

Expedit a/s
8370 Hadsten

Årsrapport 2007
Annual report 2007

A/S-reg.nr. 37.407

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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 2007.

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 2007 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 2007.

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

Hadsten, 4 March 2008

Executive Board:

Uffe Færch

Supervisory Board:

Steen Bødtker
Chairman

Dr. Hans-Jürgen Sattler

Peter Wetzstein

Lars Karstenskov Andersen Bent Holm

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 2007, which comprises the statement by the Executive and Supervisory Boards on the annual report, Management's review, income statement, balance sheet, statement of changes in equity, cash flow statement and notes for the group and the parent company. 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 2007 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 2007 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Aalborg, 4 March 2008

KPMG C.Jespersen

Statsautoriseret Revisionsinteressentskab

Niels David Nielsen
State Authorised
Public Accountant

Steffen Hansen
State Authorised
Public Accountant

The year at a glance - highlights

- The Group realised a major revenue increase from DKK 452 million in 2006 to DKK 521 million in 2007, equivalent to 15% growth.
- The revenue increase was prompted by a favourable investment climate in the retail trade and was generated by all group enterprises, but especially Expedit Retail Solutions and Expedit Finland enjoy notable progress.
- Profit before tax rose from DKK 10.9 million in 2006 to DKK 19.1 million in 2007, equivalent to an improvement of 75%, which was attributable to the positive revenue development.
- Profit after tax came in at DKK 13.6 million, which was up on forecast results and last year's results. The improvement on the forecast profit after tax of DKK 12 million was, for the most part, attributable to a higher closing activity level than forecast and the reversal of a provision of DKK 0.6 million after tax for a previous onerous sublease contract at year end.
- The positive operations development and the positive development in working capital substantially improved the group cash flows and thereby reduced interest-bearing debt. The cash flows from operating activities for the year were positive at DKK 51 million as against negative cash flows from operating activities of DKK 19 million in 2006.
- To further strengthen its competitive power, Expedit maintained a high investment level in 2007. Investments for the year reached DKK 15.6 million, which was primarily in machinery.
- Group equity represented DKK 121.9 million at 31 December 2007, equivalent to an equity ratio of 44%. The distribution of dividends of DKK 1.5 million is proposed to the company in general meeting.
- Expedit focuses on strengthening and developing the organisation in its entirety and the individual employees. Employee welfare failed to be at the desired level at the beginning of 2007, but through a number of measures Expedit managed to restore job satisfaction at a satisfactory level, which has most recently been confirmed in an employee satisfaction survey.
- With the substantial order volume at the beginning of 2008, revenue is forecast to rise to DKK approx. 550 million in 2008 and profit before tax to amount to approx. DKK 22 million.

Financial highlights for the Group

	Enhed <i>Unit</i>	2003*	2004	2005	2006	2007
Hovedtal <i>Key figures</i>						
Omsætning <i>Revenue</i>	mio. DKK	373.5	393.4	442.8	452.1	520.8
Bruttoresultat <i>Gross profit</i>	mio. DKK	77.0	91.4	91.7	88.6	102.8
Resultat af primær drift <i>Operating profit</i>	mio. DKK	10.4	23.4	19.9	14.0	22.4
Resultat af finansielle poster <i>Profit/loss from financial income and expenses</i>	mio. DKK	-7.5	-3.8	-3.5	-3.1	-3.3
Resultat før skat <i>Profit before tax</i>	mio. DKK	2.9	19.7	16.5	10.9	19.1
Årets resultat <i>Profit/loss for the year</i>	mio. DKK	-3.1	14.4	11.6	11.9	13.6
Balancesum <i>Balance sheet total</i>	mio. DKK	227.9	246.3	238.8	282.9	278.8
Egenkapital <i>Equity</i>	mio. DKK	62.7	86.7	97.3	110.4	121.9
Pengestrøm fra driften <i>Cash flows from operating activities</i>	mio. DKK	20.3	18.7	38.2	-18.7	50.9
Pengestrøm til investering <i>Cash flows from investing activities</i>	mio. DKK	-8.4	-11.7	-14.3	-18.3	-14.9
Heraf til investering i materielle anlægsaktiver <i>Portion relating to investment in property, plant and equipment</i>	mio. DKK	-10.7	-12.3	-14.5	-21.0	-15.0
Pengestrøm fra finansiering <i>Cash flows from financing activities</i>	mio. DKK	-4.5	-4.4	-50.9	0.5	-8.7
Pengestrøm i alt <i>Total cash flows from operating, investing and financing activities</i>	mio. DKK	7.4	2.6	-27.0	-36.5	27.4

Financial highlights for the Group

	Enhed					
	<i>Unit</i>	2003*	2004	2005	2006	2007
Nøgletal						
<i>Financial ratios:</i>						
Bruttomargin <i>Gross margin</i>	%	20.6	23.2	20.7	19.6	19.7
Overskudsgrad <i>Operating margin</i>	%	2.8	5.9	4.5	3.1	4.3
Afkastningsgrad (afkast af investeret kapital inkl. goodwill) <i>Return on investment (Return on invested capital including goodwill)</i>	%	4.4	9.9	8.2	5.4	8.0
Egenkapitalandel <i>Equity ratio</i>	%	27.5	35.2	40.7	39.0	43.7
Egenkapitalforrentning <i>Return on equity</i>	%	-4.8	19.3	12.6	11.4	11.7
Finansiell gearing <i>Financial gearing</i>	%	142.0	93.3	57.6	84.3	48.4
Resultat pr. aktie (EPS) <i>Earnings per share (EPS)</i>	kr.	-20	94	75	77	88
Gennemsnitligt antal medarbejdere <i>Average number of employees</i>		360	365	360	372	395

* The comparative figures for 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
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DK-8370 Hadsten

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Telefax:	+45 87 612 300
Web site:	www.expedit.dk
Email:	expedit@expedit.dk
Registration No.:	37 75 25 17
Established:	1964
Registered office:	Hadsten, Denmark

Supervisory Board

Steen Bødtker, Denmark
CEO (Chairman)
Age of 50, has served on the Supervisory Board of Expedit since 2002
CEO of Elmer Print A/S

Other directorships:
Dafa A/S
NOPA A/S
Eriksen Randers A/S
ElmerPrint A/S
Steva Holding ApS

Dr. Hans-Jürgen Sattler, Germany
General Manager (Vice-Chairman)
Age of 58, has served on the Supervisory Board of Expedit since 2001

General Manager of the following companies:
Wanzl GmbH & Co. Holding KG
Wanzl GmbH
Wanzl Metallwarenfabrik GmbH
Wanzl Beteiligungsgesellschaft GmbH
Wanzl Commercial Equipment (Shanghai) Co. Ltd.
Wanzl Korea Ltd.
SieWa Metallwarenfabrik

Peter Wetzstein, Germany
Chief Sales Officer, age of 44, has served on the Supervisory Board of Expedit since 2006

Lars Karstenskov Andersen, Denmark
Product Developer, elected by the employees
Age of 42, has served on the Supervisory Board of Expedit since 1995

