

# Rocla Danmark A/S

Kobbervej 5, 6000 Kolding

CVR no. 25 01 99 46



## Annual report 2016/17

Approved at the annual general meeting of shareholders on 31 August 2017

Chairman:

**Michael Goeskjær**  
Advokat (H)  
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Horten Advokatpartnerselskab



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## Contents

<b>Statement by the Board of Directors and the Executive Board</b>	<b>2</b>
<b>Independent auditor's report</b>	<b>3</b>
<b>Management's review</b>	<b>6</b>
Company details	6
Financial highlights	7
Management commentary	8
<b>Financial statements 1 April 2016 - 31 March 2017</b>	<b>9</b>
Income statement	9
Balance sheet	10
Statement of changes in equity	12
Notes to the financial statements	13

### Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Rocla Danmark A/S for the financial year 1 April 2016 - 31 March 2017.

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

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2017 and of the results of the Company's operations for the financial year 1 April 2016 - 31 March 2017.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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

Kolding, 30 August 2017  
Executive Board:



Stig Vilmun-Jaltved

Board of Directors:



Johannes Hubertus Seijger  
Chairman



馬場 泰夫  
Yasumitsu Baba



Ilse Faber



Michael Karl Goeskjær



Johnny Vinterberg Jensen

## Independent auditor's report

To the shareholders of Rocla Danmark A/S

### Opinion

We have audited the financial statements of Rocla Danmark A/S for the financial year 1 April 2016 - 31 March 2017, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2017 and of the results of the Company's operations for the financial year 1 April 2016 - 31 March 2017 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter in the financial statements

Without modifying our opinion, we wish to draw attention to note 2 in the financial statements, where the management has explained the financial situation of the Company including that the parent company has provided binding commitment to finance the Company and subsidiary Rocla Rent A/S' operations and the necessary investments in the coming year to the extent, that the Company and the subsidiary Rocla Rent A/S can meet its current and future liabilities.

We have not modified our opinion in respect of this matter.

### Management's responsibilities for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

## Independent auditor's report

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit 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.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## Independent auditor's report

### Statement on Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.


Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Kolding, 30 August 2017  
ERNST & YOUNG  
Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Claus E. Andreasen  
State Authorised Public Accountant



Michael Vakker Maass  
State Authorised Public Accountant

## Management's review

### Company details

Name	Rocla Danmark A/S
Address, Postal code, City	Kobbervej 5, 6000 Kolding
CVR no.	25 01 99 46
Established	11 November 1999
Registered office	Kolding
Financial year	1 April 2016 - 31 March 2017
Website	<a href="http://www.rocla.dk">www.rocla.dk</a>
Telephone	+45 99 98 88 88
Board of Directors	Johannes Hubertus Seijger, Chairman Yasumitsu Baba Ilse Faber Michael Karl Goeskjær Johnny Vinterberg Jensen
Executive Board	Stig Vilmun-Jaltved
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Kolding Åpark 1, 3. sal, 6000 Kolding, Denmark Ernst & Young, Godkendt Revisionspartnerselskab
Bankers	Spar Nord Bank Danske Bank

## Management's review

### Financial highlights

DKK'000	2016/17 12 months	2015/16 12 months	2015 3 months	2014 12 mdr.(months)	2013 12 mdr.(months)
<b>Key figures</b>					
Gross margin	39,529	29,726	11,210	43,213	43,791
Operating profit/loss	3,093	-18,428	683	1,518	2,267
Net financials	-398	-659	-319	-1,201	-1,344
<b>Profit/loss for the year</b>	<b>-925</b>	<b>-66,088</b>	<b>273</b>	<b>724</b>	<b>2,254</b>
<b>Financial ratios</b>					
Total assets	55,362	66,558	132,814	131,663	140,390
Investment in property, plant and equipment	514	4,862	411	2,120	3,196
<b>Equity</b>	<b>-27,478</b>	<b>-26,553</b>	<b>42,845</b>	<b>42,573</b>	<b>41,849</b>
Return on assets	5.1%	-18.5%	0.5%	1.1%	1.7%
Solvency ratio	-49.6%	-39.9%	32.3%	32.3%	29.8%
<b>Average number of employees</b>	<b>78</b>	<b>88</b>	<b>91</b>	<b>93</b>	<b>96</b>



## Management's review

### Management commentary

#### Business review

The Company is engaged in sale of new Cat Lift Trucks, Warehouse products, hand pallet trucks, stackers as well as related service and repair. Moreover the Company sells spare parts.

