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BDO Statsautoriseret revisionsaktieselskab
Havneholmen 29
DK-1561 København V
CVR-nr. 20 22 26 70

JERNSTØBERIET DANIA APS

MARKEDSVEJ 21, 9600 AARS

ANNUAL REPORT

2015

The Annual Report has been presented and adopted at the Company's Annual General Meeting 4 April 2016

George Michael Ruhl

CVR-NO. 11 79 39 91

CONTENTS

COMPANY DETAILS

Company	Jernstøberiet Dania ApS Markedsvej 21 9600 Aars	
	Hjemmeside:	www.dania-as.dk
	E-mail:	dania-as@dania-as.dk
	CVR-nr.:	11 79 39 91
	Stiftet:	11. december 1987
	Hjemsted:	Aars
	Regnskabsår:	1. januar - 31. december
Board of Directors	George Michael Ruhl, chairman Thomas Krosnar Hana Krosnar Bjarne Larsen, elected by employees Benny Kristensen, elected by employees	
Board of Executives	Jørn Krogager Henriksen	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 København V	

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the board of directors and board of executives have discussed and approved the annual report of Jernstøberiet Dania ApS for 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 parent financial statements give a true and fair view of the group's and the company's financial position at 31 December 2015 and of the results of the group's and the company's operations and cash flows for the financial year 1 January - 31 December 2015.

In our opinion the management's review includes a fair review of the matters the review dealt with.

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

Aars, 4 April 2016

Board of Executives

Jørn Krogager Henriksen

Board of Directors

George Michael Ruhl Chairman	Thomas Krosnar	Hana Krosnar
Bjarne Larsen Elected by employees	Benny Kristensen Elected by employees	

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Jernstøberiet Dania ApS

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND PARENT COMPANY FINANCIAL STATEMENTS

We have audited the consolidated financial statements and parent company financial statements of Jernstøberiet Dania ApS for the financial year 1 January to 31 December 2015 which comprise a summary of significant accounting policies, income statement, balance sheet and notes for the group as well as for the parent company and 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.

Board of Directors and Board of Executives Responsibility for the Consolidated Financial Statements and Parent Company Financial Statements
The board of directors and board of executives are responsible for the preparation of the 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 as the board of board of directors and board of executives determine is necessary to enable the preparation of the consolidated financial statements and parent company financial statements 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 parent company financial statements based on our audit. We have conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish Audit Legislation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements and 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 misstatements 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 entity’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 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 the overall presentation of the consolidated financial statements and parent company financial statements.

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

The audit has not resulted in any qualification.

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

INDEPENDENT AUDITOR'S REPORT

STATEMENT ON THE MANAGEMENT'S REVIEW

Pursuant to 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 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 parent company financial statements.

Copenhagen, den 4. april 2016

BDO Statsautoriseret revisionsaktieselskab, CVR-nr. 20 22 26 70

Ole C. K. Nielsen
State Authorised Public Accountant

KEY FIGURES AND RATIOS FOR THE GROUP

	2015 DKK mill.	2014 DKK mill.	2013 DKK mill.	2012 DKK mill.	2011 DKK mill.
Income statement					
Net revenue	230	260	263	262	304
Operating profit	-6	6	5	31	31
Financial income and expenses, net	-2	-5	-4	-4	-6
Profit for the year	-7	1	2	20	18
Balance sheet					
Balance sheet total	192	191	204	169	149
Equity	98	105	105	101	81
Cash flows					
Cash flows from operating activities	-1	30	3	17	24
Cash flows from investing activities	-11	-5	-36	-9	-4
Cash flows from financing activities	2	-7	6	-6	2
Investment in tangible fixed assets	11	24	36	9	6
Ratios					
Profit margin	-2,6	2,3	1,9	5,0	10,0
Rate of return	-3,1	3,1	2,7	8,2	25,9
Solvency ratio	51,0	55,0	51,5	59,8	54,3
Return on equity	-8,2	1,2	1,0	29,7	23,9
Average number of employees	323	333	293	267	284

The key figures are prepared in accordance with the guidance of Den Danske Finansanalytikerforening on "Recommendation & Key Figures". Reference is made to survey of principal figures and key figures concerning the formula for calculation of individual key figures.