Company details

Bent Holm, Denmark

Semi-skilled worker, elected by the employees

Age of 45, has served on the Supervisory Board of Expedit since 2008

Executive Board

Uffe Færch, Denmark

CEO

Helle Wulff

Chief Financial Officer

Birger Gottlieb Thomsen

Chief Sales Officer

Anders Topp Daugaard

Production and Logistics Officer

Auditors

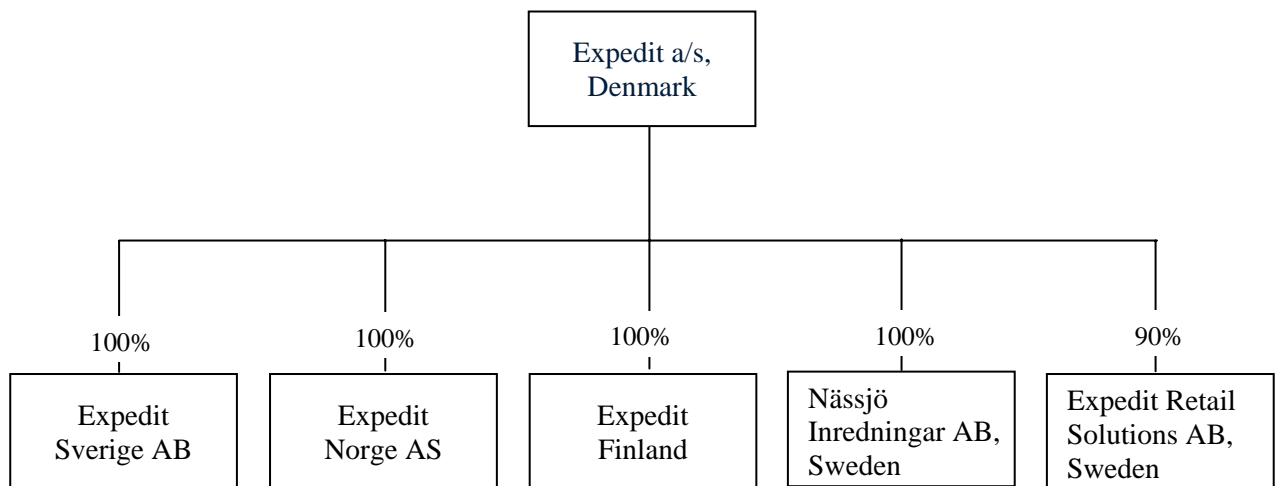
KPMG C.Jespersen Statsautoriseret Revisionsinteressentskab

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 objectives

In the autumn of 2006, Expedit developed a group strategy for 2007, 2008 and 2009. 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 unique, functional, customer-oriented shopfitting solutions and thereby to develop sustainable business while allowing each individual employee to thrive

Vision

Expedit's customer orientation generates major growth

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.

Throughout 2007, Expedit held employee meetings focusing on the importance of the values. Together with the daily managerial focus on the values, this has had the effect that these gradually become instrumental in the interaction between the company's processes.

Long-term objective

In order to maintain its focus on customer requirements in a sustainable business, the Group's objective is to ensure a persistently high degree of customer satisfaction throughout the entire value chain. In addition, reliability of delivery is deemed a prerequisite for maintaining a high degree of customer satisfaction. Accordingly, the Group targets reliability of delivery at a minimum of 95%.

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. Consequently, Expedit intends to support its subsidiaries' attendance to individual, national customers by developing the competencies of the subsidiaries.

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.

Management's review

In an employee-driven labour market, employee retention and the ability to attract new staff continue to be important parameters.

Expedit is aware that employee satisfaction promotes customer satisfaction. As a consequence, Expedit has defined targets for employee satisfaction as a natural part of its operations.

Prompted by the above-mentioned objectives, Expedit has laid down the following, annual, financial objectives:

- The existing business is to generate annual revenue growth of a minimum of 10%, measured as a weighted average during the strategy period.
- Profit before tax is to represent at least 5% of revenue
- The equity ratio is targeted at a minimum of 35%.

Results for the year, balance sheet and cash flows

In 2007, the Expedit Group posted revenue of DKK 520.8 million, equivalent to an increase of 15% on revenue in 2006 of DKK 452.1 million. Profit before tax came in at DKK 19.1 million in 2007, accounting for an improvement of DKK 8.2 million or 75% on the results before tax for 2006.

For the first time in a number of years, no group entities reported losses in 2007. Despite the positive development, the profit before tax failed to meet the targeted 5% of revenue.

Profit after tax totalled DKK 13.6 million as against a profit after tax of DKK 11.9 million for 2006.

Group results after tax were slightly up on the forecast in the most recent Stock Exchange Notice from November 2007, announcing forecast results after tax in line with 2006, equivalent to approx. DKK 12 million. The improvement was mainly triggered by a significantly higher closing activity level than forecast and the conclusion of a sublease by the Norwegian subsidiary - with the outcome that the previous provision for onerous subleases could be reduced by DKK 0.6 million after tax.

Revenue

Group revenue amounted to DKK 520.8 million for 2007 as against DKK 452.1 million for 2006, accounting for a 15% increase as against a forecast increase of approx. 10% in the Q3 2007 Interim Report and in the annual report for 2006.

All companies contributed to the revenue increase, see the section "Market Position" apart from the Norwegian company where revenue was in line with last year. Especially the newly established company, Expedit Retail Solutions AB, enjoyed a marked revenue increase in 2007. Also the Finnish branch recorded a rising activity level.

Gross profit

Following the revenue increase, gross profit was up from DKK 88.6 million in 2006 to DKK 102.8 million in 2007. Gross margin accounted for 19.7% and was at level with last year despite significantly higher capacity utilisation. This development was attributable to declining contribution ratios prompted by more extensive use of subsuppliers and a change

Management's review

in revenue towards more project-oriented activities and thereby lower contribution ratios. In addition, the market prices were persistently under pressure.

Selling and distribution costs and administrative expenses

These items were up by approx. 8% to DKK 80.4 million in 2007. The increase was, for the most part, derived from the activity development, including in particular the structuring of the organisation of Expedit Retail Solutions.

Financial items

Financial items represented a net expense of DKK 3.3 million, which was in line with last year.

Despite the considerably reduced interest-bearing debt, interest expense was in line with last year. The reason for this was that the reduction in interest-bearing debt was mainly realised during the last part of the financial year and that the effective floating rate interest rate was slightly on the increase.

Tax on profit for the year

Tax on profit for the year was DKK 5.5 million, equivalent to an effective tax rate of 28.7%. The high effective tax rate was, see note 6, motivated by the facts that the tax rate in the foreign entities and the reduction in the Danish corporation tax rate from 28% to 25% necessitated the recognition of an additional provision for deferred tax of DKK 0.3 million.

Balance sheet

The group balance sheet total reached DKK 278.8 million at 31 December 2007 as against DKK 282.9 million at 31 December 2006.

The optimisation of the balance sheet development, including in particular the funds tied up in inventories and trade receivables, is a managerial focus area. This focus produced a positive balance sheet development as 2007 saw a major reduction in both net working capital and net interest-bearing debt.

The reduced net working capital was predominantly ascribable to a reduced number of funds tied up in trade receivables, which were down by DKK 13.3 million. Receivables at 31 December 2006 were at an exceptionally high level, and the 2007 closing level is deemed to represent the future level, however, with allowance being made for changes in the activity level.

Group equity totalled DKK 121.9 million at 31 December 2007, equivalent to an equity ratio of 43.7%.

Management's review

Cash flow statement

Group cash flows enjoyed a positive development compared with 2006, with cash flows from operating activities accounting for DKK 50.9 million in 2007 as against negative cash flows of DKK 18.7 million in 2006. This development was, to a high degree, the result of the positive operations development and reduced net working capital.

The positive cash flows from operating activities reduced by net investments in non-current assets of DKK 14.9 million and ordinary repayment of long-term debt of DKK 7.2 million have enabled the Group to reduce drawing on business credits by DKK 17.7 million and at the same increase cash at bank and in hand by DKK 9.5 million, allowing liquidity to be up by DKK 27.3 million.

The Group's cash resources including undrawn drawing rights came in at DKK 42 million at year end as against DKK 16 million at the 2006 year end.

Investments

In order to further strengthen its competitive power, Expedit maintained a high investment level in 2007, coming at DKK 15.6 million. The vast part of the investments was made in Denmark and comprises the upgrading of two spraying facilities on the factories in Hadsten and Ulstrup and the acquisition of a fully automatic bending machine, which was being installed in the factory in Ulstrup at the turn of the year. The machine is expected to be put into service in March 2008. In addition, two new welding robots were put into operation immediately after the New Year.

Furthermore, also in 2007 Expedit invested heavily in the maintenance and development of the Group's IT, and during the first six months of 2007 Nässjö Inredningar implemented the Group's management system, meaning that the entire Group now relies on the same IT platform.

Market conditions

Overall considerations

2007 proved a prosperous year for the retail trade in the Nordic countries. A lot of money has been available for consumption across all countries. The retail trade has benefited from this development, which has promoted a favourable investment climate.

During the entire 2007, the shopfitting business enjoyed heavy demand. However, the customers have also increased their focus on prices and creative solutions. The chains are constantly changing, including the replacement of profiles, acquisition of shops and the opening of new outlets. European chains continue to set up their own representation (in the form of suppliers) on the Nordic market. In addition, the activities of the Nordic customers are continuously on the increase outside the Nordic countries, requiring ongoing assistance from their Nordic suppliers.

