

**Expedit a/s
8370 Hadsten**

**Annual report 2006
Årsrapport 2006**

A/S-reg.nr. 37.407

Contents

Statement by the Executive and Supervisory Boards	1
Independent auditors' report	2
The year at a glance - highlights	3
Financial highlights for the Group	4
Company details	6
Group chart	7
Management's review	8
Income statement for 2006	20
Assets at 31 December 2006	21
Equity and liabilities at 31 December 2006	22
Statement of changes in equity, Group	23
Statement of changes in equity, parent company	24
Cash flow statement	25
Notes	26
Accounting policies	44

Statement by the Executive and Supervisory Boards

The Executive and Supervisory Boards have today discussed and adopted the annual report for Expedit a/s for 2006.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. We consider the accounting policies used to be appropriate. Accordingly, the annual report gives a true and fair view of the Group's and the parent company's financial position at 31 December 2006 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January - 31 December 2006.

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

Hadsten, 14 March 2007

Executive Board:

Uffe Færch

/ Helle Wulff

Supervisory Board:

Steen Bødtker
Chairman

Dr. Hans-Jürgen Sattler

Peter Wetzstein

Teddy Laursen

Lars Karstenskov Andersen

Independent auditors' report

To the shareholders of Expedit a/s

We have audited the annual report of Expedit a/s for the financial year 1 January - 31 December 2006, which comprises the statement by the Executive and Supervisory Boards on the annual report, Management's review, accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

The Executive and Supervisory Boards' responsibility for the annual report

The Executive and Supervisory Boards are responsible for the preparation and fair presentation of this annual report in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility and basis of opinion

Our responsibility is to express an opinion on this annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive and Supervisory Boards, as well as evaluating the overall presentation of the annual report.

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

Our audit did not result in any qualification.

Opinion

In our opinion, the annual report gives a true and fair view of the Group's and the parent company's financial position at 31 December 2006 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January - 31 December 2006 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Aalborg, 14 March 2007

KPMG C.Jespersen

Statsautoriseret Revisionsinteressentskab

Gert Jensen
State Authorised
Public Accountant

Niels David Nielsen
State Authorised
Public Accountant

The year at a glance - highlights

- The group enjoyed an increase in revenue from DKK 443 million in 2005 to DKK 452 million in 2006.
- The increase in revenue was achieved in a competitive market.
- Profit before tax was down from DKK 16.5 million in 2005 to 10.9 million in 2006. Profit after tax accounted for DKK 11.9 million, which was in line with last year.
- Total tax of the Group represented a net income of DKK 1.0 million, which, for the most part, was attributable to the reversal of an amount of DKK 3.4 million relating to a tax asset previously written down in the Norwegian subsidiary and tax-free income from the disposal of properties and shares in the parent company.
- The Group recorded an increase in its balance sheet total from DKK 238.8 million at year end 2005 to DKK 282.9 million at year end 2006. A major part of the increase was attributable to a higher number of trade receivables as well as to significant capital investments.
- The results of the self-service units in Sweden and Denmark were down on last year. By contrast, Nässjö Inredningar AB and the branch in Finland noted a positive development.
- Expedit Retail Solutions AB was established at the beginning of the year with the objective of offering turnkey shopfitting concepts based on the variety of competencies held by the Expedit Group. The establishment proved a success with results up on expectations.
- The long-standing chairman of Expedit's Supervisory Board, Gottfried Wanzl, decided to resign from the Supervisory Board at the general meeting in April 2006. He was replaced by Peter Wetzstein. Steen Bødtker was appointed new chairman of the Supervisory Board.
- In the autumn, the company decided to strengthen its sales as well as logistics and production functions. Accordingly, Birger Gottlieb Thomsen and Anders Topp Daugaard were appointed Chief Sales Officer and Production and Logistics Officer at the beginning of 2007.
- Accordingly, for 2007 the Group expects to post revenue slightly below DKK 500 million and results after tax in line with 2006.

Financial highlights for the Group

	Unit	2002*	2003*	2004	2005	2006
Hovedtal						
<i>Key figures:</i>						
Nettoomsætning <i>Revenue</i>	DKKm	416.7	373.5	393.4	442.8	452.1
Bruttoresultat <i>Gross profit</i>	DKKm	96.0	77.0	91.4	91.7	88.6
Resultat af primær drift <i>Operating profit</i>	DKKm	19.1	10.4	23.4	19.9	14.0
Resultat af finansielle poster <i>Profit/loss from financial income and expenses</i>	DKKm	-6.5	-7.5	-3.8	-3.5	-3.1
Resultat før skat <i>Profit before tax</i>	DKKm	12.6	2.9	19.7	16.5	10.9
Årets resultat <i>Profit/loss for the year</i>	DKKm	7.9	-3.1	14.4	11.6	11.9
Balancesum <i>Balance sheet total</i>	DKKm	248.1	227.9	246.3	238.8	282.9
Egenkapital <i>Equity</i>	DKKm	65.4	62.7	86.7	97.3	110.4
Pengestrøm fra driften <i>Cash flows from operating activities</i>	DKKm	32.9	20.3	18.7	38.2	-18.7
Pengestrøm til investering <i>Cash flows from investing activities</i>	DKKm	-4.3	-8.4	-11.7	-14.3	-18.3
Heraf til investering i materielle anlægsaktiver <i>Portion relating to investment in property, plant and equipment</i>	DKKm	-6.0	-10.7	-12.3	-14.5	-21.0
Pengestrøm fra finansiering <i>Cash flows from financing activities</i>	DKKm	32.2	-4.5	-10.7	-22.1	24.6
Pengestrøm i alt <i>Total cash flows from operating, investing and financing activities</i>	DKKm	60.8	7.4	-3.7	1.9	-12.4

Financial highlights for the Group

	Unit	2002*	2003*	2004	2005	2006
Nøgletal						
<i>Financial ratios:</i>						
Bruttomargin <i>Gross margin</i>	%	23.0	20.6	23.2	20.7	19.6
Overskudsgrad <i>Operating margin</i>	%	4.6	2.8	5.9	4.5	3.1
Afkastningsgrad (afkast af investeret kapital inkl. goodwill) <i>Return on investment (return on invested capital including goodwill)</i>	%	7.3	4.4	9.9	8.2	5.4
Egenkapitalandel <i>Equity ratio</i>	%	26.4	27.5	35.2	40.7	39.0
Egenkapitalforrentning <i>Return on equity</i>	%	13.0	-4.8	19.3	12.6	11.4
Gearing <i>Gearing</i>	%	145.7	142.0	93.3	57.6	84.3
Resultat pr. aktie (EPS) <i>Earnings per share (EPS)</i>	DKK	52	-20	94	75	77
Gennemsnitligt antal medarbejdere <i>Average number of employees</i>		429	360	365	360	372

* The comparative figures for 2002 and 2003 have not been prepared in accordance with IFRS.

Earnings per share have been calculated in accordance with IAS 33. Other financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2005". For terms and definitions, please see the accounting policies.

Company details

Expedit a/s
Toftegårdsvej 4
DK-8370 Hadsten

Telephone: +45 87 612 200
Telefax: +45 87 612 300
Web site: www.expedit.dk
E-mail: expedit@expedit.dk

Registration No.: 37 75 25 17
Established: 1964
Registered office: Hadsten, Denmark

Supervisory Board

Steen Bødtker, Denmark
CEO (Chairman)

Memberships of other supervisory boards:

Dafa A/S
Eriksen Randers A/S
ElmerPrint A/S
Steva Holding ApS

Dr. Hans-Jürgen Sattler, Germany
General Manager (Vice-Chairman)

Peter Wetzstein
Chief Sales Officer

Lars Karstenskov Andersen, Denmark
Product Developer, elected by the employees

Teddy Laursen, Denmark
Semi-skilled worker, elected by the employees

Executive Board

Uffe Færch, Denmark
CEO

Helle Wulff
Chief Financial Officer

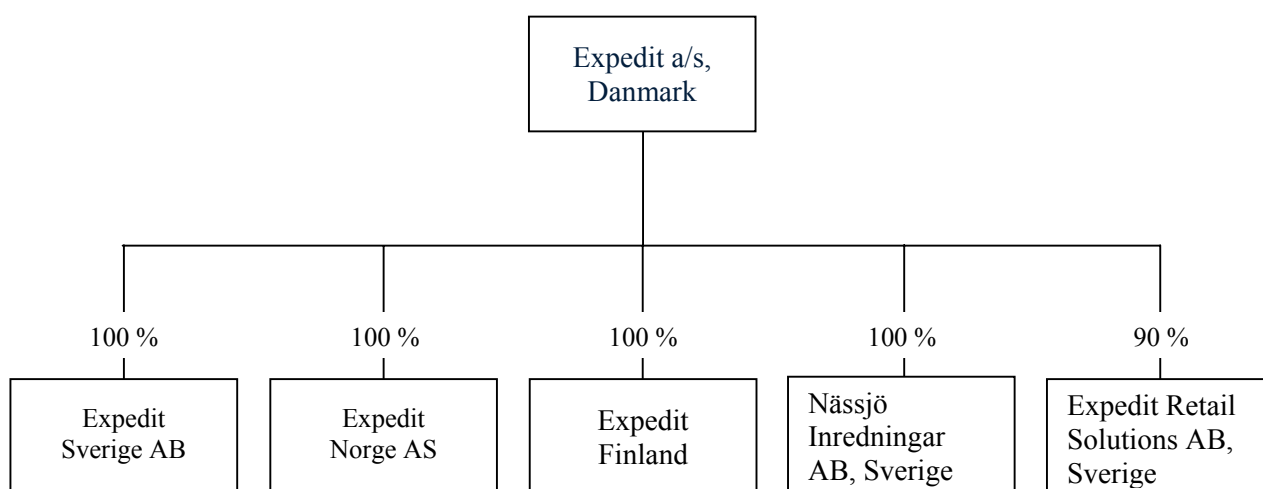
Auditors

KPMG C.Jespersen Statsautoriseret Revisionsinteressentskab
Vestre Havnepromenade 1A, DK-9000 Aalborg

Group chart

Ownership

Expedit carries on business through the parent company, Expedit a/s, in Denmark, from the branch in Finland and from the wholly-owned subsidiaries, Expedit Norge AS, Nässjö Inredningar AB and Expedit Sverige AB as well as from the 90%-owned Expedit Retail Solutions AB. The latter is owned by Expedit Holding AB.



Management's review

Strategy and mission

In the autumn of 2006, Expedit developed a group strategy for the coming three years. Under the headline "Profitable growth up to 2010", the Group has defined its mission and vision as follows:

Mission

Expedit's mission is to develop customer-oriented unique and functional shopfitting solutions and thereby to develop sustainable business while allowing each individual employee to thrive

Vision

Expedit intends to be the most successful business partner in the development of shopfitting solutions on our markets

As a tool to execute its strategy, the Group has defined the following values:

Proactivity - We are constantly evolving

Flexibility - We adjust to variable conditions in the market place

Value creation - We offer valuable business potential to all our stakeholders

Consistency - We put action behind our word

Credibility - We always stand by our word

Long-term objective

In order to maintain its focus on customer requirements in a sustainable business, the Group's **objective** is continuously to ensure a high degree of customer satisfaction throughout the entire value chain. To maintain and strengthen its market position, Expedit continues to follow its customers in their internationalisation by means of local representation on the Nordic markets.

The ability to develop the best concepts and the will to complete projects are two qualities characterising both the individual employee and the entire company. It is Expedit's standing objective to develop functional solutions in co-operation with the individual customer that provide the customer with a competitive edge in the form of a well-defined profile, improved sales and a higher degree of flexibility at the lowest possible cost.