Principal activities
The company's main activity is manufacturing and sales of customer specified machine molded iron castings, supplied as raw castings, machined castings or ready for assembly goods.

The components are primarily supplied to the segments; Hydraulics, Commercial Vehicles, Wind Turbines and Machine Components.

Target Figures and Policies for the Underrepresented Gender
The company focuses on increasing the number of female managers and on this background the company has as from 2013, being the first year, laid down specific target figures for how many of the underrepresented gender should sit on a board of directors. Further, the company has prepared policies to ensure the right composition of gender in the management generally.

Target Figures
Objective of the company is that minimum 25% of the board members, chosen on the general meeting, should be women by end of year 2017. At the end of year 2015 status is that the target figures has been met, as 33% of the board members are female representation - apart from employee elected board members.

Development in activities and financial position
Turnover
Turnover was lower in 2015 compared to 2014. The foundry activities showed a net decrease of 14.2% while the machine shop activities increased by 10.0%. 65.3% of sales was to customers outside Denmark.

The market saw a significant decrease in activities in the late spring of 2015 caused by downturn in the agricultural markets in Europe and North America, the oil and gas industry as well as the Chinese construction industry.

Results
The group EBITDA was 6.1 m DKK and earnings -7.2 m DKK. The result was heavily influenced by a significant market downturn in the second half of 2015 as well as with start-up costs for new product programs. Also costs associated with relocation of some foundry activities to Poland were higher than expected. The operational costs are incurred in 2015 and results in 2016 are expected to reflect these operational investments.

The result is not satisfactory.

Market Development
The market in Europe was strong in the first four months of the year; but similarly very weak in the remaining year. Certain other market segments followed the same development like the agricultural market in US and the construction industry in China. For the year totally the existing markets saw a decline. Some new projects were won to compensate for old parts being phased out; but some major businesses won were significantly delayed and will only show full effect in 2016. This is especially the case for machined castings in the new machine shop in Poland, which acts as a subcontractor to Dania ApS. The order intake in the last month of the year improved and implies that sales will gain momentum in the beginning of 2016.

Dania supplies mainly to the factories of large international companies in northern Europe. Our customers typically supply their products, including Dania components, to the global market. Thus Dania's exposure is wide and not so vulnerable to regional stagnations.

Investments
Investments in 2015 were less than the year before, which was extraordinary high. Investments of 11.5 m DKK were made during 2015.

Equity and liquidity
Equity decreased by 7.2 m DKK and solidity decreased from 55.0% to 51.0%.

Organisation and Management
Management works systematically with comprehensive improvement and development activities according to specific strategy and business plans.

The average number of employees decreased from 333 to 323 for the group.

Environmental situation
The company meets the requirements provided in its environmental permit under the Environmental Code §5. A systematic effort is made to define, develop and implement environmental improvement activities specifically focused on energy conversation.

The company submits green accounts in accordance with applicable law.

Knowledge resources
Dania mainly sells complex and core intensive castings. The latest technology for casting simulation is used and the company collaborates with external research and development centers. Through the company's management system within quality, environmental and energy control, competencies for various functions are ensured.

Corporate Social Responsibility
The company has no social responsibility policies.

Employee Relations
The company is a member of DI and thus follows the principles of labour rights.

Future expectations
The major uncertainty factor in relation to the turnover development in 2016 is the general global development within the industry. Dania expects a flat development in the industry activity level for 2016. New projects that were partially implemented in 2015 will show full effect in 2016 together with other projects that were awarded and will be implemented in 2016.

The strategic change of ownership in 2012 resulted in 2013 in relocation of the machine shop to Poland as well as cooperation with sister companies in Europe, China and USA. The international development activities will continue in 2016 to support our international customers.

Overall, we expect to improve our business performance in 2016 compared to 2015.

ACCOUNTING POLICIES

The annual report of Jernstøberiet Dania ApS for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, large-sized enterprises

The Annual Report is prepared consistently with the accounting principles used last year.

General information on recognition and measurement
Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and writedown, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is likely that future economic benefits will flow from the company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant effective interest over the term. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation of the difference between cost and nominal amount.