As the chains persistently realise growth and see integration among them, the organisation of their shopfitting activities is being changed. Some chains develop their own shopfitting competencies, while other chains outsource their entire shopfitting function to co-operators. Accordingly, the Group increasingly needs to focus on prices and to further develop its service competencies.

Management's review

Markets

The parent company **Expedit a/s** mainly produces and sells its products to the groceries trade and the self-service segment of the specialist trade. In 2007, the company enjoyed satisfactory revenue development, reporting an increase of DKK 20.4 million or 8% to DKK 286.5 million. The revenue increase was produced during the entire year, but especially the autumn saw an exceptionally high activity level, with the outcome that certain production processes have been outsourced to subsuppliers resulting in modest contribution ratios. Revenue was, to a certain extent, produced by subsidiaries. Accordingly, the profit on these goods has been split between the parent company and its subsidiaries.

Prompted by the revenue development, the parent company excluding the branch in Finland reported an enhanced gross profit, coming in at DKK 51.6 million for 2007, equivalent to an increase of DKK 5.9 million. As a consequence of the negative development in the contribution ratio, gross margin was in line with last year.

In the winter of 2006/07, the parent company faced major turbulence among its executives and employees, producing exceptionally high staff turnover. Since that time, proper management has been restored through targeted efforts, and employee welfare is back at the desired level.

On the basis of the development from 2006 to 2007, the parent company results are considered satisfactory.

The Swedish subsidiary, **Nässjö Inredningar AB**, which predominantly operates within the Swedish specialist trade, had a hectic year, reporting a revenue increase of 12%. The company's record revenue of SEK 157.3 million for 2007 was derived from activities with known customers, but also from major activities with new customers. To a higher degree than previously seen, revenue for 2007 was generated from shopfitting projects where Nässjö Inredningar is involved in the entire process - from the creative development stage to the ready shopfitting solution in the shops. Accordingly, this year has seen more re-invoicing to the customers of the fitting of subsuppliers, which has an adverse impact on the contribution ratio and the operating margin. Also in 2007, Nässjö Inredningar has carried out sales through group companies, producing a negative impact on the contribution ratio.

Also in 2007, the Group's newly established company from 2006, **Expedit Retail Solutions AB**, enjoyed a positive development, which was up on forecast. The company strives to develop, supply and service domestic or foreign complete solutions as required by Nordic retail chains. Customer supplies are made in co-operation with both Nässjö Inredningar and other group companies. In addition, products are also sourced from other subsuppliers.

Expedit Retail Solutions, which has a number of eight employees today, reported revenue of SEK 39.4 million and satisfactory results for 2007. Sweden generated the vast part of revenue, but also Finland and Norway saw a high activity level. The services supplied by Expedit Retail Solutions are still expected to account for a major part of the Expedit Group's future growth. Following the positive initial commercial activities of the company, the Group is of the opinion that the company is ready to take on the fierce competition and to capture market shares on the Swedish market.

In Sweden, the subsidiary, **Expedit Sverige AB**, which solely operates within the groceries trade in Sweden, underwent major organisational restructuring around the turn of 2006/07 and, at the same time, recommenced business activities in Stockholm. The new organisational set-up is based on former employees with major business insight. In 2007, the company invested heavily in restoring Expedit's reputation and recapturing market shares in Sweden. The company is making progress, and its break-even results for 2007 are to be transformed into positive results for 2008 based on an activity increase.

Management's review

In 2007, **Expedit Norge AS** failed to generate the planned activity growth, as revenue was in line with 2006. Despite this situation, gross profit was slightly improved. Additionally, the company reported satisfactory results. At the beginning of 2008, the company added two employees to its staff of 10 employees in order to foster growth in 2008.

Triggered by its conclusion of a new sublease at the end of 2007, the company reversed a provision of previous years for bad debts on an onerous sublease of DKK 0.8 million before tax.

The activities in **Finland** are handled by a branch of the parent company. In 2007, the entity, which at present has a number of seven employees, managed to further benefit from the successful launch of Expedit's shopfitting equipment in 2006. Revenue was up by 75% to EUR 7.3 million, and shopfitting equipment now accounts for approx. 40% of total revenue. As a consequence of the rising activity level, the profit was significantly up on forecast and is on a satisfactory level.

Production and logistics

In 2007, Expedit continued to focus on production lead time in both Denmark and Sweden. Process optimisation is a priority, which is facilitated by investments and through the optimisation of one or several machine processes. Furthermore, the second half of 2007 saw the implementation a standard delivery time from the Danish factories to the customers. Because of the high activity level in the second half of 2007, the full effect of the change still awaits to be seen, which is expected to take place during the first six months of 2008. As part of the measures taken, the company continues to focus on internal reliability of delivery in the factories, as an improvement thereof is expected to enhance logistics and eliminate bottle necks.

The production strategy of Nässjö Inredningar is highly different from the production strategy in Denmark, as Nässjö Inredningar's production only represents approx. $\frac{1}{3}$ of revenue, while the rest is bought from subsuppliers. This has the outcome that all the measures taken in the Danish factories cannot, offhand, be taken in Sweden.

The objective of the Group's investments is to increase Expedit's flexibility towards its customers. At the same time, a high degree of automation is in constant focus in order to be able to meet market demand for prompt delivery at competitive prices.

Also 2007 saw the use of the flexitime system for hourly paid workers in Denmark, with hours being accumulated during periods with high business activity. A part of the accumulated hours had been spent at the beginning of 2008, when the activity, in line with expectations, is at a lower level.

Nässjö Inredningar has also implemented a flexitime system for hourly paid workers, which especially will be beneficial for the company and its employees when allowance is made for seasonal variations in the specialist trade.

Outlook

With the substantial order volume at the beginning of 2008, the Group is expected to continue to enjoy a rising activity level throughout the most of 2008.

The market trend is still towards internationalisation of the customers and intensified competition over customers. The development in the retail trade in the Nordic countries throughout recent years is expected to continue, involving a higher degree of investment to

Management's review

the benefit of Expedit. Accordingly, the Expedit Group will further extend its sales organisations in the individual countries.

Despite the positive 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 competition.

The year got off to a positive start, with many plans in the pipeline.

Accordingly, for 2008, the Group expects to post revenue of approx. DKK 550 million and profit before tax of approx. DKK 22 million.

Intellectual capital and organisation

For several years, Expedit's focus has been on strengthening and developing its entire organisation and its individual employees. However, some organisational challenges arose in the Danish organisation and in Nässjö Inredningar during the first six months of 2007, as several experienced employees left the Group.

At the beginning of 2007, Birger Gottlieb Thomsen started as Chief Sales Officer and Anders Topp Daugaard as Production and Logistics Officer in Expedit. This strengthening of the Danish Executive Board produced new organisational possibilities, and a new executive group was thereby created in Denmark by the end of the first six months of 2007. This group consisted of both new, inexperienced managers as well as old, experienced managers. To create joint management, also within the organisation, this group underwent an executive management programme during the last six months of 2007 where, among other things, Expedit's values were in focus, and at the same time everybody was trained in general management tools. It is assessed that the Danish management group is now in place and ready to ensure the continued develop of Expedit a/s also in the future to provide full-scope service to the Nordic retail customers and to ensure profitable corporate growth.

In 2007, the Group's values were presented to all Danish employees in an understandable manner. There is also much more focus on implementing the values, not only at top level, but also in the daily lives of the employees.

Through the initiated activities, staff turnover stopped in the last six months of 2007, and an employee satisfaction survey shows that the satisfaction among the employees is generally high and considerably up on the targeted level.

Nässjö Inredningar also required organisational changes to create job satisfaction and renewed dynamic. Organisational change is still required, but this has to be done in a tempo that makes the employees feel safe.

In 2007, Expedit worked on developing its systems and routines for appraisal interviews, just as a career plan has been presented to the salaried employees. Expedit systematically engages in developing the competencies of autonomous production groups to enhance flexibility and the high reliability of delivery. This work is performed in cooperation with suppliers and educational centres. At the same time, 2007 showed that a company must continuously be dressed to be able to compensate for the loss of employees who want to seek challenges outside Expedit.

In 2008, the measures taken at managerial level will be extended to a high number of employees.

Management's review

For a description of the Group's central business processes, reference is made to the section on production and logistics.

