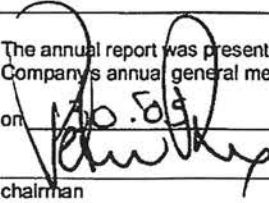


Carpenter Holdings ApS
Michael Drewsens Vej 9-11
8270 Højbjerg
Denmark

Telephone +45 86 29 23 11

Carpenter Holdings ApS

Annual report 2015

The annual report was presented and approved at the
Company's annual general meeting
on 10.05 2016

chairman

CVR no. 10 02 26 57

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Carpenter Holdings ApS for the financial year 1 January – 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

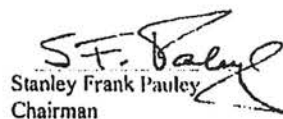
We recommend that the annual report be approved at the annual general meeting.

Højbjerg, 30 May 2016
Executive Board:



Frank Werner Sander

Board of Directors:



Stanley Frank Pauley
Chairman



Frank Werner Sander

Lars M. Kongsted
Kjeldsen

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Carpenter Holdings ApS for the financial year 1 January – 31 December 2015.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

We recommend that the annual report be approved at the annual general meeting.


Højbjerg, 30 May 2016
Executive Board:

Frank Werner Sander

Board of Directors:

Stanley Frank Pauley
Chairman

Frank Werner Sander



Lars M. Kjongsted
Kjeldsen



Independent auditor's report

To the shareholders of Carpenter Holdings ApS

Independent auditor's report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of Carpenter Holdings ApS for the financial year 1 January – 31 December 2015. The consolidated financial statements and the parent company financial statements comprise accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the Parent Company and a cash flow statement for the Group. The consolidated financial statements and parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the consolidated financial statements and the parent company financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent company financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of consolidated financial statements and parent company financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of consolidated financial statements and parent company financial statements.



Independent auditor's report

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

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Group's and the Parent Company's operations and consolidated cash flows for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

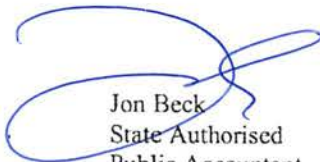
Statement on the Management's review

In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

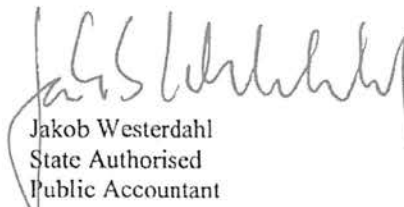
Aarhus, 30 May 2016

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Jon Beck
State Authorised
Public Accountant



Jakob Westerdahl
State Authorised
Public Accountant

Management's review

Company details

Carpenter Holdings ApS
Michael Drewsens Vej 9-11
8270 Højbjerg
Denmark

Telephone: +45 86 29 23 11
CVR no.: 10 02 26 57
Established: 1 March 2000
Registered office: Aarhus
Financial year: 1 January – 31 December

Board of Directors

Stanley Frank Pauley, Chairman
Frank Werner Sander
Lars M. Kongsted Kjeldsen

Executive Board

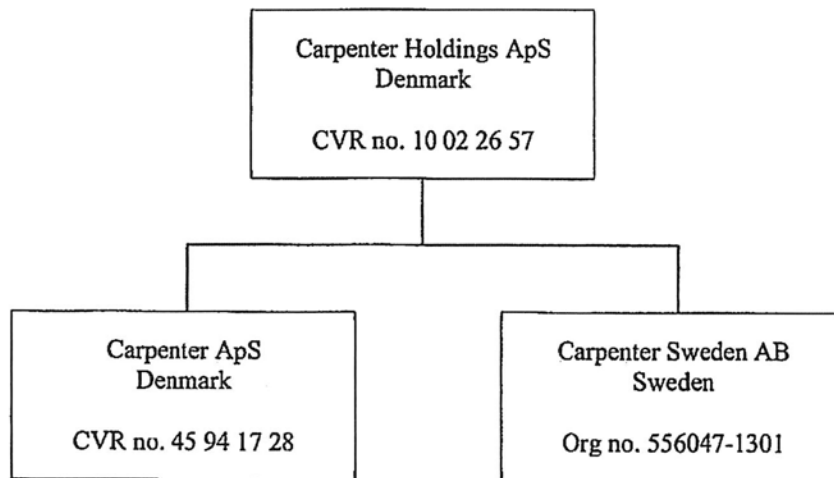
Frank Werner Sander

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Bredskifte Allé 13
8210 Aarhus V
Denmark