In addition Rocla Danmark A/S also offers Roclas' AGV ( automated guided vehicles ) solutions to the Danish market.

Through its subsidiary, Rocla Rent A/S, the Company is engaged in leasing and sale of used equipment.

Sales and service activities are nationwide. Rocla Danmark A/S is owned by the Finnish-based internal materials handling company Rocla Oy which is a part of the European division of Mitsubishi Caterpillar Forklift Europe B.V. (MCFE) which is a part of the Japanese group Mitsubishi Heavy Industries Ltd. (MHI)

#### Financial review

The income statement for 2016/17 shows a loss of DKK 925 thousand against a loss of DKK 66,088 thousand, and the balance sheet at 31 March 2017 shows equity of DKK -27,478 thousand.

This years loss is caused by loss in subsidiary Rocla Rent A/S of DKK 3,620 thousand.

The Company's future operations are depending on the Company's and the subsidiary Rocla Rent A/S' ability to make profit and that sufficient financing is secured for the coming year. The Company and subsidiary Rocla Rent A/S expect for 2017/18 a minor profit and the group company Mitsubishi Caterpillar Forklift Europe B.V. has provided binding commitment (letter of support) to finance both the Company and the subsidiary Rocla Rent A/S' operations and the necessary investments in the coming year to the extent, that the Company and subsidiary Rocla Rent A/S can meet its current and future liabilities. On basis hereof Management believes it is justifiable that the financial statement has been prepared on a going concern basis.

#### Special risks

The Company is not exposed to any particular risks other than usual business risks.

#### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

#### Outlook

The Company expects to realise a positive result for the coming year.

## Financial statements for the period 1 April 2016 - 31 March 2017

### Income statement

Note	DKK'000	2016/17	2015/16
	<b>Gross margin</b>	39,529	29,726
3	Staff costs	-35,463	-41,869
6	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-973	-6,285
	<b>Profit/loss before net financials</b>	3,093	-18,428
	Income from investments in group entities	-3,620	-47,001
4	Financial income	316	386
5	Financial expenses	-714	-1,045
	<b>Profit/loss for the year</b>	-925	-66,088

## Financial statements for the period 1 April 2016 - 31 March 2017

### Balance sheet

Note	DKK'000	2016/17	2015/16
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
6	<b>Property, plant and equipment</b>		
	Land and buildings	2,345	4,388
	Other fixtures and fittings, tools and equipment	1,479	1,774
	Leasehold improvements	316	463
		<u>4,140</u>	<u>6,625</u>
7	<b>Investments</b>		
	Investments in group entities	0	0
	Receivables from group entities	0	0
	Other receivables	748	827
		<u>748</u>	<u>827</u>
	<b>Total fixed assets</b>	<u>4,888</u>	<u>7,452</u>
	<b>Non-fixed assets</b>		
	<b>Inventories</b>		
	Finished goods and goods for resale	9,567	18,560
		<u>9,567</u>	<u>18,560</u>
	<b>Receivables</b>		
	Trade receivables	15,488	14,523
	Work in progress for third parties	497	0
	Receivables from group entities	20,883	20,235
10	Deferred tax assets	1,243	1,243
	Other receivables	132	320
	Prepayments	634	1,579
		<u>38,877</u>	<u>37,900</u>
	<b>Cash</b>	<u>2,030</u>	<u>2,646</u>
	<b>Total non-fixed assets</b>	<u>50,474</u>	<u>59,106</u>
	<b>TOTAL ASSETS</b>	<u><u>55,362</u></u>	<u><u>66,558</u></u>