Environmental issues

Expedit considers health, security and environmental protection an important part of the company's responsibility towards society. Expedit's environmental policy will be available to shareholders and all stakeholders. Therefore, health, security and environmental efforts are regularly assessed by means of systematic control and reporting.

Expedit respects applicable laws and regulations and continuously works on introducing the required standards, procedures, contingency plans and management systems to ensure a safe, environmental and sustainable operation of the company.

External environment

To protect the external environment, Expedit systematises and prioritises its environmental efforts in order to reduce environmental costs/impact. Expedit wishes to appear as a non-polluting enterprise in the day-to-day operation. Environmental management and systematic examination of corporate facilities allow Expedit to organise and optimise its environmental efforts and to keep operating costs/impact at a minimum.

In 2008, Expedit focuses on reducing the electricity consumption in the Danish factories.

Working environment

It is Expedit's intention through continued, targeted and systematic efforts to offer its employees a safe and sound working environment, and efforts are continuously made to improve health among its employees and protect them against industrial diseases and accidents.

Expedit's factories in Denmark were previously categorised as level 1 enterprises. On 1 April 2007, new rules were introduced stipulating a screening of Danish enterprises' working environments and, based on this screening, to grant smileys. The granting of red and yellow smileys may result in an improvement notice. In connection with the introduction of the new rules, the method of categorising enterprises lapsed.

In November 2007, the Danish Working Environment Authority (Arbejdstilsynet) paid a visit to Expedit's factory in Ulstrup and made an adapted inspection. The representative from the Danish Working Environment Authority was satisfied with Expedit's focus on the working environment, but did, however, issue improvement notices on two selected areas. The instructions contained in the improvement notices will be dealt with within the given deadline.

Since the introduction of the new rules, Expedit's factory in Hadsten has had no visits from the Danish Working Environment Authority.

It is Expedit's objective that the number of accidents by the end of 2007 is reduced to zero by setting and keeping realistic goals of improvement and, naturally, by meeting or surpassing all statutory requirements within this area. Based on the developments in 2005 and 2006, this zero-accident objective was in 2006 postponed to 2009, as it was no longer considered realistic to reach the target in 2007. The objective is still to have zero accidents at Expedit,

Management's review

and Expedit continuously tries to reach the goal by means of "close-to-accident reports" and the determination of working environmental goals for the individual years.

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.

Development activities

The development activities are primarily product development in Expedit in Denmark and in Nässjö Inredningar as well as in Expedit Retail Solutions in Sweden.

In addition to the development of Expedit's standard product range, the development work is typically made in cooperation with the customer based on an assessment of the customer's profile, financial position and size.

Furthermore, all entities participate, on an ad hoc basis, in the development work with suppliers of goods for resale to customise the products marketed by the Group in the Nordic countries.

Incentive schemes

Expedit has not introduced any actual incentive schemes (share-based payment).

Performance-related schemes based on financial ratios and personal targets have been introduced for the Executive Boards in Denmark and Sweden.

The Group moreover implemented a performance-related system for the salaried employees in Denmark. The system reflects both general and financial targets for the Group, just as individual targets have been set for the employees.

Events after the balance sheet date

No events have occurred after the balance sheet date considerably affecting the 2007 annual report.

Risk assessment and management

Operating risks

The most predominant individual risk relates to the customer mix, comprising many of the large retail chains in the Nordic countries. Therefore, there is regular focus on entering into cooperation with new, major customers, and Expedit is delighted by the customer intake seen in the past two years, strengthening the Group's customer platform and reducing dependency on individual customers.

Management's review

The Nordic countries generally experience a high cost level, and a high degree of efficiency and productivity in production and the administrative functions is necessary to compete and maintain the production in the Nordic countries. All group units focus very much on this, and it is acknowledged that the Group's competitive strengths lie within flexibility, communications and creativity rather than in prices.

The Group's earnings are sensitive to the price development in the Group's raw materials; primarily steel and wood. Management continuously oversees the price development.

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.

Financial risks and risk management policy

Following its operating, investing and financing activities, Expedit is exposed to changes in exchange rates and interest level. It is group policy not to speculate actively in financial risks. The Group's financial management is therefore solely aimed at managing the financial risks that are a direct consequence of the Group's operating and financing activities.

Currency risk

The parent company's activities are only slightly affected by currency fluctuations, as both income and expenses are primarily settled in Danish kroner.

The Group's foreign enterprises are affected by currency fluctuations, as revenue is generated in local currency, whereas only a part of expenses are settled in local currencies.

The income statement for the Group is furthermore affected by changes in exchange rates, as the foreign group enterprises' results at the end of the year are translated into Danish kroner based on average rates.

The Group's currency risks are primarily hedged because income and expensed are settled in the same currency. The company closely monitors the exchange rate development and also hedges via derivative financial instruments (forward contracts) when necessary.

The company had not entered into any hedging contracts at 31 December 2007.

The below table shows the Expedit Group's income and expenses denominated in the currencies mostly applied in the financial year 2007:

DKKm	SEK	NOK	EUR
Sale of goods	208.7	54.2	75.3
Purchase of goods	-118.1	-25.9	-155.8
Other overheads	-45.1	-7.4	-5.3
Net foreign exchange position	45.5	20.9	-85.8

The table shows that the Group is still exposed to exchange rate fluctuations in SEK, NOK and EUR. It is assessed that the most significant currency exposure still relates to sale in SEK and NOK, where a 10% decrease in the exchange rates of these currencies compared to the actual exchange rates for the year would have had a negative impact on the profit for the year before tax and equity of DKK 4.6 million and DKK 2.1 million, respectively, as against

Management's review

DKK 5.4 million and DKK 3.3 million, respectively, in 2006. An increase in the exchange rates would have had a similar positive impact on the profit for the year.

The Group's and the parent company's net positions denominated in foreign currencies at 31 December 2007 are specified in note 21, which states that there are no significant exchange rate risks regarding receivables and payables denominated in foreign currencies at 31 December 2007 at group level. The Group's profit would, therefore, not have been considerably affected by changes in the closing exchange rates.

Following investments in foreign entities, the Group's equity is sensitive towards exchange rate fluctuations. If the rate of SEK and NOK was 10% lower or higher than the actual rate at 31 December 2007, the Group's equity would have been reduced or increased by DKK 2.8 million and DKK 0.9 million, respectively. The corresponding figures for 2006 represented DKK 3.1 million and DKK 0.7 million, respectively.

The parent company has a considerable net position in SEK, see note 21. If the SEK rate was 10% lower or higher than the actual rate at 31 December 2007, the parent company's profit before tax and equity would have been reduced/increased by DKK 2.4 million. The corresponding effects for 2006 would be a reduction/increase of the profit and equity of DKK 1.0 million.

The stated sensitivities are computed based on an assumption of unchanged sales and price levels.

Interest rate risks

It is group policy to hedge interest rate risks on the Group's loans when it is assessed that interest payments are hedged satisfactorily. The interest rate risk is assessed regularly, and hedging transactions are made to the extent deemed necessary.

At 31 December 2007, most of the Group's loans were floating-rate loans, see note 16, mostly because the Group still has chosen to be financed via floating-rate business credits in order to achieve the highest flexibility.

An interest cap was concluded to hedge the interest on the part of the floating-rate loan (credit limit of DKK 25 million has been hedged). In addition to this, no other interest risks were hedged at 31 December 2007.

The Group's average effective interest was increased from 4.8% in 2006 to 5.2% in 2007, see note 16, following an increase in the interest of floating-rate business credits.

The weighted average term (fixed-rate period) on the Group's loans amounted to 3.3 years at 31 December 2007 as against 3.1 year in 2006. The development is primarily due to the reduction of the drawing on the floating-rate business credits.

An increase in the interest level of 1% p.a. compared to the interest level at the balance sheet date would, all things being equal, have had a negative impact on the profit and equity of DKK 0.4 million as against DKK 0.8 million in 2006 related to floating-rate cash and payables. A decrease in the interest level would have had a corresponding positive impact.

Liquidity risks

It is group policy in connection with the raising of loans to ensure the highest possible flexibility through a diversification of the raising of loans at the date of maturity/repricing and counterparties considering the pricing. The Group's cash reserves comprise cash and

Management's review

undrawn credit facilities. The Group aims at having sufficient cash resources in order to be able to act appropriately in case of unpredictable fluctuations in liquidity.