The recognition and measurement takes into account predictable losses and risks arising before the year-end reporting and which prove or disprove matters that existed at the balance sheet date.

The carrying amount of intangible and tangible fixed assets should be estimated annually to determine if there is any indication of impairment in excess of the amount reflected by normal amortisation or depreciation. If this is the case, write-down should be made to the lower recoverable amount.

Derivative financial instruments
Derivative financial instruments are the first time recognized in the balance sheet at cost price and subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in receivables and liabilities, respectively.

Change in the fair value of derivative financial instruments classified as and meeting the criteria for hedging the fair value of a recognized asset or a recognized liability, are recognized in the profit and loss account together with changes in the fair value, if any, of the hedged asset or the hedged liability.

Change in the fair value of derivative financial instruments classified as and meeting the conditions of hedging future assets and liabilities are recognized in receivables or liabilities and in the equity. If the future transaction results in recognition of assets or liabilities, amounts are transferred, which were recognized in the equity, from the equity and are recognized in the cost price for the asset or the liability, respectively. If the future transaction results in income or costs, amounts are transferred, which were recognized in the equity, to the income statement in the period where the hedged influences the income statement.

For derivative financial statements, if any, which do not meet the conditions for treatment as hedging instruments, changes in the fair value are currently recognized in the income state-ment.

ACCOUNTING POLICIES

Consolidated financial statements
The consolidated financial statements include the parent company Jernstøberiet Dania ApS and its subsidiary enterprises in which Jernstøberiet Dania ApS directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the group structure.

The consolidated financial statements consolidate the financial statements of the parent company and the subsidiary enterprises by combining uniform accounts items. Intercompany income and expenses, shareholdings, internal balances and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

New acquired or established enterprises are recognised in the consolidated financial statements from the time of acquisition. Sold or wound up enterprises are recognised in the consolidated income statement up to the time of disposal. Comparative figures are not adjusted for new acquired, sold or wound up enterprises.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiary enterprises' market value of net assets and liabilities at the acquisition date.

Positive differences between acquisition value and market value of acquired and identified assets and liabilities, inclusive of provision for liabilities for restructuring, are recognised in intangible fixed assets as goodwill and amortised systematically in the income statement under an individual assessment of the useful life, however, not more than 20 years. Negative differences which correspond to an expected unfavourable development in the enterprises are recognised as negative goodwill under accruals in the balance sheet and recognised in the income statement as and when the unfavourable development is realised.

INCOME STATEMENT

Net revenue
The net revenue from sale of finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year. Net revenues is recognised exclusive of VAT, duties and less discounts related to the sale.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external costs
Other external costs include costs relating to distribution, sale, advertising, administration, premises and similar expenses.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are included in staff costs.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

ACCOUNTING POLICIES

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that can be attributed to the profit for the year, and is recognised directly in the equity by the portion that can be attributed to entries directly to the equity.

The company is jointly taxed with Roulunds Braking ApS. The current Danish corporation tax is distributed between the jointly taxed Danish companies in proportion to their taxable income, and with full distribution with refund regarding taxable losses. The jointly taxed companies are included in the tax-on-account scheme.

BALANCE SHEET

Tangible fixed assets
Land and buildings, production plant and machinery, other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-downs. No depreciation is provided on land.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value as follows:

	Useful life	Residual value
Buildings	10-40 years	0%
Production plant and machinery	5-15 years	0%
Other plant, fixtures and equipment	3-5 years	0%
Leased other assets	10 years	0%

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Decrease in value of fixed assets
The book value of tangible fixed assets are assessed annually for indications of impairment beyond what is expressed through depreciation.

If there are indications of impairment, an impairment test of each asset or group of assets is carried out. The assets are written down to their recoverable amounts if this is lower than the book value.

The recoverable amount is the higher of fair value less costs to sell and capitalised value. The capitalised value is calculated as the present value of expected net cash flows from the use of the asset or asset group.

ACCOUNTING POLICIES

Fixed asset investments
Investments in subsidiary enterprises are measured in the parent company balance sheet under the equity method.