## Financial statements for the period 1 April 2016 - 31 March 2017

### Balance sheet

Note	DKK'000	2016/17	2015/16
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
8	Share capital	1,000	1,000
	Retained earnings	-28,478	-27,553
	<b>Total equity</b>	<b>-27,478</b>	<b>-26,553</b>
	<b>Provisions</b>		
	Other provisions	1,824	4,953
	<b>Total provisions</b>	<b>1,824</b>	<b>4,953</b>
	<b>Liabilities</b>		
9	<b>Non-current liabilities other than provisions</b>		
	Mortgage debt	0	4,195
	Payables to group entities	11,920	0
	Deferred income	2,932	3,310
		<b>14,852</b>	<b>7,505</b>
	<b>Current liabilities</b>		
9	<b>Current portion of long-term liabilities</b>	<b>3,642</b>	<b>613</b>
	Bank debt	38	11,862
	Trade payables	2,951	4,863
	Payables to group entities	50,215	53,712
	Other payables	9,253	9,556
	Deferred income	65	47
		<b>66,164</b>	<b>80,653</b>
	<b>Total liabilities other than provisions</b>	<b>81,016</b>	<b>88,158</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>55,362</b>	<b>66,558</b>

- 1 Accounting policies
- 2 Going concern
- 11 Contractual obligations and contingencies, etc.
- 12 Collateral
- 13 Related parties

## Financial statements for the period 1 April 2016 - 31 March 2017

### Statement of changes in equity

DKK'000	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 April 2015	1,000	41,845	42,845
Correction of material misstatement	0	-3,310	-3,310
14 Transfer, see "Appropriation of profit/loss"	0	-66,088	-66,088
<b>Equity at 1 April 2016</b>	<b>1,000</b>	<b>-27,553</b>	<b>-26,553</b>
14 Transfer, see "Appropriation of profit/loss"	0	-925	-925
<b>Equity at 31 March 2017</b>	<b>1,000</b>	<b>-28,478</b>	<b>-27,478</b>

The Company's share capital has not changed the previous five financial years.

## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 1 Accounting policies

The annual report of Rocla Danmark A/S for 2016/17 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements are prepared. The financial statements for Rocla Danmark A/S and its group entities are part of the consolidated financial statements for Mitsubishi Caterpillar Forklift Europe B.V.

#### Changes to presentation and disclosures only

Effective 1 April 2016, the Company has implemented act no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

#### Material misstatements

During the year, it was established that income from service contracts in prior financial years are recognised at too high amounts, and the financial statements for 2015/16 do not give a true and fair view. Therefore, the error has been corrected as a material misstatement by restating comparatives and opening equity figures in the current-year financial statements. In consequence of the restatement, the balance sheet total at 31 March 2016 has been adversely affected by DKK 3.310 thousand in Deferred income, and equity has been adversely affected by DKK -3.310 thousand. The misstatement has effected the result for 2016/17 positively with DKK 716 thousand and with zero in 2015/16.

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flows are part of the consolidated cash flow statement for the parent company, Mitsubishi Heavy Industries Ltd.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate 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 and payables and other monetary items denominated in foreign currencies are translated at the exchange rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.



## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income statement

###### Revenue

Income from the sale of goods and finished goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

Income from the rendering of services is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

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

###### Gross margin

The items revenue, change in inventories of finished goods and work in progress, work performed for own account and capitalised, other operating income and external expenses have been aggregated into one item in the income statement called gross margin in accordance with section 32 of the Danish Financial Statements Act.

###### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains or losses on the sale of fixed assets.

###### Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

###### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

###### Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

###### Depreciation and impairment

The item comprises depreciation and impairment of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Buildings	25 years
Other fixtures and fittings, tools and equipment	3-6 years
Leasehold improvements	3-5 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 1 Accounting policies (continued)

Land is not depreciated.