Financial objectives

The Group has defined the following financial objectives for the coming three years:

Management's review

- On the basis of the existing business, revenue growth is to account for at least 10% annually measured as a weighted average during the strategy period.
- Profit before tax is to make up at least 5% of revenue
- The equity ratio must represent a minimum of 35%
- Reliability of delivery of at least 95%.

Results for the year

The Expedit Group reported a profit after tax of DKK 11.9 million for 2006 as against a profit after tax of DKK 11.6 million for 2005.

When the reversed write-down, totalling DKK 3.4 million, of a deferred tax asset in the Norwegian subsidiary is not taken into account, group results are practically in line with the most recent Stock Exchange Notice from November 2006, announcing an expected profit after tax of approx. DKK 8 million.

Revenue

Group revenue amounted to DKK 452.1 million in 2006 as against DKK 442.8 million in 2005. The revenue increase was generated by the parent company, the Swedish subsidiary, Nässjö Inredningar AB, and the newly established company, Expedit Retail Solutions AB. The share of goods for resale, primarily shopping trolleys and check-out desks, was on the increase, while internally generated goods, primarily shopfitting solutions, was on the decline.

Gross profit

Gross profit was down from DKK 91.7 million in 2005 to DKK 88.6 million in 2006. The primary reasons for Expedit's gross profit decline despite its revenue increase are the mentioned change in product mix and a lower contribution margin ratio of internally generated goods prompted by fierce price pressure in the market and renewed increases in raw material prices.

Other costs

The Group's other costs mainly comprise sales and production costs as well as administrative expenses, representing an increase of approx 4% to DKK 74.6 million in 2006, which is practically at level with the general developments in pay and price levels.

Management's review

Financial income and expenses

Financial expenses amounted to a net amount of DKK 3.4 million, which was in line with last year.

Tax on profit for the year

Tax on profit for the year represents an income of DKK 1.0 million. Of this amount, DKK 3.4 million relates to former write-down of a deferred tax asset in the Norwegian subsidiary. Furthermore, the company has recorded tax-free gains of approx. DKK 1.3 million on the disposal of properties and shares. Apart from these, there are no matters of note affecting the computation of tax for the year.

Balance sheet

The group balance sheet total totalled DKK 282.9 million at 31 December 2006 as against DKK 238.8 million at 31 December 2005. The increase in the company's trade receivables as a result of a high activity level and extended credit lines was the primary driver for this development.

In addition, the company had made heavy capital investments, primarily in new production technology, for at purpose of reducing future production costs.

Group equity enjoyed a positive development, coming at DKK 110 million, which is equivalent to an equity ratio of 39%.

Cash flow statement

Group operating cash flows were a negative DKK 19 million as against a profit of DKK 38 million in 2005. The cash flow statement illustrates that this development was solely triggered by the increase in group receivables of DKK 42 million. The negative cash flows of DKK 19 million compared with net investments in fixed assets of DKK 18 million have the outcome that the company had capital requirements of DKK 37 million, which was covered by the raising of external loans of DKK 25 million and by reducing cash at bank and in hand by DKK 12 million.

Total cash and cash equivalents including drawing rights came in at DKK 16 million at the end of the financial year as against DKK 43 million at year end 2005. As mentioned, the major trade receivables at the turn of the New Year put a drain on group liquidity. Already at the end of January 2007, group liquidity was up by DKK 25 million.

Management's review

Market conditions

Overall description

In these years, the Nordic retail sector is undergoing a high degree of polarisation, and thereby the chains take a different approach to organising their shopfitting activities. Some chains develop their own shopfitting competencies whereas other chains conduct organisational slimming and instead outsource their shopfitting functions to their cooperative partners. This means fierce price pressure from one group of customers and increased focus on solutions and competencies from the other group of customers.

Times of delivery are getting shorter and shorter, which does not always allow optimised order intake and execution. To a large extent, Expedit, therefore, focuses on optimising its customer information flows, allowing them to be used for planning purposes.

The working environment continues to be a major focus area of the Nordic countries, and therefore check-out desk activities have received a high degree of attention. With the agency for Pan Ostion check-out desks, Expedit has gained a significant market share of check-out solutions in Denmark and in Norway.

Segments/markets

Until now, Expedit has operated within two market segments "Self Service" and "Specialist Trade".

As stated in the annual report for 2005, this segmentation is no longer required as these two segments are increasingly converging. Already last year, Expedit, therefore, decided to discontinue the management and disclosure of segment information.

Accordingly, information is provided below only on the individual companies of the Group.

The parent company Expedit, which primarily produces and sells its products to the self-service segment, enjoyed a satisfactory revenue development, reporting an increase of DKK 7.7 million.

Unfortunately, revenue development was not reflected in gross profit, which was reduced by DKK 5.2 million to DKK 52.7 million. This is the second year in a row that the parent company saw a severely declining gross profit. This situation was, for the most part, the result of the increasing share of goods for resale, involving the execution of particularly major orders for check-out desks at low profit margins, increasing steel prices and the subsidiaries' handling of a higher number of sales activities.

The parent company results are not considered satisfactory.

Prompted by the strengthening of the management team and investments in new technology, Expedit expects to post a revenue increase and improved results for 2007.

In Sweden, the subsidiary, **Expedit Sverige AB**, which solely operates within the groceries trade, has undergone major organisational restructuring, and the new organisation is based on former

Management's review

employees with major business insight. For future purposes, the company is only to market goods for resale as Expedit Retail Solutions AB will be in charge of the future sale of Expedit's shopfitting equipment for Swedish groceries chains. As part of the restructuring, the company re-established its sales office in Stockholm.

The subsidiary, **Nässjö Inredningar AB**, which primarily operates within the Swedish specialist trade, has had a positive year with satisfactory revenue and profit development.

The Group's newly established company, **Expedit Retail Solutions AB** performed very well and exceeded expectations. The company strives to develop, meet and service the Nordic retail chains' needs for total solutions in Sweden and abroad in co-operation with Nässjö Inredningar and the other consolidated companies. Expedit Retail Solutions AB, which now has five employees, reported considerable revenue and break-even results in 2006, which were up on expectations.

Following the most recent initiatives on the Swedish market, the Group is ready to counter the fierce competitive situation and to capture Swedish market shares, a market which is expected to offer the future growth potential of the Group.

In 2006, **Expedit Norge AS** failed to reach the planned level of activities, and revenue was, therefore, down on 2005. Despite this situation, the company enjoyed an increase in its gross profit, allowing it to report satisfactory results, when the provision for anticipated onerous subleases of DKK 1.3 million was taken into account. As a consequence of stable corporate development and changes in Norwegian tax rules, which means that tax losses in respect of previous years are no longer subject to any limitation periods, it has been decided to re-capitalise the tax asset written down in 2003. The capitalisation had a positive impact on the results after tax of DKK 3.4 million.

The activities in Finland are handled by a branch of the parent company, which, in 2006, launched the successful marketing of Expedit's shopfitting equipment. Revenue for 2006 was up by 16%, and shopfitting equipment accounts for approx. 30% of total revenue. The strongly improved results are satisfactory.

Logistics and investments

In 2006, Expedit continued to focus on Lean and QRM (Quick Response Manufacturing) projects in Denmark. The objectives of the projects are to reduce lead time by focussing on materials handling, eliminate bottle necks and optimise working processes. In 2006, the objectives were partly met. Moreover, lean tools strive to eliminate non-value-adding activities, ensuring a higher degree of productivity optimisation. In 2006, lean tools were also applied in administrative logistics and are expected to offer further potential in 2007.

Also in 2006, Expedit engaged in considerable investment activities.

During the summer, the refurbishment of the buildings and production facilities in Ulstrup was finalised, and the facilities were, subsequently, brought into use. At the same time, old parts of the facilities were demolished, and subsequently the company sold the land with the demolished facilities.

Management's review

The profit from the disposal of the land, a total of DKK 0.9 million, was recognised as income in 2006.

Expedit completed its investment in the Salvagnini bending centre during the first six months of 2006 and its investment in the grid welding plant during the last six months of 2006. The investments solely serve the purpose of strengthening flexibility and group competitiveness. In line with previous years, Expedit invested heavily in maintaining and developing the group IT, and at the beginning of 2007 five of the Group's six units apply the same IT system. During the summer of 2007, Nässjö Inredningar is also expected to implement this system.

Risk assessment

General risks

The most predominant individual risk relates to the customer mix, comprising many of the large retail chains in the Nordic countries. Therefore, Expedit is delighted by the customer intake seen in 2006, strengthening the Group's customer platform and keeping recent years' considerable significant price pressure in check and reducing dependency on individual customers.

Expedit has strong business relations with its co-operator, Wanzl Metallwarenfabrik. Wanzl has been one of Expedit's important shareholders for more than 25 years and at the same time one of its largest suppliers. This is also expected to be the case in the future. The joint sales and marketing activities are being further developed.

Currency risks

Currency risks are defined as transaction risks, i.e. the risk that the Group's commercial cash flows will be adversely affected by movements in exchange rates and balance sheet risks, i.e. the risk that net current assets denominated in foreign currencies will have a lower value when translated into Danish kroner.

The table below shows the Expedit Group's income and costs denominated in the currencies mostly applied in the financial year 2006:

DKKm	SEK	NOK	EUR
Sale of goods	196.6	63.9	60.2
Purchase of goods	-101.4	-24.1	-113.8
Other overheads	-41.2	-7.2	-4.1
Net foreign exchange position	54.0	32.6	-57.7

The table shows that Expedit is primarily exposed to exchange rate fluctuations in SEK, but that other currencies also pose a risk. The company continuously monitors exchange rate movements and enters into hedging contracts when necessary.

Management's review

The company had not entered into any hedging contracts at 31 December 2006.

We refer to note 20, in which the foreign exchange positions of the Group and the parent company at 31 December 2006 are specified.

Interest rate risks

Expedit's interest rate risks are described as the impact of any changes in interest rates on the market value of group balance sheet items. Floating-rate loans represent most of the Group's interest-bearing debt. The interest rate risks are assessed on a regular basis. Expedit enters into hedging transactions when relevant.

We refer to note 15, in which the individual loans, terms, etc. are specified.

Credit risks

No individual customer or cooperative partners pose any material risk to the Group. All major customers and other cooperative partners are regularly assessed on the basis of the group policies for credit risk assumption.

The majority of foreign sales are insured with NCM EKR kreditforsikring (a credit insurance company).

Intellectual capital

Human resource development

Expedit continuously aims at strengthening and developing its entire organisation and its individual employees.

The company's Executive Board was strengthened at the beginning of 2007, involving new duties and offering new organisational potential. The two new officers possess major business insight and relevant production knowledge, which is to be utilised for future purposes.

In the summer of 2006, the Nordic Management team launched a strategic process in order to define strategic objectives for the next three years. As part of this strategic process, Expedit decided to base its managerial principles on the five values previously mentioned: *Proactivity - Flexibility - Value creation - Consistency - Creditability*. The new values will be the basis of a prolonged executive development programme striving to root these values with the individual Expedit executives to increase staff loyalty.

Expedit systematically engages in developing the competencies of autonomous production groups to enhance flexibility and the high reliability of delivery. Also 2006 saw the use of the flexitime system for hourly paid workers in Denmark, allowing Expedit to retain employees during periods with low business activity in a labour market with low unemployment, which is one of the notable

Management's review

strengths of the system. During the last six months of 2006, flexitime was introduced on a test basis for the hourly paid workers at Nässjö Inredningar's factory in Sweden.

In addition, the Group works on implementing performance-related pay schemes for both hourly paid workers and salaried employees. The schemes reflect both overall and financial group objectives. Furthermore, the skills and competencies of the individual employee are taken into account.

In the autumn of 2006, Expedit underwent various organisational changes in the form of simplified business procedures to increase its customer focus and to allow for market expectations.

Incentive schemes

Expedit has not introduced any actual incentive schemes. Performance-related schemes based on annual results have been introduced for the Executive Boards in Denmark and Sweden.