Management's review

Group chart



Management's review

Financial highlights for the Group

DKK'000	2015	2014
Revenue	378,662	396,043
Gross profit	132,676	125,412
Ordinary operating profit	41,568	29,985
Net financial income/expenses	378	1,838
Profit for the year	32,901	24,093
Total assets	326,594	293,404
Investment in property, plant and equipment	4,421	5,231
Equity	271,008	236,151
Cash flows from operating activities	50,792	6,671
Cash flows from investing activities	428	-4,600
Cash flows from financing activities	0	-128,900
Total cash flows	51,220	-126,829
Gross margin	35.0%	31.7%
Operating margin	11.0%	7.6%
Current ratio	663.2%	545.8%
Return on equity	13.0%	8.3%
Solvency ratio	83.0%	80.5%
Average number of full-time employees	212	215

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

As of the year ended 31 December 2015, the consolidated financial statements have been prepared for the Carpenter Holdings Group. With reference to section 126(4) of the Danish Financial Statements Act, no financial highlights for the Group have been prepared for the years 2011-13.

Management's review

Operating review

Principal activities of the Group

As parent company, Carpenter Holdings ApS fully owns the two operational companies Carpenter ApS and Carpenter Sweden AB. The group's principal activities comprise production and sale of flexible polyurethane foam.

Development in activities and financial position

In 2015, the group's revenue came in at DKK 378,662 thousand against DKK 396,043 thousand in 2014. The income statement for 2015 shows a profit of DKK 32,901 thousand against DKK 24,093 thousand last year, and the balance sheet at 31 December 2015 shows equity of DKK 271,008 thousand.

In an overall perspective, performance in 2015 was in line with last year and expectations and is considered satisfactory.

Knowledge resources

The group's production and development of foam plastic products requires a high degree of knowledge by its employees.

Events after the balance sheet date

No events have occurred after the balance sheet date significantly affecting the assessment of the annual report.

Outlook

Results for 2016 are expected to be down on 2015.

Risks

Price risks

The group applies polyol as raw material which, due to considerable price fluctuations characterising the volatile market for polyol, implies a particular risk as price increases might not be fully reflected in the price of finished goods.

Currency risks

Although a currency risk does exist with regard to Carpenter Sweden AB's purchase of raw materials in EUR, overall currency risk is deemed insignificant.

Management's review

Operating review

Interest rate risks

As interest-bearing debt does not make up a significant amount during the financial year, a change in interest level will not have any significant direct effect on earnings.

Impact on the external environment

The group's production has a heavy environmental impact in terms of storage of raw materials, reporting to authorities, contingency plan in case of accidents, etc.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Accounting policies

The annual report of Carpenter Holdings ApS for 2015 has been presented in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

As of the year ended 31 December 2015 the consolidated financial statements have been prepared for the Carpenter Holdings Group. With reference to section 126(4) of the Danish Financial Statements Act no financial highlights for the Group have been prepared for the years 2011-13.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company, Carpenter Holdings ApS, and subsidiaries in which Carpenter Holdings ApS directly or indirectly holds more than 50% of the votes or in some other way exercises control.

On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends and realised and unrealised gains and losses on intra-group transactions are eliminated.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries and associates which are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity.

Upon recognition of foreign subsidiaries which are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Accounting policies

Income statement

Revenue

Income from the sale of goods and finished goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be reliably measured and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ® 2010.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are deducted from revenue.

Other operating income

Other operating income comprises items secondary to the activities of the entities, including gains on the disposal of intangible assets and property, plant and equipment.

Cost of raw materials and consumables

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Other external costs

Other external costs comprise advertisements, administration, premises and bad debts, etc.

