continued to be an increase in sales of winders. The majority of these sales still consists of winders aimed at carbon-fibre production. Sales in this product group consist primarily of large, project-related sales.

At present the new HS-Twister© is undergoing a series of lengthy test runs at various customers. The machine is meeting the positive expectations with regard to technology and performance, but market implementation has been considerably slower than expected.

Concept

Roblon Engineering supplies solutions that primarily fulfil the need for twisting, cabling, laying, unwinding, winding, rewinding and pulling. The concept is realised through the delivery of machinery and equipment, either as line components or as complete lines.

High priority is given to product development and product adaptation. By matching the technology level to individual customer groups, Roblon Engineering wishes to be among the leading suppliers in the market at all times.

Expertise

Over the years, Roblon Engineering's employees have built up considerable expertise with regard to product development and the sale of products that are part of our concept. The products can be divided into four key areas:

- Twisting machines to produce twisted yarns. The machines are used to produce rope, baler twine, etc.
- Rope-making machines sold mainly to manufacturers of rope for industry, the fishing industry, transport and offshore
- Cable machines for the production of items such as optic fibre cables and installation cables
- Take-up winders aimed primarily at producers of extruded film and carbon fibre, who require winding on large spools.

Markets

Roblon Engineering exports to just under 100 countries worldwide. In the financial year 2007/08 Europe was still the principal market, while the rest of Engineering's turnover was distributed over large parts of the rest of the world.

The primary customer groups are manufacturers of rope, including twisted products, as well as cable and carbon-fibre manufacturers.

Opportunities/Risk Factors

Sales of machinery are affected by economic cycles in individual sectors and geographical areas. Sales may vary considerably from year to year and are also affected by capacity adjustments and structural changes within the business areas.

The rope-making industry is also influenced by price fluctuations in raw materials for rope-making. Roblon Engineering still has a very large market share in the rope-making industry.

The Future

Increased activity is expected in the sale of machines to the rope-making industry. In view of Roblon Engineering's very large market share, the general global situation will continue to have a significant impact on sales.

The general perception of the situation in the cable industry is a reasonably positive one, although most manufacturers are being cautious and following the global situation. It is, however, expected that sales will fall considerably compared with 2007/08, as demand is expected to drop to a more normal level.

Project-related sales of winders are expected to continue to demonstrate positive growth during the financial year 2008/09. Continued growth is expected within the carbon-fibre industry and the strategic partnership with foreign partners is a strength in the cultivation of this segment.

Roblon Engineering expects somewhat lower turnover and earnings in 2008/09 than in 2007/08.

(TDKK)	2007/08	2006/07
Turnover	87,106	75,702
Profit on primary activities before joint expenditure	11,167	8,151
Profit ratio (%)	12.8	10.8
Investments	948	440
No of employees (average)	52	48

Roblon’s lightweight heavyweight

THE SIGNIFICANT INCREASE IN THE USE OF CARBON FIBRE IN MANY DIFFERENT PRODUCTS HAS LED TO A CORRESPONDING INCREASE IN TURNOVER AT CARBON FIBRE MANUFACTURING COMPANIES WORLDWIDE AND IN DEMAND FOR GREATER CAPACITY.

From 1970 to the mid-1980s, carbon fibre was mainly used in the manufacture of satellites, spacecraft and special components for the aviation industry.

Thereafter, things moved quickly and the sports industry began to put the fibre to use. Today, carbon fibre is used in the mass production of sporting goods including skis, ski poles, golf clubs and fishing rods.

Since the 1990s, carbon fibre has also been used in many industrial products, in the manufacture of high-speed trains and racing cars and in the construction of buildings with very exacting and specialized requirements.

The greatest demand for carbon fibre in the coming years is expected to come from the wind energy and aviation industries. Because it is lighter and stronger than fibre glass, manufacturers can use it to make even longer blades for wind turbine generators which thus operate more efficiently and produce more electricity.

In the aviation branch, carbon fibre composites already out-perform aluminium and are the dominant construction material in the very latest civilian aircraft. Because of its low weight and high breaking strength, it meets demand for low fuel consumption and thereby reduces $C0_2$ emissions.

Winding machines are used at several stages in the process when carbon fibre is being manufactured. Working together with business partners in other countries, Roblon Engineering Division can supply raw material manufacturers with a range of equipment necessary for the manufacturing process, including machines for take-up, removal and handling of reels.

The sale of winders for large supply packages of PAN precursor to this industrial segment now contributes to Roblon Engineering Division’s turnover.

Roblon winders are used to spool the raw material, which is also known as PAN pre-cursor fibre. The machines are made to very high technical standards, with the product range including winders that can precision-wind final packages as heavy as 500 kg.

The process is controlled electronically using the latest inverter technology as developed by the division’s own software department.