Environmental issues

Working environment

It is Expedit's intention through continued, targeted and systematic efforts to offer its employees a safe and sound working environment. Expedit's working environment objective has been to reduce the number of industrial accidents to zero by the end of 2007 by defining and reaching realistic improvement goals and by meeting or surpassing all statutory requirements within this area. As a consequence of the development in recent years, meeting the objective is no longer realistic, and therefore the meeting of the zero-accident objective has been postponed to 2009.

Expedit has a well-known contingency plan demonstrating its preparedness to protect the work place, including employees, property, plant and equipment and intangible assets. The contingency plan also comprises a psychological contingency plan. Furthermore, health care schemes and health insurance have been introduced for all Danish employees.

External environment

To protect the external environment, Expedit systematises and prioritises its environmental efforts in order to reduce environmental costs/impact. Environmental management and systematic examination of corporate facilities allow Expedit to organise its environmental efforts to keep costs/the impact at a minimum.

Expedit's two factories in Ulstrup and Hadsten are both "category 1" companies and were screened in 2006, which did not give rise to any significant comments. This means that the Danish National Working Environment Authority (Arbejdstilsynet) is of the opinion that the company manages its working environment satisfactorily and complies, in all material respects, with the requirements laid down in the Danish Working Environment Act (arbejdsmiljøloven).

Management's review

Research and development activities

Product development in Expedit in Denmark, in Nässjö Inredningar and in Expedit Retail Solutions AB in Sweden accounts for the most important part of the Groups' development activities. Both segments typically develop new products in co-operation with the customers and on the basis of an assessment of the customer's profile, financial position and size. In addition to the product development in the mentioned companies, all units take part in ad hoc development activities with suppliers of goods for resale to customise products marketed on the Nordic markets by the Group.

As customized product development represents the major part of the development activities, this work is charged to the income statement as incurred.

Outlook

The progress in group activities recorded during the last six months of 2006 is expected to persist throughout most of 2007. The market trend is still towards internationalisation of the customers and intensified competition over customers. The level of consumption in the Nordic countries has increased the number of contemplated investments in the retail trade, and the positive development experienced by the retail trade offers a great perspective for Expedit.

Despite the positive long-term market outlook, it is crucial that the Group maintain the present level of costs in order to be able to compete at narrow margins in a market increasingly characterised by fierce price competition.

The year got off to a positive start as the group has noted a major order intake from new and promising customers on the Nordic markets.

Accordingly, for 2007 the Group expects to post revenue slightly below DKK 500 million and results after tax in line with 2006.

Shareholder information

In 2006 and up to 14 March 2007, Expedit a/s issued the following Stock Exchange Notices:

- Stock Exchange Notice No. 1/2006 of 31 January 2006: Financial calendar
- Stock Exchange Notice No. 2/2006 of 8 March 2006: Expedit a/s reports positive results (stock exchange notice on the 2005 financial year)
- Stock Exchange Notice No. 3/2006 of 27 April 2006: Interim report for the period 1 January - 31 March 2006 and the announcement of a new Supervisory Board of Expedit a/s
- Stock Exchange Notice No. 4/2006 of 7 August 2006: Changes to the Executive Board of Expedit a/s
- Stock Exchange Notice No. 5/2006 of 29 August 2006: Interim report for the period 1 January - 30 June 2006
- Stock Exchange Notice No. 6/2006 of 30 November 2006: Interim report for the period 1 January - 30 September 2006
- Stock Exchange Notice No. 1/2007 of 2 February 2007: Financial calendar.

Financial calendar

Expedit a/s expects to issue the following Stock Exchange Notices in 2007:

- 14 March 2007: Announcement of the annual report for 2006
- 26 April 2007: Q1 report (1 January - 31 March 2007)
- 29 August 2007: Q2 report (1 January - 30 June 2007)
- 29 November 2007: Q3 report (1 January - 30 September 2007)

The company's annual general meeting is to be held at the company's address on 26 April 2007 at 17.00 pm.

Shareholder information

Ownership

The share capital of the parent company, Expedit a/s, amounts to DKK 15.4 million, of which class A shares account for DKK 1.5 million and class B shares for DKK 13.9 million. A-shares carry voting rights at the ratio of 10 to 1.

The following shareholders hold more than 5% of the share capital and/or 5% of the votes.

	Share of share capital
Wanzl SB-Geräte AG Stad, Switzerland	35.7%
Volksbank Günzburg eG, Germany	19.9%
Wanzl-Metallwarenfabrik GmbH	13.6%
ATP-fonden, Copenhagen	10.0%
Walter Manser AG, Germany	5.1%

Treasury shares and dividends

The general meeting has empowered Expedit to acquire treasury shares of up to 10% of the share capital annually. Expedit has not exercised this right for several years and has no current plans to do so.

Previously, Expedit pursued a policy on dividend distribution of part of the profit for the year. Owing to the company's poor results in 2000 and 2001, no dividends have been distributed up to and including the 2005 financial year. Judged on the basis on the annual report for 2006, the Supervisory Board has taken the view that dividend distribution is again available prompted by the financially sound development in the company. Accordingly, the Supervisory Board recommends to the company in general meeting that dividends of 10% be distributed on the basis of the annual report for 2006.

Financial ratios on shares and dividends

	Unit	2002	2003	2004	2005	2006
Earnings Per Share	DKK	52	-20	94	75	77
Cash Flow Per Share	DKK	214	132	121	248	-122
Net asset value		425	390	563	632	717
Market price at year end		120	300	420	850	850
Price/book value		0.3	0.7	0.7	1.3	1.2
Price Earnings	DKK	2.3	-15.0	4.5	11.3	11.0
Price Cash Flow	DKK	0.6	2.3	3.5	3.4	-7.0
Payout ratio	%	0.0	0.0	0.0	0.0	13.0
Dividend per share	DKK	-	-	-	-	10.0

Proposals for consideration at the general meeting

At the general meeting on 26 April 2007, a proposal will, in line with previous years, be made to empower the company to acquire treasury shares of up to 10% of the share capital.

Shareholder information

Corporate governance

The company's Supervisory Board has kept track of the development within corporate governance, most recently with the publication of the report of 15 August 2005. This report lays down that all listed companies shall include a statement on how they address the report's recommendations for corporate governance in annual reports for financial years beginning on or after 1 January 2006.

The Management has assessed the recommendations in the report, which have been divided into eight main areas:

- 1 The role of shareholders and their interaction with the Management of the company
- 2 The role of stakeholders and their importance to the company
- 3 Openness and transparency
- 4 The duties and responsibilities of the board
- 5 Composition of the board
- 6 Remuneration of directors and managers
- 7 Risk management
- 8 Auditors

The Supervisory Board is of the opinion that for a number of years the company, both explicitly and implicitly, has complied with some of the requirements, e.g. open communication of information, informative annual reports, quarterly reports, risk management, etc. The scope thereof must, of course, be seen in relation to the company's size.

Within other areas, such as restrictions on voting rights, composition of the board and recommended remuneration of directors and managers, the company fails to meet the recommendations at the present moment. Additionally, prompted by its size, the company has not appointed any nomination, remuneration or audit committees.

The non-compliance with the mentioned recommendations is, among other things, the result of only a slightly diversified shareholder mix, the company's size and the fact that at present the Supervisory Board is of the opinion that further corporate development would be hampered by the introduction of formal systems.

However, the company will continue to work with these issues and intends to account for its plans for the individual areas in the spring of 2007 and to publish these during 2007.

Resultatopgørelse 2006 / Income statement for 2006

Note tDKK Notes	Koncern Consolidated		Moderselskab Parent company	
	2006	2005	2006	2005
Nettoomsætning <i>Revenue</i>	452.119	442.793	289.447	281.689
1,2 Produktionsomkostninger <i>Production costs</i>	363.507	351.085	236.787	223.430
Bruttoresultat <i>Gross profit</i>	88.612	91.708	52.660	58.259
1,2 Salgs- og distributionsomkostninger <i>Selling and distribution costs</i>	52.734	51.217	30.865	31.617
1,2 Administrationsomkostninger <i>Administrative expenses</i>	21.913	20.623	13.741	12.990
Resultat af primær drift <i>Operating profit</i>	13.965	19.868	8.054	13.652
9 Udbytte fra dattervirksomheder <i>Dividends from subsidiaries</i>	-	-	2.430	-
9 Andel af resultat og fortjeneste ved salg, associeret virksomhed <i>Share of results and gain on disposal, associate</i>	301	139	698	-
3 Finansielle indtægter <i>Financial income</i>	987	1.557	950	1.578
4 Finansielle omkostninger <i>Financial expenses</i>	4.384	5.080	3.215	4.572
Resultat før skat <i>Profit before tax</i>	10.869	16.484	8.917	10.658
5 Skat af årets resultat <i>Tax on profit for the year</i>	981	-4.927	-1.030	-3.552
Årets resultat <i>Profit for the year</i>	11.850	11.557	7.887	7.106
Fordeles således: <i>Distributed as follows:</i>				
Aktionærerne i Expedit A/S <i>Shareholders of Expedit a/s</i>	11.859	11.557		
Minoritetsinteresser <i>Minority interests</i>	-9	-		
	11.850	11.557		
6 Resultat/udvandet resultat pr. aktie (EPS) <i>Earnings/diluted earnings per share (EPS-D)</i>	77	75		
Forslag til resultatdisponering: <i>Proposed profit appropriation</i>				
Foreslået udbytte <i>Proposed dividends</i>			1.540	-
Overført resultat <i>Retained earnings</i>			6.347	7.106
			7.887	7.106

Aktiver pr. 31. december 2006 / Assets at 31 December 2006

Note tDKK Notes	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
Goodwill <i>Goodwill</i>	3.208	3.208	565	565
7 Immaterielle aktiver <i>Intangible assets</i>	3.208	3.208	565	565
Grunde og bygninger <i>Land and buildings</i>	81.715	78.126	66.240	62.645
Tekniske anlæg og maskiner <i>Plant and machinery</i>	34.018	22.808	29.105	21.203
Andet driftsmateriel <i>Fixtures and fittings</i>	2.973	3.159	2.829	2.955
Inventar <i>Other plant and equipment</i>	5.695	5.104	1.945	2.002
Anlæg under opførelse <i>Plant under construction</i>	1.892	8.560	1.774	8.561
8 Materielle aktiver <i>Property, plant and equipment</i>	126.293	117.757	101.893	97.366
9 Kapitalandele i dattervirksomheder <i>Investments in subsidiaries</i>	-	-	41.913	40.473
9 Kapitalandele i associeret virksomhed <i>Investments in associate</i>	-	798	-	402
13 Udskudt skat <i>Deferred tax</i>	3.352	-	-	-
Andre langfristede aktiver <i>Other non-current assets</i>	3.352	798	41.913	40.875
Langfristede aktiver <i>Non-current assets</i>	132.853	121.763	144.371	138.806
10 Varebeholdninger <i>Inventories</i>	49.367	45.364	29.937	29.303
11 Tilgodehavender <i>Receivables</i>	88.591	45.889	61.659	35.146
12 Forudbetalt selskabsskat <i>Corporation tax prepaid</i>	225	1.445	6	1.008
Periodeafgrænsningsposter <i>Prepayments</i>	4.010	4.147	2.186	2.121
Likvide beholdninger <i>Cash at bank and in hand</i>	7.863	20.224	3.562	8.673
Kortfristede aktiver <i>Current assets</i>	150.056	117.069	97.350	76.251
Aktiver <i>Total assets</i>	282.909	238.832	241.721	215.057