Investments in subsidiary enterprises are measured in the balance sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the parent company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated in accordance with the acquisition method.

Net revaluation of investments in subsidiary enterprises is transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value. The acquisition method is used on purchase of subsidiary enterprises, see description above under consolidated financial statements.

Subsidiary enterprises with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the parent company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds accounts receivable, the residual amount is recognised under provision for liabilities to the extent that the parent company has a legal or actual liability to cover the subsidiary's deficit.

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, write-down is provided to the lower value.

The cost of finished goods and work in progress includes cost of raw materials, consumables, direct payroll cost and indirect production cost. Indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, cost of factory administration and Management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables
Accounts receivable are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Dividend
The expected payment of dividend for the year is recognised as a separate item under the equity capital.

ACCOUNTING POLICIES

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calcu-lated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax unit.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Change in deferred tax due to change in the actual tax rate is recognised in the income statement, except adjustments on equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Mortgage debt is measured at amortised cost which for cash loans is equal to the debt outstanding and for bond loans is equal to the debt outstanding, calculated on the basis of the underlying cash value of the loan at the time of borrowing.

Other liabilities are measured at amortised cost equal to nominal value.

Other liabilities which include debt to suppliers, affiliates and associates and other debt are measured at amortised cost which usually corresponds to the nominal value.

Accruals recognised as liabilities include payments received regarding income in subsequent years.

The capitalised residual lease liability on finance lease contracts is also recognised as financial liabilities.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivable or payable is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

ACCOUNTING POLICIES

CASH FLOW STATEMENT

The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.
The cash flow statement shows the company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:
Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:
Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:
Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:
Cash and cash equivalents include bank overdraft and liquid funds.

KEY FIGURES

The financial ratios stated are calculated as follows:

Profit margin:

$$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$$

Rate of return:

$$\frac{\text{Operating profit} \times 100}{\text{Average assets}}$$

Solvency ratio:

$$\frac{\text{Equity excl. minority int., year end} \times 100}{\text{Liabilities, year end}}$$

Return on equity:

$$\frac{\text{Result before tax} \times 100}{\text{Average equity}}$$

The ratios essentially follows the Danish Financial Analysts.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	Group 2015 tkr.	Group 2014 tkr.	Parent company 2015 tkr.	Parent company 2014 tkr.
NET REVENUE	1	**229.755**	**259.937**	**227.962**	**260.291**
Cost of sales		-120.631	-134.404	-131.769	-146.581
Other external expenses		-8.707	-10.911	-6.445	-7.898
GROSS PROFIT		**100.417**	**114.622**	**89.748**	**105.812**
Staff costs	2	-94.293	-98.572	-84.399	-90.498
Depreciation, amortisation and impairment		-12.082	-10.009	-8.427	-8.116
OPERATING PROFIT		**-5.958**	**6.041**	**-3.078**	**7.198**
Result of equity investments in group		0	0	-4.453	-3.509
Other financial income	3	573	391	1.046	745
Other financial expenses		-2.841	-5.177	-1.298	-2.427
PROFIT BEFORE TAX		**-8.226**	**1.255**	**-7.783**	**2.007**
Tax on profit/loss for the year	4	1.046	-545	603	-1.297
PROFIT FOR THE YEAR		**-7.180**	**710**	**-7.180**	**710**
GROUP SHARE OF PROFIT/LOSS FOR THE YEAR		**-7.180**	**710**		

PROPOSED DISTRIBUTION OF PROFIT

	Note	Group 2015 tkr.	Group 2014 tkr.	Parent company 2015 tkr.	Parent company 2014 tkr.
Retained earnings				-7.180	710
TOTAL				**-7.180**	**710**