The positive development in profit and balance sheet, see previous sections, improved the Group's cash resources considerably at the end of 2007.

Credit risks

The Group's credit risks primarily relate to receivables. The maximum credit risk associated with financial assets corresponds to the values recognised on the balance sheet.

The Group has no significant risks relating to a single customer or cooperation partner. The Group's policy of assuming credit risks means that all major customers and other cooperation partners are credit rated regularly.

Generally, there is no security for sale on credit.

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

The write-down and payment dates of receivables at the balance sheet date are stated in note 12, which also shows a considerable reduction of receivables due in the Group and the parent company during 2007. The company is a party to lawsuits regarding receivables overdue by more than 90 days.

Capital management

The Group regularly assesses the need for adopting the capital structure to hold up the required higher return on equity against the increased uncertainty related to loan capital. The equity ratio accounted for 43.7% at the end of 2007 as against 39% in 2006. The equity ratio is targeted at 35%. Capital management is conducted at group level.

Realised return on equity totalled 11.7% in 2007 as against 11.4% in 2006. There is no actual target for the return on equity, but the Supervisory Board is of the opinion that interest must be considerably up on the market rate of interest on the Group's domestic market.

Corporate Governance

The Supervisory Board is still of the opinion that the most important recommendations in the report on Corporate Governance from 2005 are carried out in practice by Expedit a/s' Management, e.g. open communication of information, informative annual reports, interim reports, risk management, etc. The scope therefore 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.

Management's review

Expedit a/s has prepared a complete description of the Group's Corporate Governance policy based on the recommendations of the Copenhagen Stock Exchange. Access to the description can be made or downloaded at www.expedit.dk under financial position.

Shareholder information

Stock Exchange Notices issued in 2007 and 2008

In 2007 and up to 4 March 2008, Expedit a/s issued the following Stock Exchange Notices:

- Stock Exchange Notice No. 1/2007 of 2 February 2007: Financial calendar
- Stock Exchange Notice No. 2/2007 of 4 March 2007: Announcement of the annual report for 2006
- Stock Exchange Notice No. 3/2007 of 4 April 2007: Notice convening Expedit's annual general meeting on 26 April 2007.
- Stock Exchange Notice No. 4/2007 of 26 April 2007: Interim report for the period 1 January – 31 March 2007
- Stock Exchange Notice No. 5/2007 of 27 April 2007: Minutes of meetings at Expedit on 26 April
- Stock Exchange Notice No. 6/2007 of 29 August 2007: Interim report for the period 1 January - 30 June 2007
- Stock Exchange Notice No. 7/2007 of 29 November 2007: Interim report for the period 1 January - 30 September 2007
- Stock Exchange Notice No. 1/2008 of 22 January 2008: Financial calendar.

Financial calendar

Expedit a/s expects to issue the following Stock Exchange Notices in 2008:

- 4 March 2008: Announcement of the annual report for 2007
- 30 April 2008: Interim report (in accordance with IAS 34) for the period 1 January - 31 March 2008 (Q1)
- 28 August 2008: Interim report (in accordance with IAS 34) for the period 1 January – 30 June 2008 (Q2)
- 27 November 2008: Interim Report (in accordance with IAS 34) for the period 1 January – 30 September 2008 (Q3).

The company's annual general meeting is to be held at the company's address on 30 April 2008 at 17.00 pm.

Shareholder information

Share capital and ownership

The share capital of the parent company Expedit a/s amounts to DKK 15.4 million, corresponding to 15,400 shares at DKK 1,000 each, 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 shares are listed on the Copenhagen Stock Exchange under the ID code DK0015312474.

The shares are freely negotiable.

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

	Share of share capital
RW Finanz AG, 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%

Dividends

Expedit pursues a policy on dividend distribution to its shareholders as long as Expedit's financial development and cash flow is satisfactory. However, the company has taken the view that its results primarily are to be used for the continued development of the Group and to offer a possibility of realising the required and targeted expansion.

The Supervisory Board recommends to the company in general meeting that in 2008 dividends of DKK 10 per share of DKK 100 each be distributed, corresponding to 10% of the share capital of DKK 15.4 million; thereby corresponding to 11% of the consolidated profit for the year. Dividends for the year will automatically be paid via VP Securities Services immediately after the general meeting.

Policy for treasury shares

Expedit has an annual authorisation from the general meeting to acquire up to 10% of the treasury shares. However, this authority has not been utilised throughout several years, and there are no plans of utilising the authority.

Expedit a/s had no treasury shares at 31 December 2007.

Shareholder information

Financial ratios on shares and dividends

	Unit	2003	2004	2005	2006	2007
Earnings Per Share	DKK	-20	94	75	77	88
Cash Flow Per Share	DKK	132	121	248	-122	331
Net asset value		390	563	632	717	792
Market price at year end		300	420	850	850	698
Price/book value		0,7	0,7	1,3	1,2	0,9
Price Earnings	DKK	-15,0	4,5	11,3	11,0	7,9
Price Cash Flow	DKK	2,3	3,5	3,4	-7,0	2,1
Payout ratio	%	0,0	0,0	0,0	13,0	11,3
Dividend per share	DKK	-	-	-	10,0	10,0

For definitions, please see the accounting policies.

Articles of association

The company's Articles of Association may be amended by simple majority at a general meeting if the proposed changes have been communicated to the shareholders no later than 14 days before the annual general meeting or an extraordinary general meeting, and if 66.7% of the shares subscribed are represented at the general meeting.

Rules for electing and replacing supervisory board members

Expedit has three supervisory board members elected at the annual general meeting and two employee representatives.

The supervisory board members elected by the general meeting are elected for one year at a time, whereas the employee representatives are elected for four years at a time.

All supervisory board members elected by the general meeting are thus up for election each year, also the chairman and the vice-chairman.

Management agreements on compensation in case of dismissal/takeover bid

Expedit has no agreement with the Executive and Supervisory Boards or other employees on any financial compensation in case of dismissal or a takeover bid from a new owner.

Proposals for consideration at the general meeting

At the general meeting on 30 April 2008, 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:

Resultatopgørelse 2007 / Income statement for 2007

Note tDKK Notes	Koncern Consolidated		Moderselskab Parent company	
	2007	2006	2007	2006
1 Omsætning <i>Revenue</i>	520.814	452.119	325.048	289.447
2,3 Produktionsomkostninger <i>Production costs</i>	418.059	363.507	266.188	236.787
Bruttoresultat <i>Gross profit</i>	102.755	88.612	58.860	52.660
2,3 Salgs- og distributionsomkostninger <i>Selling and distribution costs</i>	56.700	52.734	31.698	30.865
2,3 Administrationsomkostninger <i>Administrative expenses</i>	23.678	21.913	14.043	13.741
Resultat af primær drift <i>Operating profit</i>	22.377	13.965	13.119	8.054
10 Udbytte fra dattervirksomheder <i>Dividends from subsidiaries</i>	-	-	6.400	2.430
10 Andel af resultat og fortjeneste ved salg, associeret virksomhed <i>Share of results and gain on disposal, associate</i>	-	301	-	698
4 Finansielle indtægter <i>Financial income</i>	1.308	987	1.549	950
5 Finansielle omkostninger <i>Financial expenses</i>	4.615	4.384	4.008	3.215
Resultat før skat <i>Profit before tax</i>	19.070	10.869	17.060	8.917
6 Skat af årets resultat <i>Tax on profit for the year</i>	-5.468	981	-3.088	-1.030
Årets resultat <i>Profit for the year</i>	13.602	11.850	13.972	7.887
Fordeles således: <i>Distributed as follows:</i>				
Aktionærerne i Expedit a/s <i>Shareholders of Expedit a/s</i>	13.470	11.859		
Minoritetsinteresser <i>Minority interests</i>	132	-9		
	13.602	11.850		
7 Resultat/udvandet resultat pr. aktie (EPS) <i>Earnings/diluted earnings per share (EPS-D)</i>	88	77		
Forslag til resultatdisponering: <i>Proposed profit appropriation</i>				
Foreslået udbytte <i>Proposed dividends</i>			1.540	1.540
Overført resultat <i>Retained earnings</i>			12.432	6.347
			13.972	7.887