German company Georg Sahm, which manufactures fully-automatic winders for making smaller packages of carbon fibre, is Roblon’s principal business partner in this segment.

Together, Sahm and Roblon offer a complete range of winding machines for the carbon fibre industry, with other equipment being manufactured by other business partners and with product sales and marketing being handled by Sahm.

RISK FACTORS

Economic trends

Economic fluctuations are considered to have a significant impact on the financial results of the company.

Roblon A/S has generally achieved favourable diversification of products and markets. To counter geographically determined fluctuations in demand, all three divisions of Roblon A/S are working to globalise sales in all product areas. The individual divisions are also seeking to diversify their customer areas.

Such diversification has no effect in the event of a general international economic downturn affecting all divisions.

Financial risks

Foreign exchange risk:

The company's policy is to hedge all significant commercial exchange rate risks, and forward contracts are concluded on an ongoing basis. 85% of the company's net revenue is invoiced in DKK or EUR. Speculative forward contracts are not concluded.

Interest rate risk:

As of 31.10.08 the company has no interest-bearing debt. We do not expect that changes in the general level of interest rates on their own will have a significant impact on the profit for the coming year.

Credit risk:

The company's overall trade receivables are spread over many customers, countries and markets, representing good risk diversification. Risk is further limited by effective management and coverage of major receivables by credit insurance or alternative collateral. As a result of the above, the risk of significant losses is estimated to be limited.

IT risk:

The company's internal set of rules for IT security, including measures to prevent computer viruses and contingency plans for the restoration of computer systems in the event of any damage, is updated on an ongoing basis with reference to current IT usage.

Environment

The external environmental impact from Roblon Engineering is very limited and can be attributed primarily to energy consumption for illumination, heating and the painting process.

Roblon Industrial Fiber is environmentally certified to ISO 14001. Industrial Fiber has no emissions from processes that have an impact on the external aquatic environment. Emissions to air are limited and are subject to ongoing control.

Roblon Lighting's environmental impact is caused primarily by heating and lighting. Energy is also used to control light sources. There are limited emissions to air in connection with the process of gluing fibre bundles.

Insurance

The company's policy is to take out insurance against risks which might be a threat to its financial position. In addition to statutory insurance cover, policies have been taken out to cover product liability and consequential losses. Properties, operating equipment and stocks are insured on an all-risk basis at their replacement value. Receivables from customers are insured to a certain degree.

Overall liquidity

The company has financed its activities via its operations, and as at 31.10.08 the company has a liquidity surplus. The company has unutilised ongoing credit facilities, and further financing is available by raising loans against buildings and machinery as collateral.

DEVELOPMENT

Each of the three divisions of Roblon A/S works within its own niche area, and each is among the world leaders in the product areas in which it operates.

New products are developed in close cooperation with customers, and in many cases the solving of specific problems at the customer's premises has a major influence on the extent of the development projects.

The divisions market a range of highly advanced standard products. As part of our dialogue with the customer, customer-specific adaptations are often carried out, which optimise the product or machine for its actual application. The development of these standard products represents the biggest projects in the individual divisions' development departments.

There is also continuous development of specialised products to supplement the existing product portfolio.

Roblon Lighting has prepared a strategy for the development, marketing and sale of LED-based products. Alongside the division's own expertise, external expertise will be used to a great extent with a view to marketing products more rapidly.

In the coming years, the fibre optic illumination systems will therefore be gradually supplemented by LED-based illumination systems as part of the overall product portfolio.

EMPLOYEES AND ORGANISATION

Work on the previously introduced scenario-based strategies in all divisions has meant that the strategies have been more deeply embedded in the organisation and has led to a greater readiness for change than was previously the case.

All divisions have a competent, motivated workforce, which enables each individual division to change its level of activity more rapidly when this is required.

A principal objective for Roblon A/S is to provide the employees with the necessary internal and external training for them to possess the competence required to perform current and future tasks, and also to retain and develop each individual employee.

The company had 158 full-time employees on average during the year, compared to 147 in the previous year. The number of employees was 153 at the start of the new financial year against 155 one year ago.

CORPORATE GOVERNANCE

Since the Copenhagen Stock Exchange published the revised "Recommendations for Good Corporate Governance" in 2005, the Board of Directors and the Executive Management have carried out ongoing work on the issue of good corporate governance.

In the Stock Exchange's comments on "Recommendations for Good Corporate Governance", it has not been assumed that companies will comply in full with the recommendations, but that in those areas where there are deviations they will explain why the recommendations have not been followed. The central element is thus that transparency is hereby created with regard to the company's management structure.

There is a brief description below of the areas in which Roblon A/S deviates from the guidelines and/or has shortcomings in relation to the "Recommendations for Good Corporate Governance".