BALANCE SHEET 31 DECEMBER

ASSETS	Note	Group 2015 tkr.	Group 2014 tkr.	Parent company 2015 tkr.	Parent company 2014 tkr.
Land and buildings		38.000	38.952	38.000	38.952
Production plants and machinery		67.104	58.718	36.029	34.304
Other plants, machinery, tools and equipment		2.297	2.245	566	597
Tangible fixed assets in progress and prepayment		403	8.157	0	120
Tangible fixed assets	5	**107.804**	**108.072**	**74.595**	**73.973**
Equity investments in group enterprises		0	0	0	2.027
Fixed asset investments	6	**0**	**0**	**0**	**2.027**
FIXED ASSETS		**107.804**	**108.072**	**74.595**	**76.000**
Raw materials and consumables		4.392	6.156	3.954	5.756
Work in progress		5.740	2.100	5.525	2.100
Finished goods and goods for resale		21.129	21.888	18.020	20.426
Inventory		**31.261**	**30.144**	**27.499**	**28.282**
Trade receivables		44.943	46.880	44.943	46.767
Receivables from group enterprises		54	0	15.539	14.858
Other receivables		3.391	3.345	1.691	1.327
Receivables corporation tax		1.934	1.483	0	0
Accounts receivable		**50.322**	**51.708**	**62.173**	**62.952**
Cash and cash equivalents		**2.897**	**1.434**	**2.798**	**816**
CURRENT ASSETS		**84.480**	**83.286**	**92.470**	**92.050**
ASSETS		**192.284**	**191.358**	**167.065**	**168.050**

BALANCE SHEET 31 DECEMBER

EQUITY AND LIABILITIES	Note	Group 2015 tkr.	Group 2014 tkr.	Parent company 2015 tkr.	Parent company 2014 tkr.
Share capital		15.500	15.500	15.500	15.500
Retained profit		82.501	89.659	82.501	89.659
EQUITY	7	**98.001**	**105.159**	**98.001**	**105.159**
Provision for deferred tax		6.610	7.213	6.610	7.213
PROVISIONS FOR LIABILITIES		**6.610**	**7.213**	**6.610**	**7.213**
Mortgage debt		18.829	17.269	12.063	8.362
Lease liabilities		3.789	3.268	3.268	3.268
Long-term liabilities	8	**22.618**	**20.537**	**15.331**	**11.630**
Short-term portion of long-term liabilities	8	7.165	7.090	5.451	5.392
Bank debt		20.371	8.382	15.724	5.724
Trade payables		21.265	26.441	9.901	15.098
Payables to group enterprises		626	556	1.652	2.225
Corporation tax		0	755	0	755
Other liabilities		15.628	15.225	14.395	14.854
Current liabilities		**65.055**	**58.449**	**47.123**	**44.048**
LIABILITIES		**87.673**	**78.986**	**62.454**	**55.678**
EQUITY AND LIABILITIES		**192.284**	**191.358**	**167.065**	**168.050**

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CASH FLOW STATEMENT

	Group		Parent company	
	2015	2014	2015	2014
	tkr.	tkr.	tkr.	tkr.
Profit for the year	-7.180	710	-7.180	710
Reversed depreciation of the year	12.031	10.009	8.427	8.116
Profit from affiliates	0	0	4.453	3.509
Reversed tax on profit for the year	-1.046	545	-603	1.297
Paid corporate tax	0	0	-755	-364
Change in inventory	-1.098	-577	783	171
Change in receivables	1.876	9.676	778	15.565
Change in current liabilities (excl. bank, tax and dividend)	-5.734	9.135	-6.229	1.270
Other cash flows from operating activities	-11	205	0	0
CASH FLOW FROM OPERATING ACTIVITIES	**-1.162**	**29.703**	**-326**	**30.274**
Purchase of tangible fixed assets	-11.472	-24.479	-9.112	-5.940
Sale of tangible fixed assets	63	19.468	63	81
Other cash flows from investing activities	0	0	-2.404	0
CASH FLOWS FROM INVESTING ACTIVITIES	**-11.409**	**-5.011**	**-11.453**	**-5.859**
Repayment of loans	2.045	-7.061	3.760	-6.088
CASH FLOW FROM FINANCING ACTIVITIES	**2.045**	**-7.061**	**3.760**	**-6.088**
CHANGE IN CASH AND CASH EQUIVALENTS	**-10.526**	**17.631**	**-8.019**	**18.327**
Cash and cash equivalents 1 January	-6.948	-24.579	-4.907	-23.234
CASH AND CASH EQUIVALENTS 31 DECEMBER	**-17.474**	**-6.948**	**-12.926**	**-4.907**
Specification of cash and cash equivalents at 31 December:				
Cash and cash equivalents	2.897	1.434	2.798	817
Bank debt	-20.371	-8.382	-15.724	-5.724
CASH AND CASH EQUIVALENTS, NET DEBT	**-17.474**	**-6.948**	**-12.926**	**-4.907**