Staff costs

Staff costs comprise salaries and wages, including holiday allowance, pension and other social security costs, etc., for the Group's employees. Refunds received from public authorities are deducted from staff costs

Other operating costs

Other operating costs comprise items secondary to the activities of the entities, including losses on disposal of property, plant and equipment.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Accounting policies

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in group entities and associates measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared. To the extent that the dividends exceed the accumulated earnings after the acquisition date, the dividends are recognised as a reduction of the cost of the equity investment.

Tax on profit/loss for the year

The Parent Company is comprised by the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The administrative company for the joint taxation accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, energy consumption, staff and depreciation of machinery used.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Accounting policies

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Buildings	20-60 years
Plant and machinery	5-10 years
Fixtures and fittings, tools and equipment	3-10 years

Land is not depreciated.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Investments

Investments in group entities and associates are measured at cost. When the cost exceeds the recoverable amount, write-down is made to this lower value. The cost is reduced by dividends received exceeding accumulated earnings after the acquisition date.

Other receivables and deposits are recognised at amortised cost.

Impairment of non-current assets

The carrying amount of property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Accounting policies

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production costs. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Equity

Dividends

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Accounting policies

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligations are recognised as financial liabilities at amortised cost.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and divestment of entities is shown separately in cash flows from investing activities. Cash flows relating to acquired entities are recognised in the cash flow statement from the date of acquisition, and cash flows relating to divested entities are recognised up to the date of divestment.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Accounting policies

Cash flows from operating activities

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities, intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise purchase and sale of treasury shares, payments relating to increases or reductions in capital and related costs as well as payment of dividends to shareholders and raising and repayment of interest-bearing debt.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less which are easily convertible into cash and which are subject to only an insignificant risk of changes in value.

Financial ratios

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios have been calculated as follows:

Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Operating margin	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Return on equity	$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity year end} \times 100}{\text{Total equity and liabilities at year end}}$

Consolidated financial statements and parent company financial statements 1 January – 31 December

Income statement

DKK'000	Note	Group		Parent Company	
		2015	2014	2015	2014
Revenue		378,662	396,043	0	0
Other operating income		2,585	286	0	0
Cost of raw materials and consumables		-209,585	-231,278	0	0
Other external costs		-38,986	-39,639	-5	-84
Gross profit/loss		132,676	125,412	-5	-84
Staff costs	1	-83,112	-83,569	0	0
Depreciation on property, plant and equipment	5	-7,996	-8,636	0	0
Other operating costs		0	-3,222	0	0
Ordinary operating profit/loss		41,568	29,985	-5	-84
Income from investments in group entities		0	0	0	80,777
Financial income	2	1,640	3,117	311	1,417
Financial expenses	3	-1,262	-1,279	-8	-199
Profit before tax		41,946	31,823	298	81,911
Tax on profit for the year	4	-9,045	-7,730	-70	-307
Profit for the year		32,901	24,093	228	81,604
Proposed profit appropriation					
Retained earnings		32,901	24,093	228	81,604

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group		Parent Company	
		2015	2014	2015	2014
ASSETS					
Property, plant and equipment					
Land and buildings	5	59,619	65,151	0	0
Plant and machinery		9,097	9,373	0	0
Fixtures and fittings, tools and equipment		1,219	987	0	0
		<u>69,935</u>	<u>75,511</u>	<u>0</u>	<u>0</u>
Investments					
Investments in group entities	6	0	0	198,918	198,918
		<u>0</u>	<u>0</u>	<u>198,918</u>	<u>198,918</u>
Total non-current assets		<u>69,935</u>	<u>75,511</u>	<u>198,918</u>	<u>198,918</u>
Current assets					
Inventories					
Raw materials and consumables		21,841	23,918	0	0
Work in progress		888	1,169	0	0
Finished goods and goods for resale		7,718	8,446	0	0
		<u>30,447</u>	<u>33,533</u>	<u>0</u>	<u>0</u>
Receivables					
Trade receivables		57,939	67,647	0	0
Receivables from group entities		40,990	40,835	25,379	20,044
Income taxes receivable		136	458	136	0
Other receivables		284	260	0	0
Prepayments		1,403	920	0	0
		<u>100,752</u>	<u>110,120</u>	<u>25,515</u>	<u>20,044</u>
Cash at bank and in hand		<u>125,460</u>	<u>74,240</u>	<u>6,388</u>	<u>11,705</u>
Total current assets		<u>256,659</u>	<u>217,893</u>	<u>31,903</u>	<u>31,749</u>
TOTAL ASSETS		<u>326,594</u>	<u>293,404</u>	<u>230,821</u>	<u>230,667</u>