#### Income from investments in subsidiaries

The item includes the Company's proportionate share of the profit/loss for the year in subsidiaries after elimination of intra-group income or losses and net of amortisation and impairment of goodwill and other excess values at the time of acquisition.

#### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities, exchange gains and losses and amortisation of financial assets and liabilities.

#### Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge 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 been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

#### Balance sheet

##### Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

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

## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Investments in subsidiaries

Investments in subsidiaries are measured, using the equity method, at the parent's proportionate share of such entities' equity plus goodwill on consolidation and intra-group losses and less intra-group gains and negative goodwill, if any. Investments in entities whose net asset value is negative are measured at DKK 0. The entity's proportionate share of a deficit on equity, if any, is set off against receivables from the investment in so far as the deficit is irrecoverable. Amounts in excess thereof are recognised under 'Provisions' in so far as the parent has a legal or constructive obligation to cover the deficit.

Newly acquired or formed entities are recognised in the financial statements from the date of acquisition or formation. Entities sold or otherwise disposed of are recognised up to the date of disposal.

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

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

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 sales price.

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected 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.

##### Work in progress for third parties

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.



## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 1 Accounting policies (continued)

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

#### Equity

##### *Reserve for net revaluation according to the equity method*

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

##### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

#### Provisions

Provisions comprise expected expenses relating to redundancy payment and losses on service contracts. Provisions are recognised when the company has a legal or constructive obligation as a result of a past event at the balance sheet date and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

#### Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to 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. Deferred tax assets are recognised at the expected value of their utilisation; 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. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

##### Financial ratios

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

The financial ratios stated under "Financial highlights" have been calculated as follows:

Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$

## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 2 Going concern

The income statement for 2016/17 shows a loss of DKK 925 thousand against a loss of DKK 66,088 thousand, and the balance sheet at 31 March 2017 shows equity of DKK -27,478 thousand.

This years loss is caused by loss in subsidiary Rocla Rent A/S of DKK 3,620 thousand.

The Company's future operations are depending on the Company's and the subsidiary Rocla Rent A/S' ability to make profit and that sufficient financing is secured for the coming year. The Company and subsidiary Rocla Rent A/S expect for 2017/18 a minor profit and the group company Mitsubishi Caterpillar Forklift Europe B.V. has provided binding commitment (letter of support) to finance both the Company and the subsidiary Rocla Rent A/S' operations and the necessary investments in the coming year to the extent, that the Company and subsidiary Rocla Rent A/S can meet its current and future liabilities. On basis hereof Management believes it is justifiable that the financial statement has been prepared on a going concern basis.

DKK'000	2016/17	2015/16
<b>3 Staff costs</b>		
Wages/salaries	30,763	37,015
Pensions	2,734	2,913
Other social security costs	1,337	1,327
Other staff costs	629	614
	<u>35,463</u>	<u>41,869</u>
Average number of full-time employees	<u>78</u>	<u>88</u>
By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed.		
<b>4 Financial income</b>		
Interest receivable, group entities	315	315
Other financial income	1	71
	<u>316</u>	<u>386</u>
<b>5 Financial expenses</b>		
Interest expenses mortgage loan	15	60
Bank interest expenses	573	854
Exchange losses	55	82
Other financial expenses	71	49
	<u>714</u>	<u>1,045</u>



## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 6 Property, plant and equipment

DKK'000	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 April 2016	12,456	9,804	902	23,162
Additions in the year	0	514	0	514
Disposals in the year	-9,939	-6,382	-166	-16,487
Cost at 31 March 2017	2,517	3,936	736	7,189
Impairment losses and depreciation at 1 April 2016	8,068	8,030	439	16,537
Amortisation/depreciation in the year	103	723	147	973
Reversal of amortisation/depreciation and impairment of disposals	-7,999	-6,296	-166	-14,461
Impairment losses and depreciation at 31 March 2017	172	2,457	420	3,049
<b>Carrying amount at 31 March 2017</b>	<b>2,345</b>	<b>1,479</b>	<b>316</b>	<b>4,140</b>