NOTES

	Group		Parent company		
	2015	2014	2015	2014	Note
	tkr.	tkr.	tkr.	tkr.	
Net revenue					1
Segment details geographical					
Revenue, Denmark	79.678	99.049	78.802	98.656	
Revenue, countries outside Denmark	150.077	160.888	149.160	161.635	
	229.755	**259.937**	**227.962**	**260.291**	
Segment details products					
Castings	200.710	233.505	200.345	233.505	
Machining etc	29.045	26.432	27.617	26.786	
	229.755	**259.937**	**227.962**	**260.291**	
Staff costs					2
Average number of employees	323	333	231	255	
Wages and salaries	84.110	87.331	75.721	80.600	
Pensions	5.625	6.390	5.618	6.390	
Social security costs	4.558	4.851	3.060	3.508	
	94.293	**98.572**	**84.399**	**90.498**	
Remuneration of management and board of directors	1.841	1.769	1.841	1.769	
	1.841	**1.769**	**1.841**	**1.769**	
Other financial income					3
Group enterprises	11	0	483	365	
Other interest income	572	391	563	380	
	573	**391**	**1.046**	**745**	
Tax on profit/loss for the year					4
Calculated tax on taxable income of the year	0	755	0	755	
Adjustment of deferred tax	-1.046	-210	-603	542	
	-1.046	**545**	**-603**	**1.297**	

NOTES

Note

Tangible fixed assets 5

	Group		
	Land and buildings	Production plants and machinery	Other plants, machinery, tools and equipment
Cost 1 January 2015	93.639	206.660	10.240
Exchange adjustment at closing rate	0	276	20
Additions	437	18.123	743
Disposals	-56	-2.793	-563
Cost 31 December 2015	**94.020**	**222.266**	**10.440**
Depreciation 1 January 2015	54.687	147.942	7.995
Exchange adjustment at closing rate	-5	22	3
Reversal of depreciation of assets disposed of	0	-2.732	-563
Depreciation	1.338	9.930	708
Amortisation 31 December 2015	**56.020**	**155.162**	**8.143**
Carrying amount at 31 December 2015	**38.000**	**67.104**	**2.297**

	Group
	Tangible fixed assets in progress and prepayment
Cost 1 January 2015	8.157
Exchange adjustment at closing rate	84
Disposals	-7.838
Cost 31 December 2015	**403**
Carrying amount at 31 December 2015	**403**

Recognised assets not owned by the company: DKK ('000) 14,412

	Parent company		
	Land and buildings	Production plants and machinery	Other plants, machinery, tools and equipment
Cost 1 January 2015	93.639	180.090	8.330
Additions	437	8.527	269
Disposals	-56	-2.793	-546
Cost 31 December 2015	**94.020**	**185.824**	**8.053**
Depreciation 1 January 2015	54.686	145.786	7.733
Reversal of depreciation of assets disposed of	-4	-2.732	-546
Depreciation	1.338	6.741	300
Amortisation 31 December 2015	**56.020**	**149.795**	**7.487**
Carrying amount at 31 December 2015	**38.000**	**36.029**	**566**

NOTES

Note

Tangible fixed assets (fortsat) 5

	Parent company Tangible fixed assets in progress and prepayment
Cost 1 January 2015	120
Disposals	-120
Carrying amount at 31 December 2015	**0**

Fixed asset investments 6

	Parent company Equity investments in group enterprises
Cost 1 January 2015	8.710
Exchange adjustment at closing rate	90
Cost 31 December 2015	**8.800**
Write-down and amortisation 1 January 2015	6.682
Exchange adjustment at closing rate	69
Depreciation	4.453
Write-down and amortisation 31 December 2015	**11.204**
Balance 31 December 2015	**-2.404**
Negative balance, receivables	2.404
Carrying amount at 31 December 2015	**0**