Consolidated financial statements and parent company financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	Group		Parent Company	
		2015	2014	2015	2014
EQUITY AND LIABILITIES					
Equity					
Share capital		1,500	1,500	1,500	1,500
Retained earnings		269,508	234,651	229,257	229,029
Total equity		271,008	236,151	230,757	230,529
Provisions					
Provisions for deferred tax		16,887	17,331	0	0
Total provisions		16,887	17,331	0	0
Current liabilities other than provisions					
Trade payables		15,407	20,151	0	0
Payables to group entities		591	781	0	39
Corporation tax		2,127	40	0	40
Other payables		20,574	18,950	64	59
		38,699	39,922	64	138
Total liabilities other than provisions		38,699	39,922	64	138
TOTAL EQUITY AND LIABILITIES		326,594	293,404	230,821	230,667
Contractual obligations, contingencies, etc.	7				
Related party disclosures	8				
Other adjustments, cash flow statement	9				
Changes in working capital, cash flow statement	10				

Consolidated financial statements and parent company financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Group		
	Share capital	Retained earnings	Total
Equity at 1 January 2014	1,500	343,342	344,842
Extraordinary dividends distributed	0	-128,900	-128,900
Transferred; see profit appropriation	0	24,093	24,093
Exchange rate adjustment, foreign subsidiary	0	-3,884	-3,884
Equity at 1 January 2015	1,500	234,651	236,151
Transferred over the profit appropriation	0	32,901	32,901
Exchange rate adjustment, foreign subsidiary	0	1,956	1,956
Equity at 31 December 2015	1,500	269,508	271,008

DKK'000	Parent Company		
	Share capital	Retained earnings	Total
Equity at 1 January 2014	1,500	276,325	277,825
Transferred; see profit appropriation	0	81,604	81,604
Extraordinary dividends distributed	0	-128,900	-128,900
Equity at 1 January 2015	1,500	229,029	230,529
Transferred; see the profit appropriation	0	228	228
Equity at 31 December 2015	1,500	229,257	230,757

The share capital comprises 1,500,000 shares of DKK 1 each. All share rank equally. The share capital has remained unchanged for the past five years.

Consolidated financial statements and parent company financial statements 1 January – 31 December

Cash flow statement

DKK'000	Note	2015	2014
Profit for the year		32,901	24,093
Depreciation, amortisation and impairment losses		7,996	8,636
Other adjustments of non-cash operating items	9	9,204	4,317
Cash generated from operations before changes in working capital		50,101	37,046
Changes in working capital	10	7,440	-22,476
Cash generated from operations		57,541	14,570
Net interest income		630	1,361
Corporation tax paid		-7,379	-9,260
Cash flows from operating activities		50,792	6,671
Acquisition of property, plant and equipment		-4,372	-4,786
Proceeds from sales of property, plant and equipment		4,800	186
Cash flows from investing activities		428	-4,600
Distributed dividends		0	-128,900
Cash flows from financing activities		0	-128,900
Cash flows for the year		51,220	-126,829
Cash and cash equivalents at the beginning of the year		74,240	201,069
Cash and cash equivalents at year end		125,460	74,240

Consolidated financial statements and parent company financial statements 1 January – 31 December