Passiver pr. 31. december 2006 / Equity and liabilities at 31 December 2006

Note tDKK Notes	Koncern Consolidated		Moderselskab Parent company	
	2006	2005	2006	2005
Aktiekapital <i>Share capital</i>	15.400	15.400	15.400	15.400
Reserve for opskrivning <i>Reserve for revaluation</i>	9.493	9.493	9.493	9.493
Reserve for valutakursreguleringer <i>Translation reserve</i>	129	-941	-	-
Overført resultat <i>Retained earnings</i>	83.652	73.336	85.143	78.799
Foreslået udbytte <i>Proposed dividends</i>	1.540	-	1.540	-
Aktionærene i Expedit A/S' andel af egenkapitalen <i>Equity attributable to the shareholders of Expedit a/s</i>	110.214	97.288	111.576	103.692
Minoritetsinteresser <i>Minority interests</i>	155	-	-	-
Egenkapital i alt <i>Equity</i>	110.369	97.288	111.576	103.692
13 Udskudt skat <i>Deferred tax</i>	4.484	4.044	508	114
14 Hensatte forpligtelser <i>Provisions</i>	1.710	932	-	-
15 Realkredit- og kreditinstitutter <i>Credit institutions and banks</i>	34.643	33.931	32.101	29.866
Langfristede forpligtelser <i>Non-current liabilities</i>	40.837	38.907	32.609	29.980
15 Realkredit- og kreditinstitutter <i>Credit institutions and banks</i>	66.214	42.287	56.920	40.944
14 Hensatte forpligtelser <i>Provisions</i>	790	887	-	-
16 Leverandørgæld og andre gældsforpligtelser <i>Trade payables and other payables</i>	64.295	59.463	40.212	40.441
12 Skyldig selskabsskat <i>Corporation tax payable</i>	404	-	404	-
Kortfristede forpligtelser <i>Current liabilities</i>	131.703	102.637	97.536	81.385
Forpligtelser <i>Liabilities</i>	172.540	141.544	130.145	111.365
Passiver <i>Total equity and liabilities</i>	282.909	238.832	241.721	215.057
17 Sikkerhedsstillelser <i>Security</i>				
18 Eventualforpligtelser <i>Contingent liabilities</i>				
19 Valutarisici <i>Currency risks</i>				
20 Nærtstående parter <i>Related party disclosures</i>				

Egenkapitalopgørelse for koncern / Statement of changes in equity, group

iDKK

Aktionærerne i Expedit A/S
Shareholders of Expedit a/s

	Aktiekapital Share capital	Reserve for opskrivning Reserve for revaluation	Reserve for valutakurs- reguleringer Translation reserve	Overført resultat Retained earnings	Foreslået udbytte Proposed dividends	I alt Total	Minoritets- interesser Minority interests	Egenkapital i alt Total
Egenkapital 1.1.2005 <i>Equity at 1 January 2005</i>	15.400	9.229	263	61.785	-	86.677	-	86.677
Regulering af udskudt skat, omvurdering af ejendom <i>Adjustment of deferred tax, revaluation of property</i>	-	264	-	-	-	264	-	264
Årets resultat <i>Profit for the year</i>	-	-	-	11.557	-	11.557	-	11.557
Valutakursregulering af udenlandske virksomheder <i>Foreign exchange adjustments, foreign enterprises</i>	-	-	-1.204	-	-	-1.204	-	-1.204
Værdiregulering af sikringsinstrumenter, ultimo (efter skat) <i>Value adjustments of hedging instruments at 31 December (after tax)</i>	-	-	-	-6	-	-6	-	-6
Totalindkomst i 2005 <i>Total income in 2005</i>	-	264	-1.204	11.551	-	10.611	0	10.611
Egenkapital 1.1.2006 <i>Equity at 1 January 2006</i>	15.400	9.493	-941	73.336	-	97.288	0	97.288
Minoritetsinteresser ved stiftelse af dattervirksomhed <i>Minority interests on establishment of subsidiary</i>	-	-	-	-	-	-	160	160
Årets resultat <i>Profit for the year</i>	-	-	-	10.319	1.540	11.859	-9	11.850
Valutakursregulering af udenlandske virksomheder <i>Foreign exchange adjustments, foreign enterprises</i>	-	-	1.070	-	-	1.070	4	1.074
Værdiregulering af sikringsinstrumenter, ultimo (efter skat) <i>Value adjustments of hedging instruments at 31 December (after tax)</i>	-	-	-	-3	-	-3	-	-3
Totalindkomst i 2006 <i>Total income in 2006</i>	-	-	1.070	10.316	1.540	12.926	155	13.081
Egenkapital 31.12.2006 <i>Equity at 31 December 2006</i>	15.400	9.493	129	83.652	1.540	110.214	155	110.369

Egenkapitalopgørelse for moderselskab / Statement of changes in equity, parent company

DKK

Moderselskab
Parent company

	Aktiekapital <i>Share capital</i>	Reserve for opskrivning <i>Reserve for revaluation</i>	Overført resultat <i>Retained earnings</i>	Foreslået udbytte <i>Proposed dividends</i>	I alt <i>Total</i>
Egenkapital 1.1.2005 <i>Equity at 1 January 2005</i>	15.400	9.229	71.699	-	96.328
Regulering af udskudt skat, omvurdering af ejendom <i>Adjustment of deferred tax, revaluation of property</i>	-	264	-	-	264
Årets resultat <i>Profit for the year</i>	-	-	7.106	-	7.106
Værdiregulering af sikringsinstrumenter, ultimo (efter skat) <i>Value adjustments of hedging instruments at 31 December (after tax)</i>	-	-	-6	-	-6
Totalindkomst i 2005 <i>Total income in 2005</i>	-	264	7.100	0	7.100
Egenkapital 1.1.2006 <i>Equity at 1 January 2006</i>	15.400	9.493	78.799	0	103.692
Årets resultat <i>Profit for the year</i>	-	-	6.347	1.540	7.887
Værdiregulering af sikringsinstrumenter, ultimo (efter skat) <i>Value adjustments of hedging instruments at 31 December (after tax)</i>	-	-	-3	-	-3
Totalindkomst i 2006 <i>Total income in 2006</i>	-	-	6.344	1.540	7.884
Egenkapital 31.12.2006 <i>Equity at 31 December 2006</i>	15.400	9.493	85.143	1.540	111.576

Pengestrømsopgørelse / Cash flow statement

Note/DKK Notes	Koncern Consolidated		Moderselskab Parent company	
	2006	2005	2006	2005
Resultat før skat <i>Profit before tax</i>	10.869	16.484	8.917	10.658
Regulering for ikke-likvide poster: <i>Adjustment for non-cash items:</i>				
Af-og nedskrivninger (inkl. fortjeneste/tab af anlægsaktiver) <i>Depreciation/amortisation and impairment as well as gains/loss on non-current assets</i>	11.790	11.017	9.749	9.468
Øvrige reguleringer og urealiseret valutakursreguleringer m <i>Other adjustments, unrealised foreign exchange adjustments, etc.</i>	721	-750	-252	-1.055
Udbytte fra dattervirksomheder <i>Dividends from subsidiaries</i>	-	-	-2.430	-
Andel af resultat og fortjeneste ved salg, associeret virksomhed <i>Share of results and gain on disposal, associate</i>	-301	-139	-698	-
Hensatte forpligtelser <i>Provisions</i>	681	-93	-	-
Pengestrøm før ændring i driftskapital <i>Cash flows before changes in working capital</i>	23.760	26.519	15.286	19.071
Ændring i varebeholdninger <i>Changes in inventories</i>	-4.003	986	-634	148
Ændring i tilgodehavender <i>Changes in receivables</i>	-42.565	5.644	-26.578	5.790
Ændring i leverandørgæld og anden gæld <i>Changes in trade and other payables</i>	4.832	4.861	-229	5.928
Betalt selskabsskat, netto <i>Corporation tax paid, net</i>	-761	206	771	-489
Pengestrøm fra driftsaktivitet <i>Cash flows from operating activities</i>	-18.737	38.216	-11.384	30.448
Køb af materielle anlægsaktiver <i>Acquisition of property, plant and equipment</i>	-20.986	-14.544	-15.477	-13.959
Salg af materielle anlægsaktiver <i>Disposal of property, plant and equipment</i>	1.623	286	1.449	286
Stiftelse af datterselskab <i>Establishment of subsidiary</i>	-	-	-1.440	-
Salg af associeret virksomhed <i>Disposal of associate</i>	1.100	-	1.100	-
Pengestrøm til investeringsaktivitet <i>Cash flows from investing activities</i>	-18.263	-14.258	-14.368	-13.673
Modtaget udbytte <i>Dividends received</i>	-	80	2.430	80
Optagelse af og afdrag på langfristede gældsforpligtelser <i>Raising and repayment of long-term debt</i>	535	-50.957	2.007	-49.347
Ændring i træk, driftskreditter <i>Changes in withdrawals, operating credits</i>	24.104	28.807	16.204	31.463
Pengestrøm til finansieringsaktivitet <i>Cash flows from financing activities</i>	24.639	-22.070	20.641	-17.804
Årets pengestrøm <i>Net cash flows from operating, investing and financing activities</i>	-12.361	1.888	-5.111	-1.029
Likvide beholdninger 1. januar <i>Cash and cash equivalents at 1 January</i>	20.224	18.336	8.673	9.702
Likvide beholdninger 31. december <i>Cash and cash equivalents at 31 December</i>	7.863	20.224	3.562	8.673

Noter til regnskabet / Notes to the financial statements

1 Lønninger, gager og honorarer

Wages, salaries and emoluments

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
Lønninger, gager og vederlag <i>Wages, salaries and emoluments</i>	113.596	104.271	90.310	83.615
Pensioner (bidragsbaserede) <i>Pensions (defined contribution schemes)</i>	7.775	6.954	6.142	5.463
Andre omkostninger til social sikring <i>Other social security costs</i>	9.588	8.739	2.529	2.472
Personaleomkostninger i alt <i>Total staff costs</i>	130.959	119.964	98.981	91.550
Gennemsnitligt antal ansatte <i>Average number of employees</i>	372	360	279	268
Personaleomkostninger fordeles således: <i>Staff costs are specified as follows:</i>				
Moderselskabets bestyrelse <i>Parent company's Supervisory Board</i>	262	162	262	162
Moderselskabets direktion <i>Parent company's Executive Board</i>	1.652	1.564	1.652	1.564
Andre ledende medarbejdere <i>Other executive employees</i>	7.877	6.501	4.369	3.706
Øvrige medarbejdere <i>Other employees</i>	121.168	111.737	92.698	86.118
Personaleomkostninger i alt <i>Total staff costs</i>	130.959	119.964	98.981	91.550
Personaleomkostninger indregnes således: <i>Staff costs are specified as follows:</i>				
Øvrige produktionsomkostninger <i>Other production costs</i>	82.651	73.117	65.886	58.406
Salgs- og distributionsomkostninger <i>Selling and distribution costs</i>	39.506	37.416	25.732	25.901
Administrationsomkostninger <i>Administrative expenses</i>	8.802	9.431	7.363	7.243
Personaleomkostninger i alt <i>Total staff costs</i>	130.959	119.964	98.981	91.550

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
2 Omkostninger				
<i>Costs</i>				
Afskrivninger fordeles således:				
<i>Depreciation is specified as follows:</i>				
Produktionsomkostninger <i>Production costs</i>	10.438	9.112	8.702	7.543
Salgs- og distributionsomkostninger <i>Selling and distribution costs</i>	884	673	781	631
Administrationsomkostninger <i>Administrative expenses</i>	1.487	1.483	1.285	1.052
	12.809	11.268	10.768	9.226
Honorar til generalforsamlingsvalgte revisorer indgår med:				
<i>Fees to auditors appointed at the annual general meeting amount to:</i>				
Samlet honorar, KPMG <i>Total fees, KPMG</i>	1.396	1.136	858	763
Heraf andre ydelser end revision, KPMG <i>Of this amount, non-audit services, KPMG</i>	510	329	351	301
3 Finansielle indtægter				
<i>Financial income</i>				
Valutakursgevinster <i>Foreign exchange gains</i>	85	-	80	-
Renter, tilknyttede virksomheder <i>Interest, group enterprises</i>	-	-	174	525
Renter, kreditinstitutter <i>Interest, banks and credit institutions</i>	51	86	51	53
Udbytte fra associeret virksomhed <i>Dividends from associate</i>	-	-	-	80
Øvrige renteindtægter <i>Other interest income</i>	851	1.471	645	920
	987	1.557	950	1.578
4 Finansielle omkostninger				
<i>Financial expenses</i>				
Valutakurstab <i>Foreign exchange losses</i>	-	822	-	845
Renter, kreditinstitutter <i>Interest, banks and credit institutions</i>	4.367	4.061	3.198	3.530
Øvrige renteomkostninger <i>Other interest expense</i>	17	197	17	197
	4.384	5.080	3.215	4.572