Aktiver pr. 31. december 2007 / Assets at 31 December 2007

Note iDKK Notes	Koncern <i>Consolidated</i>		Morderselskab <i>Parent company</i>	
	2007	2006	2007	2006
Goodwill <i>Goodwill</i>	3.208	3.208	565	565
8 Immaterielle aktiver <i>Intangible assets</i>	3.208	3.208	565	565
Grunde og bygninger <i>Land and buildings</i>	78.704	81.715	64.336	66.240
Tekniske anlæg og maskiner <i>Plant and machinery</i>	31.580	34.018	25.459	29.105
Andet driftsmateriel <i>Fixtures and fittings</i>	2.663	2.973	2.556	2.829
Inventar <i>Other plant and equipment</i>	4.247	5.695	2.197	1.945
Anlæg under opførelse <i>Plant under construction</i>	8.596	1.892	8.597	1.774
9 Materielle aktiver <i>Property, plant and equipment</i>	125.790	126.293	103.145	101.893
10 Kapitalandele i dattervirksomheder <i>Investments in subsidiaries</i>	-	-	41.913	41.913
10 Kapitalandele i associeret virksomhed <i>Investments in associate</i>	-	-	-	-
14 Udskudt skat <i>Deferred tax</i>	2.704	3.352	-	-
Andre langfristede aktiver <i>Other non-current assets</i>	2.704	3.352	41.913	41.913
Langfristede aktiver <i>Non-current assets</i>	131.702	132.853	145.623	144.371
11 Varebeholdninger <i>Inventories</i>	52.959	49.367	31.090	29.937
12 Tilgodehavender <i>Receivables</i>	72.031	88.591	58.302	61.659
13 Forudbetalt selskabsskat <i>Corporation tax prepaid</i>	1.475	225	1.310	6
Periodeafgrænsningsposter <i>Prepayments</i>	3.244	4.010	1.545	2.186
Likvide beholdninger <i>Cash at bank and in hand</i>	17.370	7.863	7.416	3.562
Kortfristede aktiver <i>Current assets</i>	147.079	150.056	99.663	97.350
Aktiver <i>Total assets</i>	278.781	282.909	245.286	241.721

Passiver pr. 31. december 2007 / Equity and liabilities at 31 December 2007

Note iDKK Notes	Koncern Consolidated		Morderselskab Parent company	
	2007	2006	2007	2006
Aktiekapital <i>Share capital</i>	15.400	15.400	15.400	15.400
Reserve for opskrivning <i>Reserve for revaluation</i>	9.889	9.493	9.889	9.493
Reserve for valutakursreguleringer <i>Translation reserve</i>	-751	129	-	-
Overført resultat <i>Retained earnings</i>	95.582	83.652	97.575	85.143
Foreslået udbytte <i>Proposed dividends</i>	1.540	1.540	1.540	1.540
Aktionærerne i Expedit a/s' andel af egenkapitalen <i>Equity attributable to the shareholders of Expedit a/s</i>	121.660	110.214	124.404	111.576
Minoritetsinteresser <i>Minority interests</i>	282	155	-	-
Egenkapital i alt <i>Total equity</i>	121.942	110.369	124.404	111.576
14 Udskudt skat <i>Deferred tax</i>	5.998	4.484	2.394	508
15 Hensatte forpligtelser <i>Provisions</i>	790	1.710	-	-
16 Realkredit- og kreditinstitutter <i>Credit institutions and banks</i>	27.857	34.643	26.455	32.101
Langfristede forpligtelser <i>Non-current liabilities</i>	34.645	40.837	28.849	32.609
16 Realkredit- og kreditinstitutter <i>Credit institutions and banks</i>	48.533	66.214	40.699	56.920
15 Hensatte forpligtelser <i>Provisions</i>	645	790	-	-
17 Leverandørgæld og andre gældsforpligtelser <i>Trade payables and other payables</i>	72.777	64.295	51.259	40.212
13 Skyldig selskabsskat <i>Corporation tax payable</i>	239	404	75	404
Kortfristede forpligtelser <i>Current liabilities</i>	122.194	131.703	92.033	97.536
Forpligtelser <i>Liabilities</i>	156.839	172.540	120.882	130.145
Passiver <i>Total equity and liabilities</i>	278.781	282.909	245.286	241.721
18 Sikkerhedsstillelser <i>Security</i>				
19 Eventualforpligtelser <i>Contingent liabilities</i>				
20 Operationel leasing <i>Operating lease</i>				
21 Finansielle risici og valutapositioner <i>Financial risici and currency positions</i>				
22 Nærtstående parter <i>Related party disclosures</i>				
23 Anvendt regnskabspraksis <i>Accounting policies</i>				

Egenkapitalopgørelse for koncern / Statement of changes in equity, consolidated

tDKK

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

	Aktiekapital <i>Share capital</i>	Reserve for opskrivning <i>Reserve for revaluation</i>	Reserve for valutakurs- reguleringer <i>Translation reserve</i>	Overført resultat <i>Retained earnings</i>	Foreslået udbytte <i>Proposed dividends</i>	I alt <i>Total</i>	Minoritets- interesser <i>Minority interests</i>	Egenkapital i alt <i>Total</i>
Egenkapital 1.1.2006 <i>Equity at 1 January 2006</i>	15.400	9.493	-941	73.336	-	97.288	-	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 <i>Value adjustments of hedging instruments at</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 1.1.2007 <i>Equity at 1 January 2007</i>	15.400	9.493	129	83.652	1.540	110.214	155	110.369
Regulering af udskudt skat, omvurdering af ejendom <i>Adjustment of deferred tax, revaluation of property</i>	-	396	-	-	-	396	-	396
Udloddet udbytte <i>Dividend</i>	-	-	-	-	-1.540	-1.540	-	-1.540
Årets resultat <i>Profit for the year</i>	-	-	-	11.930	1.540	13.470	132	13.602
Valutakursregulering af udenlandske virksomheder <i>Foreign exchange adjustments, foreign enterprises</i>	-	-	-880	-	-	-880	-5	-885
Totalindkomst i 2007 <i>Total income in 2007</i>	-	396	-880	11.930	-	11.446	127	11.573
Egenkapital 31.12.2007 <i>Equity at 31 December 2007</i>	15.400	9.889	-751	95.582	1.540	121.660	282	121.942

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 1.1.2006 Equity at 1 January 2006	15.400	9.493	78.799	-	103.692
Årets resultat <i>Profit for the year</i>	-	-	6.347	1.540	7.887
Værdiregulering af sikringsinstrumenter, ultimo <i>Value adjustments of hedging instruments</i>	-	-	-3	-	-3
Totalindkomst i 2006 Total income in 2006	-	-	6.344	1.540	7.884
Egenkapital 1.1.2007 Equity at 1 January 2007	15.400	9.493	85.143	1.540	111.576
Udloddet udbytte <i>Dividend</i>	-	-	-	-1.540	-1.540
Regulering af udskudt skat, omvurdering af ejendom <i>Adjustment of deferred tax, revaluation of property</i>	-	396	-	-	396
Årets resultat <i>Profit for the year</i>	-	-	12.432	1.540	13.972
Totalindkomst i 2007 Total income in 2007	-	396	12.432	-	14.368
Egenkapital 31.12.2007 Equity at 31 December 2007	15.400	9.889	97.575	1.540	124.404