On Roblon A/S's website (www.roblon.com) there is a detailed description of good corporate governance.

I. The role and interaction of shareholders with corporate governance

Roblon A/S does not have any significant deviations.

II. The role and importance of stakeholders for the company

The Board has not adopted any policy that covers all stakeholders as a whole.

The Board is regularly informed of the Management's communication and relationship with stakeholders.

Roblon A/S does not have any significant deviations in addition to this.

III. Openness and transparency

Roblon A/S does not publish quarterly reports.

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

Roblon A/S does not have any significant deviations in addition to this.

IV. The tasks and responsibilities of the Board

Roblon A/S does not have any significant deviations.

V. The composition of the Board

Roblon A/S does not publish any recruitment criteria or Board profile. 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 corresponds with Roblon A/S's needs and activities.

Roblon A/S does not provide information on which share portfolios the Board members may hold in Roblon.

Roblon A/S has not deemed it necessary to explain the system of Board members elected by employees.

Roblon A/S has not set any age limit for Board members.

Roblon A/S's Board has not, at present, found it necessary to appoint any Board committees, including an audit committee.

Roblon A/S has not laid down any formal guidelines for the evaluation of the Board's work.

Roblon A/S does not have any significant deviations in addition to this.

VI. Remuneration paid to the Board of Directors and Executive Management

Roblon A/S does not have a documented remuneration policy for the Board of Directors and Executive Management. Remuneration is evaluated at regular intervals in order to ensure a market level in relation to Roblon A/S's specific circumstances.

Information is not provided on individual Board members' salaries.

Remuneration to the Board of Directors and Executive Management does not include any share option schemes.

Roblon A/S does not have any significant deviations in addition to this.

VII. Risk management

Roblon A/S does not have any significant deviations.

VIII. Audit

Roblon A/S does not have any significant deviations.

SHAREHOLDERS

Dividend

At the Annual General Meeting on February 12, 2009 the Board of Directors will propose a dividend ratio of 50%, corresponding to DKK 17.8 million.

In the current situation with prospects of a positive cash flow and reduced investments in the coming years, as well as continued large capital and reserves, the company's policy is to distribute the main proportion of the profit for the year as dividend to the shareholders. The final decision on dividend will take into account current investment requirements as well as an evaluation of the future development in liquidity.

The Board of Directors proposes dividend for 2007/08 amounting to 50%, corresponding to the dividend of 2006/07. The distribution amounts to 67.3% of the profit for the year. At a year-end price of DKK 790 per share of DKK 100, this implies a direct return of 6.3%.

Notifications to the stock exchange

January 3, 2008	– Preliminary statement 2006/07
February 12, 2008	– Financial calendar
February 14, 2008	– Constitution of the Board
February 29, 2008	– Interim statement
June 19, 2008	– Interim report 2007/08
August 27, 2008	– Interim statement
September 2, 2008	– Financial calendar 2008/09

Financial calendar

February 12, 2009	– Annual General Meeting and interim statement
June 16, 2009	– Expected publication of interim report
August 27, 2009	– Expected publication of interim statement
January 5, 2010	– Expected publication of preliminary statement 2008/09
February 16, 2010	– Annual General Meeting

Ownership

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

	Ownership interest (%)	Voting right (%)
ES Holding Frederikshavn ApS, Strandvej 98, 9970 Strandby	25.2	68.8
The Danish Labour Market Supplementary Pension Fund (ATP) Kongens Vænge 8, 3400 Hillerød	12.9	5.4
Danske Bank Group, Holmens Kanal 2-12, 1092 Copenhagen K	5.6	2.3

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

Capital and reserves

At the end of the year the company's capital and reserves total DKK 185.5 million.

Roblon's share capital is divided into A-shares and B-shares. In view of the current ownership structure, the Board of Directors has no immediate plans to merge the two share classes. In the Management's view, the existing ownership structure has helped to create the basis for a long-term, consistent strategy for the company with ambitious, long-term financial goals. By achieving these goals, value will be created for shareholders, customers and employees.

A good capital reserve is considered a key strength with regard to possible future extensions of activity.

Own shares

Under the authority granted by the Annual General Meeting, the company can acquire own shares up to 10% of the share capital. The authority is valid until 30 June 2009. 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.

Board of Directors

Director Niels Bach (Chairman)
- born 1932, joined the Board in 1992.
Senior Master Ole Krogsgaard (Deputy chairman)
- born 1947, joined the Board in 2002.
Man. Director Henrik Hougaard
- born 1958, joined the Board in 2007.
Man. Director Klaus Kalstrup
- born 1965, joined the Board in 2004.
Machine Operator Eva Lyngen *)
- born 1956, joined the Board in 2007.
Machinist Jeppe Skovgaard Sørensen *)
- born 1961, joined the Board in 2007.
*) Elected by the employees

Management

Managing Director, CEO, Flemming K. Bertelsen, born 1946, employed at Roblon since 2002.