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
5 Skat af årets resultat <i>Tax on profit for the year</i>				
Aktuel skat <i>Current tax</i>	2.071	1.148	635	51
Udskudt skat <i>Deferred tax</i>	416	3.362	395	3.084
Tilbageførsel af nedskrivning af udskudt skatteaktiv <i>Reversed write-down of deferred tax asset</i>	-3.468	-	-	-
Nedsættelse af dansk selskabsskat fra 30 % til 28 % <i>Reduction of the Danish corporation tax rate from 30% to 28%</i>	-	472	-	472
Regulering, tidligere år <i>Adjustment, previous years</i>	-	-55	-	-55
	-981	4.927	1.030	3.552
Skat af årets resultat kan forklares således: <i>Tax on profit for the year is specified as follows:</i>				
Beregnet 28 % skat af resultat før skat <i>Computed tax, 28 % on the profit before tax</i>	3.043	4.616	2.497	2.984
Nedsættelse af dansk selskabsskat <i>Reduction of the Danish corporation tax rate</i>	-	472	-	472
Skatteeffekt af: <i>Tax effect of:</i>				
Ikke-skattepligtige indtægter og ikke-fradragberettigede omkostninger <i>Non-taxable income and non-deductible costs</i>	-547	51	-1.227	29
Andel af resultat efter skat og fortjeneste, associerede virksomheder <i>Share of results after tax and gains, associates</i>	-84	-39	-195	-
Tilbageførsel af nedskrivning af udskudt skatteaktiv <i>Reversed write-down of deferred tax asset</i>	-3.468	-240	-	-
Andet, herunder regulering af skat vedrørende tidligere år <i>Sundries, including adjustment of tax relating to previous years</i>	75	67	-44	67
	-981	4.927	1.030	3.552
Effektiv skatteprocent <i>Effective tax rate</i>	29,9 %	29,9 %	11,5 %	33,3 %
6 Resultat/udvandet resultat pr. aktie <i>Earnings/diluted earnings per share</i>				
Årets resultat <i>Profit for the year</i>	11.850	11.557	7.887	7.106
Antal aktier <i>Number of shares</i>	154.000	154.000	154.000	154.000
Resultat pr. aktie (EPS) a 1.000 kr. <i>Earnings per share (EPS) of DKK 1,000</i>	77	75	51	46

Noter til regnskabet / Notes to the financial statements

7 Immaterielle aktiver - goodwill

Intangible assets - goodwill

	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
tDKK				
Kostpris 1.1 <i>Cost at 1 January</i>	3.208	3.208	565	565
Årets tilgang <i>Additions for the year</i>	-	-	-	-
Årets afgang <i>Disposals for the year</i>	-	-	-	-
Kostpris 31.12 <i>Cost at 31 December</i>	3.208	3.208	565	565
Af- og nedskrivninger 1.1 <i>Amortisation and impairment at 1 January</i>	-	-	-	-
Årets nedskrivninger <i>Impairment for the year</i>	-	-	-	-
Af- og nedskrivninger 31.12 <i>Amortisation and impairment at 31 December</i>	-	-	-	-
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	3.208	3.208	565	565

Den regnskabsmæssige værdi af goodwill vedrører primært aktiviteten i dattervirksomheden Nässjö Inredningar AB samt mindre erhvervet aktivitet i moderselskabet.

På baggrund af nedskrivningstesten pr. 31. december 2006 vurderer ledelsen fortsat, at der ikke er nedskrivningsbehov på goodwill.

Genindvindingsværdien skønnes på baggrund af den seneste nedskrivningstest således fortsat at overstige den regnskabsmæssige værdi væsentligt.

Den seneste nedskrivningstest var baseret på en 5-årig budgetperiode og en WACC på 10 % opgjort på baggrund af faktisk kapitalstruktur og et skønnet risikotillæg på 15 %. Der er ikke indregnet vækst i terminalperioden.

Ledelsen vurderer fortsat, at sandsynlige ændringer i de grundlæggende forudsætninger ikke vil medføre, at den regnskabsmæssige værdi af goodwill vil overstige genindvindingsværdien.

The carrying amount of goodwill primarily relates to the activities in the subsidiary Nässjö Inredningar AB and minor activities acquired by the parent company.

On the basis of the impairment test at 31 December 2006, the Management finds that no goodwill write-down is required.

Based on the most recent impairment test, the recoverable amount is still deemed to be significantly up on the carrying amount.

The most recent impairment test was based on a five-year budget period and 10% WACC based on the actual capital structure and an estimated risk surcharge of 15%. Growth has not been recognised.

The Management is of the opinion that probable changes in the basic assumptions will not cause the carrying amount of goodwill to exceed the recoverable amount.

Noter til regnskabet / Notes to the financial statements

8 Materielle aktiver

Property, plant and equipment

tDKK	Koncern 2006 Consolidated 2006					I alt Total
	Grunde og bygninger <i>Land and buildings</i>	Tekniske anlæg og maskiner <i>Plant and machinery</i>	Andet drifts-materiel <i>Fixtures and fittings</i>	Inventar <i>Other plant and equipment</i>	Anlæg under opførelse <i>Plant under construction</i>	
Kostpris 1.1 <i>Cost at 1 January</i>	123.287	119.491	9.733	43.396	8.560	304.467
Valutakursregulering <i>Foreign exchange adjustment</i>	908	357	9	394	1	1.669
Årets tilgang <i>Additions</i>	4.663	11.169	942	2.320	1.892	20.986
Overført <i>Transferred</i>	981	7.580	-	-	-8.561	-
Årets afgang <i>Disposals for the year</i>	-	1.784	877	-91	-	2.570
Kostpris 31.12 <i>Cost at 31 December</i>	129.839	136.813	9.807	46.201	1.892	324.552
Af- og nedskrivninger 1.1 <i>Depreciation and impairment at 1 January</i>	45.161	96.683	6.574	38.292	-	186.710
Valutakursregulering <i>Foreign exchange adjustment</i>	320	296	18	286	-	920
Afskrivninger på afhændede aktiver <i>Depreciation of assets sold</i>	-	-1.771	-598	189	-	-2.180
Årets afskrivninger <i>Depreciation for the year</i>	2.643	7.587	840	1.739	-	12.809
Af- og nedskrivninger 31.12 <i>Depreciation and impairment at 31 December</i>	48.124	102.795	6.834	40.506	-	198.259
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	81.715	34.018	2.973	5.695	1.892	126.293
Heraf finansielt leasede aktiver 31.12 <i>Of this amount, assets held under finance leases</i>	-	2.965	-	96	-	3.061

Noter til regnskabet / Notes to the financial statements

8 Materielle aktiver (fortsat)

Property, plant and equipment (continued)

tDKK	Koncern 2005 Consolidated 2005					I alt Total
	Grunde og bygninger <i>Land and buildings</i>	Tekniske anlæg og maskiner <i>Plant and machinery</i>	Andet driftsmateriel <i>Fixtures and fittings</i>	Inventar <i>Other plant and equipment</i>	Anlæg under opførelse <i>Plant under construction</i>	
Kostpris 1.1 <i>Cost at 1 January</i>	123.398	115.270	8.698	42.317	3.639	293.322
Valutakursregulering <i>Foreign exchange adjustment</i>	-1.203	-484	-17	-515	-	-2.219
Reguleringer vedrørende tidligere år <i>Adjustments regarding previous years</i>	56	-	-	-	-	56
Årets tilgang <i>Additions for the year</i>	1.002	1.803	1.900	1.594	8.510	14.809
Overført <i>Transferred</i>	34	3.555	-	-	-3.589	-
Årets afgang <i>Disposals for the year</i>	-	653	848	-	-	1.501
Kostpris 31.12 <i>Cost at 31 December</i>	123.287	119.491	9.733	43.396	8.560	304.467
Af- og nedskrivninger 1.1 <i>Depreciation and impairment at 1 January</i>	43.111	90.733	6.459	37.180	-	177.483
Valutakursregulering <i>Foreign exchange adjustment</i>	-386	-356	-22	-371	-	-1.135
Afskrivninger på afhændede aktiver <i>Depreciation of assets sold</i>	-	-370	-536	-	-	-906
Årets afskrivninger <i>Depreciation for the year</i>	2.436	6.676	673	1.483	-	11.268
Af- og nedskrivninger 31.12 <i>Depreciation and impairment at 31 December</i>	45.161	96.683	6.574	38.292	-	186.710
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	78.126	22.808	3.159	5.104	8.560	117.757
Heraf finansielt leasede aktiver 31.12 <i>Of this amount, assets held under finance leases</i>	-	3.671	-	368	-	4.039

Noter til regnskabet / Notes to the financial statements

8 Materielle aktiver (fortsat)

Property, plant and equipment (continued)

tDKK	Moderselskab 2006 Parent company 2006					
	Grunde og bygninger <i>Land and buildings</i>	Tekniske anlæg og maskiner <i>Plant and machinery</i>	Andet driftsmateriel <i>Fixtures and fittings</i>	Inventar <i>Other plant and equipment</i>	Anlæg under opførelse <i>Plant under construction</i>	I alt <i>Total</i>
Kostpris 1.1 <i>Cost at 1 January</i>	96.234	102.845	9.033	29.643	8.561	246.316
Valutakursregulering/regulering vedr. tidligere å <i>Foreign exchange adjustment, previous years</i>	-	-	1	9	-	10
Årets tilgang <i>Additions for the year</i>	4.587	7.054	942	1.120	1.774	15.477
Overført <i>Transferred</i>	981	7.580	-	-	-8.561	-
Årets afgang <i>Disposals for the year</i>	-	49	877	-91	-	835
Kostpris 31.12 <i>Cost at 31 December</i>	101.802	117.430	9.099	30.863	1.774	260.968
Af- og nedskrivninger 1.1 <i>Depreciation and impairment at 1 January</i>	33.589	81.642	6.078	27.641	-	148.950
Valutakursregulering <i>Foreign exchange adjustment</i>	-	-	-3	9	-	6
Afskrivninger på afhændede aktiver <i>Depreciation of assets sold</i>	-	-49	-645	45	-	-649
Årets afskrivninger <i>Depreciation for the year</i>	1.973	6.732	840	1.223	-	10.768
Af- og nedskrivninger 31.12 <i>Depreciation and impairment at 31 December</i>	35.562	88.325	6.270	28.918	-	159.075
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	66.240	29.105	2.829	1.945	1.774	101.893
Heraf finansielt leasede aktiver 31.12 <i>Of this amount, assets held under finance leases</i>	-	2.965	-	96	-	3.061

Noter til regnskabet / Notes to the financial statements

8 Materielle aktiver (fortsat)

Property, plant and equipment (continued)