Pengestrømsopgørelse / Cash flow statement

NotetDKK Notes	Koncern Consolidated		Moderselskab Parent company	
	2007	2006	2007	2006
Resultat før skat <i>Profit before tax</i>	19.070	10.869	17.060	8.917
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/losses on non-current assets</i>	14.806	11.790	11.934	9.749
Øvrige reguleringer og urealiseret valutakursreguleringer m.v. <i>Other adjustments, unrealised foreign exchange adjustments, etc.</i>	-3	721	124	-252
Udbytte fra dattervirksomheder <i>Dividends from subsidiaries</i>	-	-	-6.400	-2.430
Andel af resultat og fortjeneste ved salg af associeret virksomhed <i>Share of results and gain on disposal, associate</i>	-	-301	-	-698
Hensatte forpligtelser <i>Provisions</i>	-1.065	681	-	-
Pengestrøm før ændring i driftskapital <i>Cash flows before changes in working capital</i>	32.808	23.760	22.718	15.286
Ændring i varebeholdninger <i>Changes in inventories</i>	-3.592	-4.003	-1.153	-634
Ændring i tilgodehavender <i>Changes in receivables</i>	17.326	-42.565	3.998	-26.578
Ændring i leverandørgæld og anden gæld <i>Changes in trade and other payables</i>	8.482	4.832	11.047	-229
Betalt selskabsskat, netto <i>Corporation tax paid, net</i>	-4.078	-761	-2.439	771
Pengestrøm fra driftsaktivitet <i>Cash flows from operating activities</i>	50.946	-18.737	34.171	-11.384
Køb af materielle anlægsaktiver <i>Acquisition of property, plant and equipment</i>	-14.974	-20.986	-12.801	-15.477
Salg af materielle anlægsaktiver <i>Disposal of property, plant and equipment</i>	104	1.623	104	1.449
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>	-14.870	-18.263	-12.697	-14.368
Modtaget udbytte <i>Dividends received</i>	-	-	6.400	2.430
Optagelse af og afdrag på langfristede gældsforpligtelser <i>Raising and repayment of long-term debt</i>	-7.184	535	-6.044	2.007
Udbetalt udbytte <i>Dividends paid</i>	-1.540	-	-1.540	-
Pengestrøm til finansieringsaktivitet <i>Cash flows from financing activities</i>	-8.724	535	-1.184	4.437
Årets pengestrøm <i>Net cash flows from operating, investing and financing activities</i>	27.352	-36.465	20.290	-21.315
Likvide beholdninger 1. januar <i>Cash and cash equivalents at 1 January</i>	-51.036	-14.571	-47.437	-26.122
Likvide beholdninger 31. december <i>Cash and cash equivalents at 31 December</i>	-23.684	-51.036	-27.147	-47.437
Som fordeles således: <i>Recognised as follows:</i>				
Likvide beholdninger <i>Cash at bank and in hand</i>	17.370	7.863	7.416	3.562
Gæld, kreditinstitutter (kortfristet træk, kreditter) <i>Short-term debt, banks and credit institutions</i>	-41.054	-58.899	-34.563	-50.999
Total <i>Total</i>	-23.684	-51.036	-27.147	-47.437

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2007	2006	2007	2006
1 Omsætning				
<i>Revenue</i>				
Salg af varer og handelsvarer <i>Sale of goods</i>	485.468	426.500	314.452	279.486
Salg af serviceydelser <i>Sale of services</i>	35.346	25.619	10.596	9.961
	<u>520.814</u>	<u>452.119</u>	<u>325.048</u>	<u>289.447</u>
2 Lønninger, gager og honorarer				
<i>Wages, salaries and emoluments</i>				
Lønninger, gager og vederlag <i>Wages, salaries and emoluments</i>	126.019	113.596	100.083	90.310
Pensioner (bidragsbaserede) <i>Pensions (defined contribution schemes)</i>	9.017	7.775	7.335	6.142
Andre omkostninger til social sikring <i>Other social security costs</i>	10.783	9.588	2.323	2.529
	<u>145.819</u>	<u>130.959</u>	<u>109.741</u>	<u>98.981</u>
Personaleomkostninger i alt <i>Total staff costs</i>				
Gennemsnitligt antal ansatte <i>Average number of employees</i>	395	372	292	279
	<u>395</u>	<u>372</u>	<u>292</u>	<u>279</u>
Personaleomkostninger fordeles således: <i>Staff costs are specified as follows:</i>				
Moderselskabets bestyrelse <i>Parent company's Supervisory Board</i>	262	262	262	262
Moderselskabets direktion <i>Parent company's Executive Board</i>	1.940	1.652	1.940	1.652
Andre ledende medarbejdere <i>Other executive employees</i>	7.772	7.877	3.950	4.369
Øvrige medarbejdere <i>Other employees</i>	135.845	121.168	103.589	92.698
	<u>145.819</u>	<u>130.959</u>	<u>109.741</u>	<u>98.981</u>
Personaleomkostninger i alt <i>Total staff costs</i>				
Personaleomkostninger indregnes således: <i>Staff costs are specified as follows:</i>				
Øvrige produktionsomkostninger <i>Other production costs</i>	90.660	82.651	73.160	65.886
Salgs- og distributionsomkostninger <i>Selling and distribution costs</i>	44.098	39.506	28.496	25.732
Administrationsomkostninger <i>Administrative expenses</i>	11.061	8.802	8.085	7.363
	<u>145.819</u>	<u>130.959</u>	<u>109.741</u>	<u>98.981</u>
Personaleomkostninger i alt <i>Total staff costs</i>				

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2007	2006	2007	2006
3 Omkostninger				
<i>Costs</i>				
Afskrivninger fordeles således:				
<i>Depreciation is specified as follows:</i>				
Produktionsomkostninger	11.631	10.438	9.786	8.702
<i>Production costs</i>				
Salgs- og distributionsomkostninger	749	884	749	781
<i>Selling and distribution costs</i>				
Administrationsomkostninger	2.426	1.487	1.399	1.285
<i>Administrative expenses</i>				
	<u>14.806</u>	<u>12.809</u>	<u>11.934</u>	<u>10.768</u>
Honorar til generalforsamlingsvalgte revisorer indgår med:				
<i>Fees to auditors appointed at the annual general meeting amount to:</i>				
Samlet honorar, KPMG	847	1.396	547	858
<i>Total fees, KPMG</i>				
Heraf andre ydelser end revision, KPMG	56	510	44	351
<i>Of this amount, non-audit services, KPMG</i>				
4 Finansielle indtægter				
<i>Financial income</i>				
Valutakursgevinster	-	85	-	80
<i>Foreign exchange gains</i>				
Renter, tilknyttede virksomheder	-	-	619	174
<i>Interest, group enterprises</i>				
Renter, kreditinstitutter	111	51	61	51
<i>Interest, banks and credit institutions</i>				
Øvrige renteindtægter	1.197	851	869	645
<i>Other interest income</i>				
	<u>1.308</u>	<u>987</u>	<u>1.549</u>	<u>950</u>
5 Finansielle omkostninger				
<i>Financial expenses</i>				
Valutakurstab	280	-	322	-
<i>Foreign exchange losses</i>				
Renter, kreditinstitutter	4.330	4.367	3.681	3.198
<i>Interest, banks and credit institutions</i>				
Øvrige renteomkostninger	5	17	5	17
<i>Other interest expense</i>				
	<u>4.615</u>	<u>4.384</u>	<u>4.008</u>	<u>3.215</u>

Noter til regnskabet / Notes to the financial statements

iDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2007	2006	2007	2006
6 Skat af årets resultat <i>Tax on profit for the year</i>				
Aktuel skat <i>Current tax</i>	2.692	2.071	806	635
Udskudt skat <i>Deferred tax</i>	2.434	416	1.940	395
Tilbageførsel af nedskrivning af udskudt skatteaktiv <i>Reversed write-down of deferred tax asset</i>	-	-3.468	-	-
Nedsættelse af dansk selskabsskat fra 28 % til 25 % <i>Reduction of the Danish corporation tax rate from 28% to 25%</i>	342	-	342	-
	5.468	-981	3.088	1.030
Skat af årets resultat kan forklares således: <i>Tax on profit for the year is specified as follows:</i>				
Beregnet 25 % skat af resultat før skat <i>Computed tax, 25% on the profit before tax</i>	4.768	3.043	4.265	2.497
Afvigelse i udenlandske virksomheders skatteprocent <i>Variance in the tax rates of foreign enterprises</i>	252	-	-	-
Nedsættelse af dansk selskabsskat <i>Reduction of the Danish corporation tax rate</i>	342	-	342	-
Skatteeffekt af: <i>Tax effect of:</i>				
Ikke-skattepligtige indtægter og ikke-fradragsberettigede omkostninger <i>Non-taxable income and non-deductible costs</i>	106	-547	-1.519	-1.227
Andel af resultat efter skat og fortjeneste, associerede virksomheder <i>Share of results after tax and gains, associates</i>	-	-84	-	-195
Tilbageførsel af nedskrivning af udskudt skatteaktiv <i>Reversed write-down of deferred tax asset</i>	-	-3.468	-	-
Andet, herunder regulering af skat vedrørende tidligere år <i>Sundries, including adjustment of tax relating to previous years</i>	-	75	-	-44
	5.468	-981	3.088	1.030
Effektiv skatteprocent <i>Effective tax rate</i>	28,7 %	29,9 %	18,1 %	11,5 %
7 Resultat/udvandet resultat pr. aktie <i>Earnings/diluted earnings per share</i>				
Årets resultat <i>Profit for the year</i>	13.602	11.850	13.972	7.887
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>	88	77	91	51

Noter til regnskabet / Notes to the financial statements

8 Immaterielle aktiver - goodwill

Intangible assets - goodwill

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2007	2006	2007	2006
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.