#### 7 Investments

DKK'000	Investments in group entities	Receivables from group entities	Other receivables	Total
Cost at 1 April 2016	3,000	12,599	827	16,426
Additions in the year	0	630	0	630
Disposals in the year	0	0	-79	-79
Cost at 31 March 2017	3,000	13,229	748	16,977
Value adjustments at 1 April 2016	-3,000	-12,599	0	-15,599
Share of the profit/loss for the year	-3,620	0	0	-3,620
Impairment losses	3,620	-630	0	2,990
Value adjustments at 31 March 2017	-3,000	-13,229	0	-16,229
<b>Carrying amount at 31 March 2017</b>	<b>0</b>	<b>0</b>	<b>748</b>	<b>748</b>

Name	Legal form	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
<b>Subsidiaries</b>					
Rocla Rent A/S	Aktieselskab	Kobbervej 5, 6000 Kolding	100.00 %	-48,198	-3,620

## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

DKK'000		2016/17	2015/16	
<b>8 Share capital</b>				
Analysis of the share capital:				
1,000 shares of DKK 1,000.00 nominal value each		1,000	1,000	
		<u>1,000</u>	<u>1,000</u>	
<b>9 Non-current liabilities other than provisions</b>				
DKK'000	Total debt at 31/3 2017	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Payables to group entities	14,900	2,980	11,920	0
Deferred income	<u>3,594</u>	<u>662</u>	<u>2,932</u>	<u>0</u>
	<u>18,494</u>	<u>3,642</u>	<u>14,852</u>	<u>0</u>

### 10 Deferred tax

The company has a deferred tax asset of DKK 11,500 thousand whereas the company has estimated that DKK 1,243 thousand is soundly to capitalize. As it is uncertain if these tax assets can be utilised within a foreseeable future, their carrying amount has not been fully recognised in the financial statements.

### 11 Contractual obligations and contingencies, etc.

#### Other financial obligations

The Company has entered into a tenancy agreement for real property. The total rent obligation amounts to DKK 752 thousand.

The Company has entered into an operating lease with residual liability of DKK 8,426 thousand.

Together with the subsidiary, Rocla Rent A/S, the Company has entered into repurchase obligations for leased trucks of a total of DKK 13,206 thousand at 31 March 2017. Repurchase values are expected to correspond to market values at the date of repurchase.

### 12 Collateral

The Company has not provided any security or other collateral in assets at 31 March 2017.

## Financial statements for the period 1 April 2016 - 31 March 2017

### Notes to the financial statements

#### 13 Related parties

Rocla Danmark A/S' related parties comprise the following:

##### Parties exercising control

Related party	Domicile	Basis for control
Rocla OY	Jampankatu, P.O. Box 88, 04401 Järvenpää	principal shareholder
Mitsubishi Caterpillar Forklift Europe B.V.	Hefbrugweg 77, 1332 Almere, Nederland	principal shareholder, Rocla Oy
Mitsubishi Heavy Industries Ltd.	16-5 Konan2-Chome, Minato-ku, Tokyo 108- 8215, Japan	Ultimate parent

##### Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Mitsubishi Heavy Industries Ltd.	16-5 Konan2-Chome, Minato-ku, Tokyo 108- 8215, Japan	www.mhi.co.jp
Mitsubishi Caterpillar Forklift Europe B.V.	Hefbrugweg 77, 1332 Almere, Nederland	www.cvr.dk, Rocla Danmark A/S

##### Group enterprise transactions not carried through on normal market terms

There are no group enterprise transactions that have not been carried through on normal market terms.

##### Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

Name	Domicile
Rocla Oy	Jampankatu P.O. Box 88, 04401 Järvenpää, Finland

DKK'000	2016/17	2015/16
<b>14 Appropriation of profit/loss</b>		
Recommended appropriation of profit/loss		
Retained earnings/accumulated loss	-925	-66,088
	-925	-66,088