	Morderselskab 2005					I alt Total
	Grunde og bygninger <i>Land and buildings</i>	Tekniske anlæg og maskiner <i>Plant and machinery</i>	Andet driftsmateriel <i>Fixtures and fittings</i>	Inventar <i>Other plant and equipment</i>	Anlæg under opførelse <i>Plant under construction</i>	
tDKK						
Kostpris 1.1 <i>Cost at 1 January</i>	95.142	97.971	8.074	28.374	3.639	233.200
Valutakursregulering/ regulering vedr. tidligere år <i>Foreign exchange adjustment/adjust., previous years</i>	56	-	-	-7	-	49
Årets tilgang <i>Additions for the year</i>	1.002	1.771	1.664	1.276	8.511	14.224
Overført <i>Transferred</i>	34	3.555	-	-	-3.589	-
Årets afgang <i>Disposals for the year</i>	-	452	705	-	-	1.157
Kostpris 31.12 <i>Cost at 31 December</i>	96.234	102.845	9.033	29.643	8.561	246.316
Af- og nedskrivninger 1.1 <i>Depreciation and impairment at 1 January</i>	31.786	76.080	5.868	26.589	-	140.323
Afskrivninger på afhændede aktiver <i>Depreciation of assets sold</i>	-	-169	-421	-	-	-590
Årets afskrivninger <i>Depreciation for the year</i>	1.803	5.731	631	1.052	-	9.217
Af- og nedskrivninger 31.12 <i>Depreciation and impairment at 31 December</i>	33.589	81.642	6.078	27.641	-	148.950
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	62.645	21.203	2.955	2.002	8.561	97.366
Heraf finansielt leasede aktiver 31.12 <i>Of this amount, assets held under finance leases</i>	-	3.671	-	368	-	4.039

Noter til regnskabet / Notes to the financial statements

9 Kapitalandele Investments

	Kapitalandele i dattervirksomheder <i>Investments in subsidiaries</i>	
	Morderselskab <i>Parent company</i>	
DKK	2006	2005
Kostpris 1.1 <i>Cost at 1 January</i>	43.752	43.752
Regulering for modtaget udbytte, der overstiger akkumuleret indtjening 1.1 <i>Adjustment for dividends received exceeding accumulated earnings at 1 January</i>	-3.279	-3.279
Reguleret kostpris 1.1 <i>Adjusted cost at 1 January</i>	40.473	40.473
Årets tilgang <i>Additions for the year</i>	1.440	-
Årets afgang <i>Disposals for the year</i>	-	-
Kostpris 31.12 <i>Cost at 31 December</i>	41.913	40.473
Nedskrivninger 31.12 <i>Impairment at 31 December</i>	-	-
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	41.913	40.473

Navn <i>Name</i>	Hjemsted <i>Reg. office</i>	Ejerandel <i>Ownership</i>	Kostpris 31.12 <i>Cost at 31.12</i>	Kostpris 31.12 <i>Cost at 31.12</i>
Nässjö Inredningar AB	Nässjö	100 %	32.214	32.214
Expedit Sverige AB	Stockholm	100 %	2.511	2.511
Expedit Norge AS	Oslo	100 %	9.027	9.027
Expedit Holding AB	Nässjö	90 %	1.440	-
I alt <i>Total</i>			45.192	43.752
Regulering af udloddet udbytte <i>Adjustment of distributed dividends</i>			-3.279	-3.279
I alt <i>Total</i>			41.913	40.473

Den regnskabsmæssige værdi af kapitalandele i dattervirksomheder vurderes ikke at overstige genindvindingsværdien.

The carrying amount of investments in subsidiaries is considered not to exceed the recoverable amount.

Noter til regnskabet / Notes to the financial statements

9 Kapitalandele (fortsat)

Investments (continued)

	Kapitalandele i associeret virksomhed <i>Investment in associate</i>			
	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
tDKK				
Kostpris 1.1 <i>Cost at 1 January</i>	402	402	402	402
Årets tilgang <i>Additions for the year</i>	-	-	-	-
Årets afgang <i>Disposals for the year</i>	-402	-	-402	-
Kostpris 31.12 <i>Cost at 31 December</i>	-	402	-	402
Reguleringer 1.1 <i>Adjustments at 1 January</i>	396	337	-	-
Udbytte <i>Dividends</i>	-	-80	-	-
Andel af årets resultat <i>Share of results for the year</i>	650	139	-	-
Årets afgang ved salg <i>Disposals for the year</i>	-1.046	-	-	-
Reguleringer 31.12 <i>Adjustments at 31 December</i>	-	396	-	-
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	-	798	-	402

Kapitalandelen i den associerede virksomhed Confect A/S (ejerandel 40 %) er solgt i regnskabsåret.

Indregningen af kapitalandelen i den associerede virksomhed til indre værdi i koncernens balance er foretaget på baggrund af den seneste reviderede årsrapport for Confect A/S pr. 30. september 2006, som vurderes retvisende som indregningsgrundlag.

The investment in the associate, Confect A/S (40% ownership) was sold during the year under review.

The investment in the associate is measured at net asset value in the consolidated balance sheet based on the latest audited annual report of Confect A/S at 30 September 2006, which is assessed to represent a proper basis for recognition.

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
10 Varebeholdninger <i>Inventories</i>				
Råvarer og hjælpematerialer <i>Raw materials and consumables</i>	10.640	10.717	8.536	7.984
Varer under fremstilling <i>Work in progress</i>	4.060	3.272	3.814	2.683
Fremstillede færdigvarer og handelsvarer <i>Finished goods and goods for resale</i>	34.667	31.375	17.587	18.636
	<u>49.367</u>	<u>45.364</u>	<u>29.937</u>	<u>29.303</u>
11 Tilgodehavender <i>Receivables</i>				
Tilgodehavender fra salg <i>Trade receivables</i>	83.376	44.791	42.130	24.989
Tilgodehavender hos tilknyttede virksomheder <i>Amounts owed by group enterprises</i>	-	-	18.033	9.059
Andre tilgodehavender <i>Other receivables</i>	5.215	1.098	1.496	1.098
	<u>88.591</u>	<u>45.889</u>	<u>61.659</u>	<u>35.146</u>
Nedskrivninger indeholdt i ovenstående tilgodehavender <i>Write-down included in the above receivables</i>	2.141	2.085	1.000	1.207
12 Selskabsskat <i>Corporation tax</i>				
Selskabsskat 1.1, netto <i>Corporation tax at 1 January, net</i>	1.445	2.929	1.008	570
Valutakursregulering <i>Foreign exchange adjustment</i>	93	-148	-	-
Refusion af skat <i>Tax refund</i>	-1.202	-2.805	-1.008	-570
Årets aktuelle selskabsskat <i>Corporation tax for the year</i>	-2.478	-1.130	-635	-51
Betalt selskabsskat i året <i>Corporation tax paid during the year</i>	1.963	2.599	237	1.059
	<u>-179</u>	<u>1.445</u>	<u>-398</u>	<u>1.008</u>
som fordeles således: <i>specified as follows</i>				
Forudbetalt selskabsskat <i>Corporation tax prepaid</i>	225	1.445	6	1.008
Skyldig selskabsskat <i>Corporation tax payable</i>	404	-	404	-
	<u>-179</u>	<u>1.445</u>	<u>-398</u>	<u>1.008</u>

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
13 Udskudt skat				
<i>Deferred tax</i>				
Udskudt skat 1.1 <i>Deferred tax at 1 January</i>	4.044	677	114	-3.176
Valutakursregulering <i>Foreign exchange adjustment</i>	143	-201	-	-
Årets regulering af udskudt skat <i>Adjustment for the year of deferred tax</i>	414	3.362	395	3.084
Tilbageførsel af nedskrivning af udskudt skatteaktiv <i>Reversed write-down of deferred tax asset</i>	-3.468	-	-	-
Regulering af udskudt skat på egenkapital <i>Adjustment of deferred tax recognised in equity</i>	-1	-2	-1	-2
Nedsættelse af dansk selskabsskat fra 30 % til 28 % <i>Reduction of the Danish corporation tax rate from 30% to 28%</i>	-	208	-	208
	1.132	4.044	508	114
Udskudt skat vedrører: <i>Deferred tax relates to:</i>				
Immaterielle anlægsaktiver <i>Intangible assets</i>	6	-33	6	-33
Materielle anlægsaktiver <i>Property, plant and equipment</i>	1.031	3.999	1.304	2.246
Varebeholdninger <i>Inventories</i>	-547	-632	-522	-632
Tilgodehavender <i>Receivables</i>	-990	-338	-280	-338
Øvrige poster <i>Other items</i>	1.632	1.048	-	-1.129
	1.132	4.044	508	114
Udskudt skat indregnes således i balancen: <i>Deferred tax is recognised on the balance sheet as follows:</i>				
Udskudt skatteaktiv <i>Deferred tax asset</i>	3.352	-	-	-
Hensættelse til udskudt skat <i>Provisions for deferred tax</i>	4.484	4.044	508	114
	-1.132	-4.044	-508	-114

Indregnet udskudt skatteaktiv i koncernen udgør pr. 31. december 2006 3.352 tDKK, som primært vedrører skattemæssige underskud i Norge, som det anses for sandsynligt at udnytte.

The deferred tax asset of the Group was recognised at DKK 3,352 thousand at 31 December 2006 and is, for the most part, attributable to tax losses in Norway deemed available for utilisation.

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
14 Hensatte forpligtelser				
<i>Provisions</i>				
Hensat huslejeforpligtelse 1. januar* <i>Provisions for rent commitments at 1 January*</i>	1.582	1.398	-	-
Anvendt i året <i>Utilised during the year</i>	-636	-552	-	-
Hensat i året <i>Provided during the year</i>	1.308	736	-	-
Hensat huslejeforpligtelse 31. december* <i>Provisions for rent commitments at 31 December*</i>	2.254	1.582	-	-
Hensatte garantiforpligtelser m.v. <i>Warranty provisions, etc.</i>	246	237	-	-
	2.500	1.819	-	-
Forfaldstidspunkter for hensatte forpligtelser forventes at blive: <i>Expected term of the provisions:</i>				
Kortfristede forpligtelser <i>Current liabilities</i>	790	887	-	-
Langfristede forpligtelser <i>Non-current liabilities</i>	1.710	932	-	-
	2.500	1.819	-	-

Den hensatte huslejeforpligtelse vedrører forventede tab på fremlejekontrakter i perioden frem til 30. juni 2010.
Provisions for rent commitments are attributable to onerous subleases up to 30 June 2010.

Noter til regnskabet / Notes to the financial statements

15 Gældsforpligtelser

Liabilities

Koncernen og moderselskabet har indgået følgende lån og kreditter:

The Group and the parent company have taken out the following loans:

			Koncern og moderselskab Consolidated and parent company			
tDKK			Effektiv rente Effective rate of interest		Regnskabsmæssig værdi Carrying amount	
Lån Loan	Udløb Expiry	Fast/ variabel Fixed-/ floating-rate	2006	2005	2006	2005
Kreditinstitutter/Credit institutions, etc.						
DKK (realkreditlån)/mortgage loan	2026	Fast/Fixed	4,0 %	-	12.489	-
DKK	2026	Variabel	4,4 %	-	7.600	-
DKK	2026	Variabel		3,0 %	-	12.803
DKK	2012	Fast/Fixed	6,9 %	6,9 %	7.059	8.235
DKK	2010	Fast/Fixed	4,9 %	4,9 %	7.813	10.938
Træk på kreditter/credits activitate	-	Variabel	4,8 %	3,3 %	50.999	34.795
Leasingforpligtelse/Lease liability	2010	Fast/Fixed	4,5 %	4,5 %	3.061	4.039
Moderselskab/parent company			4,8 %	3,9 %	89.021	70.810
SEK	2009	Fast/Fixed	6,2 %	6,2 %	3.075	4.420
SEK	2009	Variabel	3,9 %	3,7 %	861	988
Træk på kreditter/Credits activated	-	Variabel	4,8 %	-	7.900	-
Tilknyttede virksomh./group enterpri.			5,1 %	5,7 %	11.836	5.408
Koncern/group			4,8 %	4,1 %	100.857	76.218

De effektive rentesatser er opgjort på baggrund af det aktuelle renteniveau pr. 31. december 2006.