Auditors

Beierholm
State Authorised Public Accountants
Suensonsvej 75
9900 Frederikshavn, Denmark

Attorney

Advokatfirmaet Hjulmand & Kaptain
Havnepladsen 7
9900 Frederikshavn, Denmark

Primary Bank

Danske Bank
Finanscenter Jylland Nord
9000 Aalborg, Denmark

Managerial posts in other Danish limited liability companies held by the Board of Directors and the 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:

Klaus Kalstrup:
Managing Director of T&O Stelectric A/S.
Member of the Board of JVK Group A/S and SCAPE Technologies A/S.

Henrik Hougaard:
Managing Director of Skiold Holding A/S and Thoraso ApS.
Chairman of the Board of: SKIOLD A/S, Graintec A/S, Engsko A/S and FirstFarms A/S.
Member of the Board of: SKIOLD MULLERUP A/S, ACEMO S.A.(France), DAMAS A/S, United Milling Systems A/S, DK-TEC A/S, Fortin Madrejon A/S.

Flemming K. Bertelsen:
Member of the Board of Stampen Træ-Pak A/S.

Financial Review

In continuation of the management's review, the financial review includes comments on the annual accounts for 2007/08 and the accounting policies.

The accounts are presented in accordance with the same accounting policies as last year.

IAS/ IFRS
Since the Annual Report for Roblon A/S contains no consolidated accounts the rules concerning presentation according to IFRS will not be applicable until from 2009. Roblon A/S will therefore change to IFRS with effect from the financial year 2009/2010.

Income Statement
The turnover for the financial year totalled DKK 251.9 million, compared to DKK 234.0 million in the previous year and the turnover is higher in Roblon Industrial Fiber and Roblon Engineering, while the turnover decreased in Roblon Lighting. In total an improvement of 7.6%.

The export ratio was 93.0% compared to 92.5% in the previous year.

Costs for raw materials and consumables and staff costs have increased as a result of higher activity. Other external costs have also increased slightly.

Roblon A/S' profit on primary activities was DKK 32.8 million compared to DKK 32.1 million in 2006/07.

Profit on primary activities in Roblon Industrial Fiber was DKK 18.7 million compared to DKK 17.1 million in the previous year; in Roblon Lighting it was DKK 6.5 million compared to DKK 10.3 million in the previous year and in Roblon Engineering it was DKK 11.2 million against DKK 8.2 million in the previous year.

The profit before tax for Roblon A/S was DKK 34.5 million, compared to DKK 32.3 million in 2006/07.

Balance sheet
The company's balance sheet total has increased to DKK 226.2 million from DKK 216.1 million in the previous year.

Intangible fixed assets decreased to DKK 5.0 million from DKK 5.8 million one year earlier. Tangible fixed assets decreased to DKK 60.4 million from DKK 61.5 million.

Current assets increased to DKK 160.9 million from DKK 148.8 million. Stocks increased to DKK 59.2 million from DKK 51.9 million, debtors increased to DKK 43.2 million from DKK 41.4 million and cash at bank and in hand increased to DKK 58.5 million compared to DKK 55.4 million one year earlier.

The company's capital and reserves amount to DKK 185.5 million and the solvency ratio is 74.1% after dividend.

Cash flow statement
Cash flow from operating activities was DKK 27.4 million in the financial year, compared to DKK 26.1 million in the previous year. Profit on primary activities before depreciation amounts to DKK 41.5 million compared to DKK 39.6 million one year earlier. Changes in stocks, debtors and short-term creditors reduced net liquidity by DKK 7.3 million, while it was reduced by DKK 2.8 million in 2006/2007. Corporate tax amounts to DKK 8.5 million compared to DKK 11.2 million one year before.

Cash flow from investment activities shows tied-up capital of DKK 6.7 million compared to DKK 8.2 million in 2006/07. Cash flow from financing activities consists of net proceeds by subscription of employee shares of DKK 0.3 million and payment of dividend amounting to DKK 11.2 million.

In the financial year, cash at bank and in hand increased by DKK 3.1 million to DKK 58.5 million.

Accounting Policies

The Annual Report for ROBLON A/S for the period November 1, 2007 to October 31, 2008 is presented in accordance with the provisions of the Danish Financial Statements Act on class D companies, Danish accounting guidelines and other Danish financial reporting requirements of listed companies.

The accounting policies are unchanged from the previous year and comprise the key recognition methods and measurement basis described 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 on the balance sheet if they are probable 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-down 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.

Financial derivatives
Financial derivatives are initially recognised in the balance sheet at cost price and subsequently stated at fair value. Positive and negative fair values of financial derivatives are included under other debtors and creditors, respectively.