Notes

DKK'000	Group		Parent Company	
	2015	2014	2015	2014
1 Staff costs				
Wages and salaries	67,889	69,000	0	0
Pensions	5,624	6,469	0	0
Other social security costs	9,599	8,100	0	0
	<u>83,112</u>	<u>83,569</u>	<u>0</u>	<u>0</u>
Average number of full-time employees	<u>212</u>	<u>215</u>	<u>0</u>	<u>0</u>
No remuneration of the Parent Company's Executive Board or Board of Directors has been paid in 2015 and 2014.				
2 Financial Income				
Interest income from group entities	804	1,446	305	947
Foreign exchange gains	825	1,271	3	434
Other interest income	11	400	3	36
	<u>1,640</u>	<u>3,117</u>	<u>311</u>	<u>1,417</u>
3 Financial expenses				
Interest expense to group entities	0	197	0	197
Foreign exchange losses	921	1,051	0	0
Other interest expense	341	31	8	2
	<u>1,262</u>	<u>1,279</u>	<u>8</u>	<u>199</u>
4 Tax on profit/loss for the year				
Current tax for the year	-9,660	-7,998	-70	-307
Deferred tax adjustment for the year	615	268	0	0
	<u>-9,045</u>	<u>-7,730</u>	<u>-70</u>	<u>-307</u>

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5 Property, plant and equipment

DKK'000	Group			
	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Total
Cost at 1 January 2015	125,047	181,706	13,764	320,517
Foreign exchange adjustments in foreign entities	488	2,496	64	3,048
Additions	0	3,729	692	4,421
Disposals	-6,119	-9,333	-2,442	-17,894
Cost at 31 December 2015	119,416	178,598	12,078	310,092
Depreciation and impairment losses at 1 January 2015	59,896	172,333	12,777	245,006
Foreign exchange adjustments in foreign entities	382	2,261	59	2,702
Depreciation	3,371	4,163	462	7,996
Foreign exchange adjustments in foreign entities	9	76	3	88
Depreciation on disposals	-3,861	-9,332	-2,442	-15,635
Depreciation and impairment losses at 31 December 2015	59,797	169,501	10,859	240,157
Carrying amount at 31 December 2015	59,619	9,097	1,219	69,935

6 Investments in group entities

DKK'000	Parent Company	
	2015	2014
Cost at 1 January	198,918	208,070
Dividends exceeding accumulated earnings	0	-9,152
Cost at 31 December	198,918	198,918
Carrying amount at 31 December	198,918	198,918

Name/legal form	Registered office	Voting rights and ownership interest	Equity DKK'000	Profit for the year DKK'000
Carpenter ApS	Aarhus, Denmark	100%	159,738	20,888
Carpenter Sweden AB	Tranås, Sweden	100%	34,699	15,065

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7 Contractual obligations, contingencies, etc.

Contingent liabilities

The Group's Danish entities are jointly and severally liable for tax on the Group's jointly taxed income and for certain withholding taxes such as dividend tax and royalty tax. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc. may entail an increase in the entities' liability. The Group as a whole is not liable to any other parties.

Operating lease obligations

Remaining operating lease obligations for the Group at the balance sheet date fall due at DKK 221 thousand within 2 years (2014: DKK 451 thousand).

Operating lease obligations for the Parent Company is DKK 0 (2014: DKK 0).

8 Related party disclosures

The following related parties have a controlling interest in the Carpenter Holdings A/S Group:

Related party:	Registered office:	Basis of control
E.R. Carpenter Holding B.V.	Netherlands	Parent
Carpenter Co.	USA	Ultimate parent

The consolidated financial statements of Carpenter Co. Group can be obtained at the following address:

Carpenter Co., 5016 Monument Ave., Richmond, VA 23230, USA.

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Notes

DKK'000		Group	
		2015	2014
9	Other adjustments		
	Financial income	-1,640	-3,117
	Financial expenses	1,262	1,279
	Tax on profit/loss for the year	9,045	7,730
	Gains/loss on the disposal of non-current assets	4,118	3,106
	Other unrealised value adjustments for the year	-3,581	-4,681
		<u>9,204</u>	<u>4,317</u>
10	Changes in working capital		
	Change in inventories	3,086	908
	Change in receivables	7,664	-5,504
	Change in trade and other payables	-3,310	-17,880
		<u>7,440</u>	<u>-22,476</u>