Der er indgået rentecap til sikring af renten på lån. Capsen er tegnet med en rente på 6,3 % p.a.

Markedsværdien af det indgåede sikringsinstrument er positiv med 1 tkr. før skat pr. 31. december 2006.

The effective rates of interest were calculated on the basis of the interest rate level at 31 December 2006.

The company has entered into interest rate cap agreements to hedge against rising interest rates on the loans.

The interest cap is 6.3% per annum. The market value of the hedging instruments represented a positive value of DKK 1 thousand before tax at 31 December 2006.

Noter til regnskabet / Notes to the financial statements

15 Gældsforpligtelser (fortsat)

Liabilities (continued)

Gældsforpligtelserne er indregnet således i balancen:
Liabilities are recognised on the balance sheet as follows:

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
Realkredit- og kreditinstitutter <i>Credit institutions/banks</i>				
Langfristede forpligtelser <i>Non-current liabilities</i>	34.643	33.931	32.101	29.866
Kortfristede forpligtelser <i>Current liabilities</i>	66.214	42.287	56.920	40.944
	100.857	76.218	89.021	70.810
I alt <i>Total</i>	100.857	76.218	89.021	70.810
Leasingforpligtelser indgår således i gæld til kreditinstitutter <i>Lease liabilities are recognised as loans to credit institutions, banks, etc.</i>				
Langfristede forpligtelser (1-5 år) <i>Non-current liabilities (1-5 years)</i>	2.259	3.054	2.259	3.054
Kortfristede forpligtelser (0-1 år) <i>Current liabilities (0-1 year)</i>	802	985	802	985
I alt <i>Total</i>	3.061	4.039	3.061	4.039
16 Leverandørgæld og andre gældsforpligtelser <i>Trade and other payables</i>				
Leverandørgæld <i>Trade payables</i>	32.199	30.383	18.416	21.075
Andre gældsforpligtelser <i>Other payables</i>	32.096	29.080	21.796	19.366
	64.295	59.463	40.212	40.441

Noter til regnskabet / Notes to the financial statements

17 Sikkerhedsstillelser

Security

Ud over gæld til realkreditinstitut på 12,5 mio. DKK med pant i grunde og bygninger med regnskabsmæssig værdi på 66,2 mio. DKK er følgende aktiver stillet til sikkerhed for koncernens og moderselskabets gæld til kreditinstitutter:

In addition to loans with credit institutions of DKK 12.5 million secured upon land and buildings with a carrying amount of DKK 66.2 million, the following assets have been provided as security for the Group's and the parent company's bank loans, etc.:

tDKK	Koncern Consolidated		Moderselskab Parent company	
	2006	2005	2006	2005
Ejerpantebreve på 75 mio. DKK (2005: 87,8 mio. DKK) med pant i materielle anlægsaktiver med en bogført værdi på: <i>Mortgage deeds registered to the mortgagor of DKK 75 million (2005: DKK 87.8 million) secured upon property, plant and equipment with a carrying amount of:</i>	101,9	97,4	101,9	97,4
Pantebreve på 12,3 mio. DKK (2005: 11,9 mio. DKK) med pant i ejendom og øvrige aktiver i dattervirksomheder. Bogført værdi af ejendom udgør: <i>Mortgages of DKK 12.3 million (2005: DKK 11.9 million) secured upon property and other assets in subsidiaries. The carrying amount of the property amounts to:</i>	15,4	15,5	-	-
Finansielle leasingforpligtelser på 3,0 mio. DKK (2005: 4,0 mio. DKK) med sikkerhed i leasingaktiver med bogført værdi på: <i>Finance lease obligations of DKK 3.0 million (2005: DKK 4.0 million) secured on leased assets with a carrying amount of:</i>	3,0	4,0	3,0	4,0

18 Eventualforpligtelser

Contingent liabilities

Moderselskabet/parent company:

Expedit a/s har kautioneret for dattervirksomheders gæld til kreditinstitutter.
Expedit a/s has provided guarantees for the subsidiaries' bank loans.

Koncernen/group:

tDKK	Koncern Consolidated		Moderselskab Parent company	
	2006	2005	2006	2005
0-1 år <i>0-1 year</i>	2.347	2.516	841	893
1-5 år <i>1-5 years</i>	7.018	9.519	1.288	1.275
> 5 år <i>> 5 years</i>	-	1.380	-	-
	9.365	13.415	2.129	2.168
Resultatført omkostning til operationel leasing <i>Expensed operating lease costs</i>	1.450	1.427	838	589

Moderselskabets operationelle leasingsforpligtelse omfatter leasing af driftsmidler (biler) med en restløbetid op til 5 år.
The parent company's operating lease liability comprises lease of operating equipment (cars) with a residual useful life of up to five years.

Koncernens operationelle leasingforpligtelse omfatter ud over leasing af driftsmidler (løbetid op til 5 år) huslejekontrakt med løbetid på 4,5 år. I huslejelejligheden er modregnet lejeindtægter ved fremlejning på 3,0 mio. DKK (2005: 4,9 mio. DKK).

Apart from the lease of operating equipment (term up to five years), the Group's operating lease liability comprises a tenancy agreement with a term of 4 ½ years. Income of DKK 3.0 million from subleasing has been set off against the lease liability (2005: DKK 4.9 million).

Noter til regnskabet / Notes to the financial statements

19 Valutarisici Currency risks

Koncernens og moderselskabets valutapositioner opgjort i danske kroner sammensætter sig således:
The foreign exchange positions of the Group and the parent company are specified as follows in Danish kroner:

Valuta, tDKK Currency	Koncern Consolidated			
	Tilgode- havender/ likvider <i>Receivables/ cash and cash eq.</i>	Gælds- forpligtelser <i>Liabilities</i>	Netto- position 31/12 2006 <i>Net position at 31/12 2006</i>	Netto- position 31/12 2005 <i>Net position at 31/12 2005</i>
	Svenske kroner SEK	74	1.007	-933
Norske kroner NOK	1.047	398	649	397
Euro EUR	3.730	8.346	-4.616	-9.261
	4.851	9.751	-4.900	-4.478

Der er ikke foretaget afdækning af fremtidige valutatransaktioner pr. 31. december 2006 og 31. december 2005 i koncernen.
The Group has not engaged in any hedging transactions covering its forecast foreign exchange positions at 31 December 2006 and 31 December 2005.

Valuta, tDKK Currency	Moderselskab Parent company			
	Tilgode- havender/ likvider <i>Receivables/ cash and cash eq.</i>	Gælds- forpligtelser <i>Liabilities</i>	Netto- position 31/12 2006 <i>Net position at 31/12 2006</i>	Netto- position 31/12 2005 <i>Net position at 31/12 2005</i>
	Svenske kroner SEK	10.779	984	9.795
Norske kroner NOK	4.702	-	4.702	2.699
Euro EUR	4.984	5.391	-407	-3.808
	20.465	6.375	14.090	10.453

Der er ikke foretaget afdækning af fremtidige valutatransaktioner pr. 31. december 2006 og 31. december 2005 i moderselskabet.

The parent company has not engaged in any hedging transactions covering its forecast foreign exchange positions at 31 December 2006 and 31 December 2005.

Noter til regnskabet / Notes to the financial statements

20 Nærtstående parter

Related party disclosures

Expedit a/s har ingen nærtstående parter med bestemmende indflydelse.

Expedit a/s' nærtstående parter med betydelig indflydelse omfatter selskabernes bestyrelse, direktion og ledende medarbejdere samt disse personers relaterede familiemedlemmer. Nærtstående parter omfatter endvidere tilknyttede virksomheder og associerede virksomheder, som omtalt i note 10, og selskaber, hvori førnævnte personkreds har væsentlige interesser.

Væsentlige aktionærer fremgår af aktionæroplysninger.

Expedit a/s has no related parties exercising control.

Related parties exercising a significant influence comprise the companies' Supervisory and Executive Boards, executive employees and their family members. Further, related parties comprise group enterprises and associates as described in note 10 and companies in which the above persons have substantial interests.

Significant shareholders are disclosed under shareholder information.

Samhandel med tilknyttede og associerede virksomheder har omfattet følgende:

Trade with group enterprises and associates comprised the following:

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2006	2005	2006	2005
Salg til tilknyttede virksomheder <i>Sales to group enterprises</i>	-	-	28.217	11.987
Køb hos tilknyttede virksomheder <i>Purchases from group enterprises</i>	-	-	241	297
Køb hos associeret virksomhed <i>Purchases from associate</i>	-	93	-	93

Transaktioner med tilknyttede virksomheder er elimineret i koncernregnskabet i overensstemmelse med den anvendte regnskabspraksis.

Moderselskabets mellemværender med tilknyttede virksomheder pr. 31. december, jf. note 11, omfatter såvel almindelige forretningsmellemværender vedrørende salg og køb af varer som lån. Forrentning af mellemværender fremgår af note 3.

Expedit er forhandler af Wanzl indkøbsvogne. Wanzl-koncernen er i kraft af kapitalbesiddelse i Expedit a/s nærtstående.

Moderselskabet har, jf. note 18, stillet kaution for dattervirksomheders lån hos kreditinstitutter.

Herudover har der ikke i årets løb bortset fra normalt ledelsesvederlag (omtalt i note 1) været gennemført transaktioner med bestyrelse, direktion, ledende medarbejdere, væsentlige aktionærer eller andre nærtstående parter.

Transactions with group enterprises were eliminated in the consolidated financial statements in accordance with the accounting policies.

The parent company's outstanding accounts with group enterprises at 31 December, see note 11, comprise normal business accounts regarding sales and purchases of goods as well as loans. The payment of interest on the outstanding accounts is shown in note 3

Expedit a/s sells Wanzl trolleys. As a result of its shareholding in Expedit a/s, the Wanzl Group is a related party of Expedit a/s.

The parent company has provided guarantees for the subsidiaries' bank loans, see note 18.

No transactions have been carried out with the Supervisory or Executive Boards, executive employees, major shareholders or other related parties, apart from the usual remuneration and emoluments (see note 1).

Accounting policies

The annual report of Expedit a/s for 2006 has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies, see the Copenhagen Stock Exchange disclosure requirements for annual reports of listed companies and the statutory order on the adoption of IFRS issued pursuant to the Danish Financial Statements Act.

In addition, the annual report has been prepared in compliance with the International Financial Reporting Standards issued by the IASB.

Basis of preparation

The annual report is presented in DKK rounded up or down to the nearest DKK 1,000.

The accounting policies as set out below were applied throughout the entire financial year and for the comparative figures.

The accounting policies are consistent with those of last year.

Description of accounting policies

Consolidated financial statements

The consolidated financial statements comprise the parent company, Expedit a/s, and subsidiaries in which Expedit a/s has control, i.e. the power to govern the financial and operating policies so as to obtain benefits from its activities. Enterprises in which the Group holds between 20% and 50% of the voting rights and over which it exercises significant influence, but which it does not control, are considered associates, see the group chart.

Investments in subsidiaries are set off against the proportionate share of the subsidiaries' fair value of identifiable net assets and recognised contingent liabilities at the acquisition date.

Financial statement items of subsidiaries are fully recognised in the consolidated financial statements. Minority interests' share of the results for the year and equity in subsidiaries which are not wholly owned are included in group results and equity, but shown as a separate item.

Business combinations

Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated income statement until the date of disposal. The comparative figures are not restated for acquisitions and disposals.

For acquisitions of new enterprises in which the parent company is able to exercise control over the acquired enterprise, the purchase method is used. The acquired enterprises' identifiable assets, liabilities and contingent liabilities are measured at fair value at the acquisition date. Identifiable

Accounting policies

Intangible assets are recognised if they are separable or arise from a contractual right, and the fair value can be reliably measured. Deferred tax on revaluations is recognised.