Changes in the fair value of financial derivatives, which are classified as and meet the criteria for hedging the fair value of a recognised asset or liability are recognised in the income statement along with changes in the value of the hedged asset or liability.

Changes in the market value of financial derivatives which are classified as and meet the criteria for hedging future assets or liabilities are recognised directly in the capital and reserves. Income and expenses relating to such hedging transactions are transferred from the capital and reserves when the hedged asset or liability is realised and recognised under the same accounting item as the hedged asset or liability.

INCOME STATEMENT

Net turnover
Net turnover from sale of finished goods is recognised in the income statement according to the invoicing principles in the year, when the delivery takes place. The net turnover is stated exclusive of VAT, taxes and discounts in connection with sales.

Financial income and expenses
Financial income and expenses comprise interest, capital gains and losses on securities and transactions in foreign currencies as well as supplements and reimbursements under the tax on-account scheme.

Tax
The tax for the year, which consists of current taxes and changes in deferred taxes, is recognised in the income statement as the portion attributable to the profit/loss for the year, and, in equity, as the portion attributable to items posted directly to equity.

BALANCE SHEET

Intangible fixed assets
Intangible fixed 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.

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 fixed 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. However, most of the company's development costs do not comply with the above mentioned criteria for recognition and are therefore recognised in the income statement as expenses in the year in which they are incurred, having been spent on the continuous maintenance of earnings.

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.

Annual write-down tests are performed for each asset.

Tangible fixed assets
Land and buildings, plant, machinery and other fixtures, tools and equipment are valued at cost price less accumulated depreciation.

The cost price is the acquisition price plus costs directly related to the acquisition until the time when the asset can be commissioned. For assets produced in-house the cost price comprises direct and indirect costs for materials, components, contractors and wages and salaries.

Tangible fixed assets are written down to the recoverable value if this is lower than the book value.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, which are as follows:

Buildings	25 years
Material building improvements	5 years
Plant and machinery	3-10 years
Fixtures and fittings, tools and equipment	3-5 years

Profits and losses on the sale of tangible fixed assets are calculated as the difference between the sales price less sales costs and the book value at the time of sale. The profit or loss is recognised in the income statement under depreciations.

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.

Debtors

Debtors are valued at amortised cost price, and the necessary write-downs to meet expected loss are made.

Dividend

Dividend expected to be paid for the year is shown as a separate item under capital and reserves.

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 and deferred 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 on previous years' taxable revenue and for tax paid on account.

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 the 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 tax as a result of changes in tax rates are recognised in the income statement.

Cash Flow Statement

The cash flow statement is presented according to the indirect method based on "Profit on primary activities before depreciation" 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 current capital and paid corporation tax during the year.

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

Segmental Analysis

Information is given on business segments and geographical markets. The primary activities can be divided into the segments Industrial Fiber, Lighting and Engineering. The business segment of the company is the primary segment and the geographical segment is the secondary segment. For geographical markets, only net turnover is stated. The segmental information observes the company´s accounting policies and internal financial control.

Fixed and current assets in the segment comprise the assets used directly in the operation of the segment.

Segment liabilities comprise liabilities derived from the operation of the segment, including suppliers of goods and services and other creditors.

Outstanding corporation tax, cash at bank and in hand and deferred tax have not been distributed.

Non-distributed joint expenditure comprises expenditure on the finance function, auditing, Board of Directors, etc. as well as internal profits on machinery supplied by Roblon Engineering.

Key ratios

Key ratios have been calculated in accordance with the "Recommendations and Financial Ratios 2005" 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 turnover
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.
Equity 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.

Director's Report

The Board of Directors and Management today considered and approved the annual report for November 1, 2007 to October 31, 2008.

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act on class D companies, Danish accounting guidelines and further Danish disclosure requirements for annual reports of listed companies. We consider the chosen accounting policies to be appropriate and find that the annual accounts give a true and fair view of the company´s assets, liabilities and financial position as at October 31, 2008 as well as the result of the company´s activities and cash flow for the financial year November 1, 2007 – October 31, 2008.

Furthermore, the management's review gives a true and fair view of developments in the activities and financial position of the company and describes the significant risks and uncertainties pertaining to the company.

The annual report is submitted for the approval of the Annual General Meeting.

Frederikshavn, January 6, 2009

Management

Flemming K. Bertelsen
Managing Director, CEO

Board of Directors

Niels Bach
Chairman

Ole Krogsgaard
Deputy Chairman

Henrik Hougaard

Klaus Kalstrup

Eva Lyngen

Jeppe Skovgaard Sørensen

The Independent Auditor's Report

To Roblon A/S' shareholders

We have audited the Annual Report of Roblon A/S for the financial year 1 November 2007 – 31 October 2008, which comprises Management´s Review, the Statement of the Board of Directors and Board of Executives on the Annual Report, a summary of significant accounting policies, the income statement, balance sheet, statement of changes in equity, cash flow statement for the year then ended and notes. The Annual Report has been prepared in accordance with the Danish Financial Statements Act, Danish Accounting Standards and additional Danish disclosure requirements for Annual Reports of listed companies.