NOTES

Note

Equity 7

	Group		
	Share capital	Retained profit	Total
Equity 1 January 2015	15.500	89.659	105.159
Foreign exchange adjustments	0	22	22
Proposed distribution of profit	0	-7.180	-7.180
Equity 31 December 2015	**15.500**	**82.501**	**98.001**

	Parent company		
	Share capital	Retained profit	Total
Equity 1 January 2015	15.500	89.659	105.159
Foreign exchange adjustments	0	22	22
Proposed distribution of profit	0	-7.180	-7.180
Equity 31 December 2015	**15.500**	**82.501**	**98.001**

The share capital has remained unchanged for the last 5 years.

	2015 tkr.	2014 tkr.
Share capital		
Share capital is divided as follows:		
Shares, 1 share in the denomination of 2.000.000 DKK	2.000	2.000
Shares, 1 share in the denomination of 1.675.000 DKK	1.675	1.675
Shares, 1 share in the denomination of 1.175.000 DKK	1.175	1.175
Shares, 3 shares in the denomination of 1.162.500 DKK	3.488	3.488
Shares, 1 share in the denomination of 1.000.000 DKK	1.000	1.000
Shares, 1 share in the denomination of 775.000 DKK	775	775
Shares, 7 shares in the denomination of 500.000 DKK	3.500	3.500
Shares, 1 share in the denomination of 387.500 DKK	387	387
Shares, 1 share in the denomination of 374.000 DKK	374	374
Shares, 1 share in the denomination of 300.000 DKK	300	300
Shares, 3 shares in the denomination of 250.000 DKK	750	750
Shares, 2 shares in the denomination of 38.000 DKK	76	76
	15.500	**15.500**

NOTES

Note

Long-term liabilities 8

	Group			
	1/1 2015 total liabilities	31/12 2015 total liabilities	Repayment next year	Debt outstanding after 5 years
Mortgage debt	9.864	13.617	2.075	3.237
Bank loan	10.605	9.001	1.714	0
Lease liabilities	7.158	7.165	3.376	1.876
	27.627	**29.783**	**7.165**	**5.113**

	Parent company			
	1/1 2015 total liabilities	31/12 2015 total liabilities	Repayment next year	Debt outstanding after 5 years
Mortgage debt	9.864	13.617	2.075	3.237
Lease liabilities	7.158	7.165	3.376	1.876
	17.022	**20.782**	**5.451**	**5.113**

Contingencies etc. 9

Contingent asset
The company is with approx. 1,100 other Danish companies party to a pending case against DONG (ex Elsam), as the Competition Appeals Tribunal is convicted of abuse of market power in determining the settlement price of electricity. DONG has appealed the decision to the Maritime and Commercial Court. Of the total requirement of 4.4 billion. DKK represents the Company's share DKK 12.1 million.

Liability in the joint taxation
The company is subject to joint taxation with Roulunds Braking ApS and is jointly and severally liable for the taxes relating to the joint taxation.

Operating lease
The Company has entered into operating leases with an average annual lease payment of DKK ('000) 235 leases have a remaining maturity of up to 36 months and a total remaining lease payments DKK ('000) 666.

NOTES

	Note

Charges and securities — 10

Mortgages
For the safety of mortgage debt of DKK ('000) 13,617 is pledged to DKK ('000) 37,500 in land and buildings which is booked at DKK ('000) 38,000 and other fixed assets booked at DKK ('000) 25,264.

The company has pledged DKK ('000) 27,000 for concerns with the bank that pledge in the following assets:

Simple claims
Inventory
Unregistered vehicles
Other machinery, tools and equipment etc.
Goodwill etc.

Related parties — 11

The Company's related parties include the following:

Controlling interest
Eurac Ltd.
16 Mannings Heath Road
Poole, BH12 4NJ

Other related parties which the company has had transactions with
Related parties are the Board of Directors and the Executive.

	Group		Parent company		Note
	2015	**2014**	**2015**	**2014**	
	tkr.	tkr.	tkr.	tkr.	
Fee to auditors appointed by the General Meeting					12
Statutory audit	238	235	168	183	
Other services	65	42	65	43	
	303	**277**	**233**	**226**	