For business combinations made on or after 1 January 2004, any excess of the cost over the fair value of the identifiable assets, liabilities and contingent liabilities acquired (goodwill) is recognised as goodwill under intangible assets. Goodwill is not amortised but is tested annually for impairment. The first impairment test is performed within the end of the acquisition year.

For business combinations made prior to 1 January 2004, the accounting classification is maintained according to the former accounting policies. Goodwill is recognised on the basis of the cost recognised in accordance with the former policies (the Danish Financial Statements Act and Danish Accounting Standards) less amortisation and impairment up until 31 December 2003. Goodwill is not amortised after 1 January 2004. The accounting treatment of business combinations prior to 1 January 2004 is not changed in connection with the opening balance sheet at 1 January 2004. Goodwill recognised in the opening balance sheet is tested for impairment at 1 January 2004.

Gains or losses on disposal of subsidiaries and associates are stated as the difference between the sales amount and the carrying amount of net assets including goodwill at the date of disposal plus anticipated disposal costs.

Foreign currency translation

For each of the reporting enterprises in the group, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the reporting enterprise operates. Transactions denominated in other currencies than the functional currency are considered transactions denominated in foreign currencies.

On initial recognition, transactions denominated in foreign currencies are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at 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 rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised in the income statement as financial income or financial expenses.

On recognition in the consolidated financial statements of foreign subsidiaries with a functional currency that differs from the presentation currency used in Expedit a/s' financial statements, the income statements are translated at the exchange rates at the transaction date and balance sheet items are translated at the exchange rates at the balance sheet date. An average exchange rate for the month is used as the exchange rate at the transaction date to the extent that this does not significantly distort the presentation of the underlying transaction. Foreign exchange differences arising on translation of the opening balance of equity of such enterprises at the exchange rates at the balance sheet date and on translation of the income statements from the exchange rates at the

Accounting policies

transaction date to the exchange rates at the balance sheet date are recognised directly in a separate translation reserve in equity.

Derivative financial instruments

Derivative financial instruments are recognised and measured on the balance sheet at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively. Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a fair value hedge of recognised assets and liabilities are recognised in the income statement together with changes in the value of the hedged asset or liability as far as the hedged portion is concerned. Hedging of future cash flows according to agreement, except for foreign currency hedges, is treated as a fair value hedge of a recognised asset or liability.

Changes in the portion of the fair value of derivative financial instruments designated as and qualifying as a cash flow hedge that is an effective hedge of changes in the value of the hedged item are recognised in equity.

If the hedged transaction results in gains or losses, amounts previously recognised in equity are transferred to the same item as the hedged item.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement provided that transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and is expected to be received. Revenue is measured at fair value ex. VAT, taxes and discounts in relation to the sale.

Profits/losses from investments in associates in the consolidated financial statements

The proportionate share of the results of associates is recognised in the consolidated income statement after tax and after elimination of the proportionate share of intra-group profits/losses.

Accounting policies

Dividends from investments in subsidiaries and associates in the parent company financial statements

Dividends received from investments in subsidiaries and associates are recognised in the parent company income statement in the financial year in which the dividends are declared. To the extent that distributed dividend exceeds the accumulated earnings after the acquisition date, the dividend is, however, not recognised in the income statement but recognised as a write-down of the cost of the investment.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities and impairment 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. Furthermore, realised and unrealised gains and losses on derivative financial instruments which are not designated as hedging arrangements are included.

Tax on profit/loss for the year

Expedit a/s is not jointly taxed with its foreign subsidiaries and the foreign branch.

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

Balance sheet

Intangible assets

Goodwill

Goodwill is initially recognised on the balance sheet at cost as described under “Business combinations”. Subsequently, goodwill is measured at cost less accumulated impairment. Goodwill is not amortised.

The carrying amount of goodwill is allocated to the group’s cash-generating units at the acquisition date. Identification of cash-generating units is based on the management structure and internal financial control.

Accounting policies

Property, plant and equipment

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

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, and wages and salaries. Where individual parts of an item of property plant and equipment have different useful lives; they are accounted for as separate items, which are depreciated separately.

The cost of assets held for finance leases is stated at the lower of fair value of the assets and the present value of the future minimum lease payments. For the calculation of the net present value, the interest rate implicit in the lease or an approximation thereof is used as discount rate.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets/components.

Buildings	20-40 years
Installations	5-10 years
Plant and machinery	5-10 years
Fixtures and fittings, other plant and equipment as well as IT	3-5 years

Land is not depreciated.

The basis of depreciation is calculated on the basis of the scrap value less impairment. The scrap value is determined at the acquisition date and reassessed annually. If the scrap value exceeds the carrying amount, depreciation is discontinued.

When the depreciation period or the scrap value is changed, the effect on depreciation is recognised prospectively as a change in the accounting estimates.

Depreciation is recognised in the income statement under production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement together with depreciation.

Investments in associates in the consolidated financial statements

Investments in associates are measured according to the equity method.

Accounting policies

Investments in subsidiaries and associates in the parent company financial statements

Investments in subsidiaries and associates are measured at cost. Where the recoverable amount is lower than cost, investments are written down to this lower value

The cost is reduced by dividends received that exceed the accumulated earnings after the date of acquisition.

Impairment of assets

Goodwill and intangible assets with indefinite lives are subject to an annual impairment test, initially before the end of the acquisition year.

The carrying amount of goodwill is tested for impairment together with the other non-current assets in the cash-generating units to which the goodwill is allocated, and written down to recoverable amount over the income statement if the carrying amount is higher. The recoverable amount is generally computed as the present value of the expected future net cash flows from the enterprise or activity (cash-generating unit) to which the goodwill is allocated. However, impairment of goodwill is recognised in a separate line in the income statement.

Deferred tax assets are subject to annual impairment tests and are recognised only to the extent that it is probable that the assets will be utilised.

The carrying amount of other non-current assets is tested annually for indications of impairment. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined. The recoverable amount is the higher of an asset's fair value less expected costs to sell and its value in use.

An impairment loss is recognised if the carrying amount of an asset or a cash-generating unit, respectively, exceeds the recoverable amount of the asset or the cash-generating unit. Impairment losses are recognised in the income statement under production costs, distribution costs and administrative expenses, respectively. However, impairment of goodwill is recognised in a separate line in the income statement.

Impairment of goodwill is not reversed. Impairment of other assets is reversed only to the extent of changes in the assumptions and estimates underlying the impairment calculation. Impairment is only reversed in the event that the asset's new carrying amount does not exceed the carrying amount of the asset after amortisation had the asset not been impaired.

Inventories

Inventories are measured at cost in accordance with an approximate average 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.

Accounting policies

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as maintenance and depreciation of production machinery, buildings and equipment as well as factory administration and management.

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, which is equivalent to nominal value. Write-down is made for bad debt losses.

Equity

Dividends

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

Interim dividends are recognised as a liability at the date when the decision to pay interim dividends is made.

Translation reserve

The translation reserve in the consolidated financial statements comprises foreign exchange differences arising on translation of financial statements of foreign entities from their functional currencies into the presentation currency used by the Expedit Group (Danish kroner).

On full or partial realisation of the net investment, the foreign exchange adjustments are recognised in the income statement.

Corporation tax and deferred tax

Current tax payable and receivable is recognised on 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.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Accounting policies

Deferred tax assets, including the tax base of tax loss carryforwards, 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 and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

Provisions

Provisions are recognised when, as a result of past events, the group has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligations.

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

The amount recognised as a provision is Management's best estimate of the expenses required to settle the obligation.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting its obligations under the contract.

Financial liabilities

Amounts owed to mortgage credit institutions and banks are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between the proceeds and the nominal value is recognised as financial expenses in the income statement over the term of the loan.

Financial liabilities also include the capitalised residual obligation on finance leases.

Other liabilities are measured at net realisable value.

Cash flow statement

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

Accounting policies

The cash flow effect of acquisitions and disposals of enterprises is shown separately in cash flows from investing activities. Cash flows from acquisitions of enterprises are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of enterprises are recognised up until the date of disposal.

Cash flows from operating activities

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

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of enterprises and activities and of intangible assets, property, plant and equipment and other non-current assets.

Finance leases are considered non-cash transactions.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt, acquisition and disposal of treasury shares and payment of dividends to shareholders.

Cash flows from assets held under finance leases are recognised as payment of interest or repayment of debt.

Segment information

As stated in the Annual Report for 2005, segment information on the segments Specialist Trade and Self Service is not disclosed as from the financial year 2006 as the large chains representing Expedit's most important customers no longer differentiate between the two segments.

Accordingly, the Management is of the opinion that Expedit only operates within one business and geographical segment.

Financial ratios

Earnings per share (EPS) and diluted earnings per share (EPS-D) have been calculated in accordance with IAS 33.

Other financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2005". The financial ratios stated in the survey of financial highlights have been calculated as follows:

Accounting policies

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Operating margin	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Return on investment	$\frac{\text{Operating profit/loss} \times 100}{\text{Average assets incl. goodwill}}$
Equity ratio	$\frac{\text{Equity, ex. minority interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss} \times 100}{\text{Average equity, ex. minority interests}}$
Earnings Per Share (EPS)	$\frac{\text{Profit/loss}}{\text{Average number of shares outstanding}}$
Cash Flow Per Share (CFPS)	$\frac{\text{Cash flows from operations}}{\text{Average number of shares diluted}}$
Book value per share (BVPS)	$\frac{\text{Equity, ex. minority interests}}{\text{Number of shares at year end}}$
Price/book value	$\frac{\text{Price}}{\text{BVPS}}$
Price Earnings ratio (PE)	$\frac{\text{Price}}{\text{EPS}}$
Price Cash Flow (PCF)	$\frac{\text{Price}}{\text{CFPS}}$
Payout ratio	$\frac{\text{Dividends paid}}{\text{Profit/loss}}$
Dividend per share	$\frac{\text{Dividends percentage} \times \text{nominal value of share}}{100}$

Accounting policies

Accounting estimates and judgements

Estimation uncertainties

The computation of the carrying amounts of certain assets and liabilities requires estimations of how future events will affect the value of these assets and liabilities at the balance sheet date. Estimates that are critical to the financial statements presentation relate i.a. to the computation of depreciation, amortisation and impairment of non-current assets, including goodwill, estimates of scrap values, inventory write-downs, write-down of deferred tax assets, provisions as well as contingent liabilities and assets.

Estimates used are based on assumptions that Management believe to be reasonable, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate and unexpected events or circumstances may occur. The company is furthermore subject to risks and uncertainties meaning that actual results may differ from these estimates. Special risks relating to the Expedit Group are mentioned in the Management's review.

The company has disclosed notes information about assumptions concerning the future and other sources of estimation uncertainty at the balance sheet date that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Accounting policies

As part of the application of the group accounting policies, the Management also makes other judgements than estimates which may materially affect the amounts recognised in the annual report.

Such judgements comprise, among other things, whether lease contracts are to be treated as operating leases or finance leases. The Group has entered into lease agreements regarding buildings. The lease agreements have been concluded on normal lease terms and are therefore treated as operating leases. In addition, the Group has leased machines and various IT equipment. The Management has assessed that these lease agreements are to be treated as

New financial reporting regulation

IASB has issued IFRS 7 on Financial Instrument Disclosures, which is not mandatory for adoption by Expedit a/s in the preparation of the annual report for 2006. The implementation of the Standard will not impact on the recognition and measurement of financial instruments.

In addition, IASB has issued new IFRIC interpretations (IFRIC 8, 9 and 10), which are not mandatory for adoption by Expedit a/s in the preparation of the annual report for 2006. At present, none of the IFRIC interpretations issued are expected to affect the company's financial reporting.

Expedit a/s expects to implement these IFRSs and IFRIC interpretations from their mandatory effective date.