The Board of Directors and Board of Executives' Responsibility for the Annual Report
The Board of Directors and Board of Executives are responsible for the preparation and fair presentation of this Annual Report in accordance with the Danish Financial Statements Act, Danish Accounting Standards and additional Danish disclosure requirements for Annual Reports of listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an Annual Report that is 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 this Annual Report 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 Annual Report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Annual Report, 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 the Annual Report 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 the Board of Directors and Board of Executives, as well as evaluating the overall presentation of the Annual Report.

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 Annual Report gives a true and fair view of the company's financial position at 31 October 2008 and of the results of the company's operations and cash flows for the financial year 1 November 2007 – 31 October 2008 in accordance with the Danish Financial Statements Act, Danish Accounting Standards and additional Danish disclosure requirements for Annual Reports of listed companies.

Frederikshavn, 6 January 2009
Beierholm
State Authorised Public Accountants

Søren Rasmussen
State Authorised Public Accountant

CASH FLOW STATEMENT

(TDKK)	2007/08	2006/07
Profit on primary activities before depreciation	41,463	39,641
Change in provisions for liabilities	-35	210
Change in stocks	-7,286	2,311
Change in debtors	-1,769	-5,721
Change in short-term creditors	1,767	649
Cash flow from operating activities before financial items	34,140	37,090
Interest income	2,576	2,194
Interest expenditure	-826	-1,989
Cash flow from ordinary activities	35,890	37,295
Corporate tax	-8,513	-11,221
Cash flow from operating activities	27,377	26,074
Investment in intangible fixed assets	-681	-3,093
Investment in tangible fixed assets	-6,259	-5,521
Sales proceeds from tangible fixed assets	216	374
Cash flow from investment activities	-6,724	-8,240
Net proceeds from subscription of employee shares	299	0
Payment of dividend	-17,849	-17,691
Cash flow from financing activities	-17,550	-17,691
Change in cash at bank and in hand	3,103	143
Cash at bank and in hand as at 1/11 2007	55,412	55,269
Cash at bank and in hand as at 31/10 2008	58,515	55,412

INCOME STATEMENT FOR THE PERIOD NOVEMBER 1, 2007 - OCTOBER 31, 2008

Note	(TDKK)	2007/08	2006/07
	Net turnover	251,868	234,042
	Change in stocks of finished goods and work in progress	6,952	-4,182
	Work performed on own account and stated under assets	1,727	721
		260,547	230,581
	Costs for raw materials and consumables	-124,227	-103,661
	Other external expenses	-30,262	-28,711
1	Staff costs	-64,595	-58,568
	Profit on primary activities before depreciation	41,463	39,641
	Depreciation and write-downs of tangible and intangible fixed assets	-8,698	-7,542
	Profit on primary activities	32,765	32,099
	Interest income	2,576	2,194
2	Interest expenditure	-826	-1,989
	Profit before tax	34,515	32,304
3	Tax on profit for the year	-7,984	-7,660
	Profit for the year	26,531	24,644
	Proposal for distribution of profits		
	Proposed dividend, 50% (50%)	17,849	17,849
	To profit carried forward	8,682	6,795
	Profit for the year	26,531	24,644

BALANCE SHEET AS AT OCTOBER 31, 2008

Note	**Assets** (TDKK)	**2007/08**	**2006/07**
	Fixed Assets		
	Completed development projects	1,877	2,789
	Acquired patent	2,420	3,025
	Ongoing development projects	681	0
4	Total intangible fixed assets	4,978	5,814
	Land and buildings	44,828	47,393
	Plant and machinery	11,103	12,260
	Fixtures and fittings, tools and equipment	1,850	1,837
	Tangible fixed assets in the course of construction	2,571	0
5	Total tangible fixed assets	60,352	61,490
	Total Fixed Assets	65,330	67,304
	Current Assets		
	Raw materials and consumables	33,667	33,333
	Work in progress	8,865	4,481
	Manufactured finished goods	16,667	14,099
	Stocks	59,199	51,913
6	Trade debtors	40,912	40,213
	Other debtors	1,969	990
	Accruals	315	224
	Total debtors	43,196	41,427
	Cash at bank and in hand	58,515	55,412
	Total Current Assets	160,910	148,752
	Total Assets	226,240	216,056

BALANCE SHEET AS AT OCTOBER 31, 2008

Note	**Liabilities** (TDKK)	**2007/08**	**2006/07**
	Capital and Reserves		
	Share capital	35,698	35,383
	Profit carried forward	131,980	123,520
	Proposed dividend	17,849	17,849
	Total capital and reserves	185,527	176,752
	Provisions for liabilities		
7	Provisions for deferred tax	3,687	4,089
8	Other provisions for liabilities	865	900
	Total provisions for liabilities	4,552	4,989
	Short-term creditors		
	Customer prepayments received	1,614	1,935
9	Corporate tax	6,748	6,944
	Suppliers of goods and services	13,822	13,552
	Other debt	13,977	11,884
	Total short-term creditors	36,161	34,315
	Total Liabilities	226,240	216,056

10	Fees to auditors elected by the General Meeting
11	Transactions with closely related parties
12	Foreign exchange, credit and interest-rate risks
13	Segmental analysis

CAPITAL AND RESERVES STATEMENT

(TDKK)	Share capital	Profit carried forward	Proposed dividend	Total
Capital and reserves as at 1/11 2006	35,383	116,725	17,691	169,799
Dividend distributed			-17,691	-17,691
Profit for the year		24,644		24,644
Proposed dividend		-17,849	17,849	0
Capital and reserves as at 1/11 2007	35,383	123,520	17,849	176,752
Dividend distributed			-17,849	-17,849
Employee shares	315			315
Premium on employee shares		16		16
Cost on employee shares		-32		-32
Value adjustment of hedging instruments		-275		-275
Tax on equity movements		69		69
Profit for the year		26,531		26,531
Proposed dividend		-17,849	17,849	0
Capital and reserves as at 31/10 2008	35,698	131,980	17,849	185,527
Changes in share capital:				
Share capital as at 1/11 2003				35,313
Capital augmentation employee shares 2003/04				70
Capital augmentation employee shares 2007/08				315
Share capital as at 31/10 2008				35,698

The share capital of 35,697,500 consists of the following shares:

A shares:	5,555	of DKK	1,000, in total	DKK 5,555,000
B shares:	301,425	of DKK	100, in total	DKK 30,142,500

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 B shares are entitled to dividend of 8% before any other allocation is made.

NOTES

Note	(TDKK)	2007/08	2006/07
1	**Staff costs**		
	Fees to the Board of Directors	375	375
	Wages, management	1,756	1,632
	Wages and salaries	57,239	52,012
	Pension, management	302	278
	Pensions, others	3,935	3,462
	Other social security expenses	988	809
		64,595	58,568
	The Management hold the entitlement to company cars.		
	Average number of full-time employees	158	147
2	**Financial expenses**		
	Interest costs	72	4
	Exchange rate losses and adjustments (net)	754	1,985
		826	1,989
3	**Corporate tax for the year**		
	Tax payable	8,319	8,379
	Change in deferred tax	-404	-719
	Tax in total	7,915	7,660
	Of this tax on equity movements	69	0
		7,984	7,660
	Reconciliation of corporate tax:		
	25% tax on the profit before tax	8,629	8,076
	Permanent differences between recognition of income and expenditure for accounting and taxation purposes	-645	99
	Deferred tax adjusted to 25%	0	-515
		7,984	7,660
	Effective tax rate	23.1	23.7
	Tax on equity movements is accounted for as follows:		
	25% tax on equity movements	69	0

NOTES

Note	(TDKK)	Acquired patent	Completed development projects	Ongoing development projects
4	**Intangible and tangible fixed assets**			
	Purchase price:			
	Balance as at 1/11 2007	3,025	4,638	0
	Additions 2007/08	0	0	681
	Disposals 2007/08	0	0	0
	Balance as at 31/10 2008	3,025	4,638	681
	Depreciation and write-downs:			
	Balance as at 1/11 2007	0	1,849	0
	Depreciation of the year	605	912	0
	Balance as at 31/10 2008	605	2,761	0
	Net book value as at 31/10 2008	2,420	1,877	681

Note	(TDKK)	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Tangible fixed assets in the course of construction
5	**Intangible and tangible fixed assets**				
	Purchase price:				
	Balance as at 1/11 2007	80,761	74,848	8,965	0
	Additions 2007/08	520	2,323	845	2,571
	Disposals 2007/08	0	-79	-577	0
	Balance as at 31/10 2008	81,281	77,092	9,233	2,571
	Depreciation and write-downs:				
	Balance as at 1/11 2007	33,368	62,588	7,128	0
	Concerning assets sold	0	-79	-511	0
	Depreciation of the year	3,085	3,480	766	0
	Balance as at 31/10 2008	36,453	65,989	7,383	0
	Net book value as at 31/10 2008	44,828	11,103	1,850	2,571

Cash value of land and buildings amounts to tDKK 76,208 according to the latest public evaluation.

Profit on sales of tangible fixed assets is set off against depreciation at tDKK 150 in the income statement.

NOTE

Note	(TDKK)	2007/08	2006/07
6	**Trade debtors**		
	Trade debtors falling due after 1 year	690	897
7	**Provisions for deferred tax**		
	Deferred tax as at 1/11 2007	4,089	4,743
	Adjustment of deferred tax 1/11 2007	2	65
	Adjustment for the year	-404	-719
	Deferred tax as at 31/10 2008	3,687	4,089
	The amount allocated for deferred tax relates to:		
	Current assets	377	267
	Intangible fixed assets	1,244	1,454
	Tangible fixed assets	2,766	3,025
	Liabilities	-700	-657
		3,687	4,089
	A tax rate of 25% has been used for calculating deferred tax.		
8	**Other provisions for liabilities**		
	Provisions for liabilities as at 1/11 2007	900	690
	Additions 2007/08	840	815
	Applied 2007/08	-875	-605
	Provisions for liabilities as at 31/10 2008	865	900
	Other provisions for liabilities consist of security liabilities expected to be applied within one year.		
9	**Corporate tax receivable**		
	Balance as at 1/11 2007	6,944	9,851
	Adjustment concerning previous year	-2	-65
	Payment of corporate tax concerning previous year	-6,795	-10,506
		147	-720
	Corporate tax payable	8,319	8,379
	Tax paid on account in 2007/08	-1,718	-715
	Balance as at 31/10 2008	6,748	6,944
10	**Fees to auditors elected by the General Meeting**		
	Audit Beierholm	165	159
	Other services Beierholm	8	32

11 **Transactions with related parties**

Related parties for Roblon A/S are the members of the Board of Directors and the Management.
Furthermore ES Holding Frederikshavn ApS, Strandvej 98, 9970 Strandby, owns the A-shares of Roblon A/S and has the controlling interest of the company.
During the year the company has not made any exceptional transactions with significant shareholders, with the Board of Directors or Management, or with companies in which any of these hold financial interests.

NOTE

12 **Foreign exchange, credit and interest-rate risks**

The company uses hedging instruments such as foreign exchange contracts and swaps in order to secure amounts included in and excluded from the accounts. The hedging of transactions included in the accounts covers receivables and creditors.

Foreign exchange risks (TDKK):

Currency	Payment/ Expiry	Debtors/ cash at bank and in hand	Creditors	Forward foreign exchange contracts	Net position
EUR	< 1 year	44,641	-5,282	0	39,359
	> 1 year	690		0	690
USD	< 1 year	2,858	-618	-6,966	-4,726
GBP	< 1 year	2,354	-356	-2,041	-43
Others	< 1 year	440	-31	0	409
		50,983	-6,287	-9,007	35,689

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

Forward contracts entered into refer to orders for delivery in 2008/09. TDKK 275 has been set aside under equity regarding losses on forward contracts, which was first included in the income statement in 2008/09.

Credit risks: Debtors are partly covered by credit insurance. The risk of material losses on the total debtors is deemed to be insignificant.

Interest-rate risks: Viewed separately, a fall/increase in the market rate of one percentage point is not deemed to have any material impact on corporate results.

13 **Segmental analysis**

Activities - primary segment

	Industrial Fiber		**Lighting**		**Engineering**		**Not distributed**		**Total company**	
	07/08	**06/07**	**07/08**	**06/07**	**07/08**	**06/07**	**07/08**	**06/07**	**07/08**	**06/07**
Turnover	103,288	91,167	61,474	67,173	87,106	75,702	0	0	251,868	234,042
Profit on primary activities	18,742	17,099	6,457	10,334	11,167	8,151	-3,601	-3,485	32,765	32,099
Fixed assets	26,414	26,090	24,056	25,432	12,060	12,842	2,800	2,940	65,330	67,304
Current assets	35,634	31,890	25,806	26,114	40,226	35,149	59,244	55,599	160,910	148,752
Total segmental assets	62,048	57,980	49,862	51,546	52,286	47,991	62,044	58,539	226,240	216,056
Segmental liabilities	8,515	5,961	5,858	7,381	9,403	9,199	16,937	16,763	40,713	39,304
Investments in fixed assets	4,509	4,315	971	3,860	948	440	512	0	6,940	8,615
Average number of employees	51	44	51	51	52	48	4	4	158	147
Profit ratio	18.1	18.8	10.5	15.4	12.8	10.8			13.0	13.7

Geographical - secondary segment

	Rest of Europe		**Rest of the world**		**Denmark**		**Not distributed**		**Total company**	
	07/08	**06/07**	**07/08**	**06/07**	**07/08**	**06/07**	**07/08**	**06/07**	**07/08**	**06/07**
Net turnover	147,754	138,064	86,516	78,411	17,598	17,567	0	0	251,868	234,042