Ledelsen har pr. 31. december 2007 gennemført en værdiforringelsestest af den regnskabsmæssige værdi af goodwill.

Genindvindingsværdien er baseret på kapitalværdien, som er fastlagt ved anvendelse af forventede nettopengestrømme på basis af budgetter og prognoser for årene 2008-2012 og en diskonteringsfaktor på 10 %.

Der er ikke indregnet vækst i terminalperioden.

Genindvindingsværdien skønnes på baggrund af nedskrivningstesten at overstige den regnskabsmæssige værdi væsentligt.

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.

At 31 December 2007, Management performed an impairment test of the carrying amount of goodwill.

The recoverable amount is based on the value in use which is determined by applying the expected net cash flows based on budgets and forecasts for the year 2008-2012 and a 10% discount rate.

Growth in the terminal period has not been recognised.

Based on the impairment test, the recoverable amount is expected to exceed the carrying amount considerably.

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

9 Materielle aktiver

Property, plant and equipment

tDKK	Koncern 2007 <i>Consolidated 2007</i>					I alt <i>Total</i>
	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>	129.839	136.813	9.807	46.201	1.892	324.552
Valutakursregulering <i>Foreign exchange adjustment</i>	-883	-444	-8	-421	-5	-1.761
Reguleringer vedrørende tidligere år <i>Adjustments regarding previous years</i>	-	3.189	-	-3.388	-	-199
Årets tilgang <i>Additions</i>	225	3.195	456	3.099	8.597	15.572
Overført <i>Transferred</i>	114	1.526	248	-	-1.888	-
Årets afgang <i>Disposals for the year</i>	-	3.285	591	3.448	-	7.324
Kostpris 31.12 <i>Cost at 31 December</i>	129.295	140.994	9.912	42.043	8.596	330.840
Af- og nedskrivninger 1.1 <i>Depreciation and impairment at 1 January</i>	48.124	102.795	6.834	40.506	-	198.259
Valutakursregulering <i>Foreign exchange adjustment</i>	-323	-265	-19	-286	-	-893
Reguleringer vedrørende tidligere år <i>Adjustments regarding previous years</i>	-	1.273	-	-1.281	-	-8
Afskrivninger på afhændede aktiver <i>Depreciation of assets sold</i>	-	-3.285	-460	-3.369	-	-7.114
Årets afskrivninger <i>Depreciation for the year</i>	2.790	8.896	894	2.226	-	14.806
Af- og nedskrivninger 31.12 <i>Depreciation and impairment at 31 December</i>	50.591	109.414	7.249	37.796	-	205.050
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	78.704	31.580	2.663	4.247	8.596	125.790
Heraf finansielt leasede aktiver 31.12 <i>Of this amount, assets held under finance leases</i>	-	2.260	-	398	-	2.658

Noter til regnskabet / Notes to the financial statements

9 Materielle aktiver (fortsat)

Property, plant and equipment (continued)

tDKK	Koncern 2006 <i>Consolidated 2006</i>					I alt <i>Total</i>
	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>	123.287	119.491	9.733	43.396	8.560	304.467
Valutakursregulering <i>Foreign exchange adjustment</i>	908	357	9	485	1	1.760
Årets tilgang <i>Additions for the year</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	-	-	2.661
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	475	-	1.109
Afskrivninger på afhændede aktiver <i>Depreciation of assets sold</i>	-	-1.771	-598	-	-	-2.369
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

9 Materielle aktiver (fortsat)

Property, plant and equipment (continued)

tDKK	Moderselskab 2007					I alt <i>Total</i>
	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>	101.802	117.430	9.099	30.863	1.774	260.968
Valutakursregulering <i>Foreign exchange adjustment</i>	-	-	-	-	-	-
Årets tilgang <i>Additions for the year</i>	225	2.531	456	1.590	8.597	13.399
Overført <i>Transferred</i>	-	1.526	248	-	-1.774	-
Årets afgang <i>Disposals for the year</i>	-	156	591	521	-	1.268
Kostpris 31.12 <i>Cost at 31 December</i>	102.027	121.331	9.212	31.932	8.597	273.099
Af- og nedskrivninger 1.1 <i>Depreciation and impairment at 1 January</i>	35.562	88.325	6.270	28.918	-	159.075
Valutakursregulering <i>Foreign exchange adjustment</i>	-	-	-	-	-	-
Afskrivninger på afhændede aktiver <i>Depreciation of assets sold</i>	-	-156	-458	-441	-	-1.055
Årets afskrivninger <i>Depreciation for the year</i>	2.129	7.703	844	1.258	-	11.934
Af- og nedskrivninger 31.12 <i>Depreciation and impairment at 31 December</i>	37.691	95.872	6.656	29.735	-	169.954
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	64.336	25.459	2.556	2.197	8.597	103.145
Heraf finansielt leasede aktiver 31.12 <i>Of this amount, assets held under finance leases</i>	-	2.260	-	398	-	2.658

Noter til regnskabet / Notes to the financial statements

9 Materielle aktiver (fortsat)

Property, plant and equipment (continued)

tDKK	Moderselskab 2006 <i>Parent company 2006</i>					I alt <i>Total</i>
	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>	96.234	102.845	9.033	29.643	8.561	246.316
Valutakursregulering <i>Foreign exchange adjustment</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

10 Kapitalandele

Investments

	Kapitalandele i dattervirksomheder <i>Investments in subsidiaries</i>			
	Moderselskab <i>Parent company</i>			
tDKK	2007	2006		
Kostpris 1.1 <i>Cost at 1 January</i>	45.192	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>	41.913	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	41.913		
Nedskrivninger 1.1 <i>Impairment at 1 January</i>	-	-		
Årets nedskrivninger <i>Impairment for the year</i>	-	-		
Nedskrivninger 31.12 <i>Impairment at 31 December</i>	-	-		
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	41.913	41.913		
Navn	Hjemsted	Ejerandel	Kostpris 31.12.2007	Kostpris 31.12.2006
<i>Name</i>	<i>Reg. office</i>	<i>Ownership</i>	<i>Cost at 31.12.2007</i>	<i>Cost at 31.12.2006</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	1.440
I alt <i>Total</i>			45.192	45.192
Regulering af udloddet udbytte <i>Adjustment of distributed dividends</i>			-3.279	-3.279
I alt <i>Total</i>			41.913	41.913

Ledelsen har pr. 31. december 2007 i forbindelse med nedskrivningstest af tilknyttet goodwill gennemført en værdiforringelsestest af den regnskabsmæssige værdi af kapitalandelen i Nässjö Inredningar AB. Genindvindingsværdien skønnes på baggrund af nedskrivningstesten at overstige den regnskabsmæssige værdi. Den regnskabsmæssige værdi forudsætter, at den forventede forbedring af indtjeningen i Nässjö Inredningar AB realiseres.

In connection with an impairment test of related goodwill, Management performed an impairment test of the carrying amount of the investment in Nässjö Inredningar AB at 31 December 2007. Based on the impairment test, the recoverable amount is considered to exceed the carrying amount. The carrying amount assumes that the forecast earnings improvement in Nässjö Inredningar AB is realised.

Noter til regnskabet / Notes to the financial statements

10 Kapitalandele (fortsat)

Investments (continued)

	Kapitalandele i associeret virksomhed <i>Investment in associate</i>			
	Koncern <i>Consolidated</i>		Morderselskab <i>Parent company</i>	
	2007	2006	2007	2006
tDKK				
Kostpris 1.1 <i>Cost at 1 January</i>	-	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>	-	-	-	-
Reguleringer 1.1 <i>Adjustments at 1 January</i>	-	396	-	-
Udbytte <i>Dividends</i>	-	-	-	-
Andel af årets resultat <i>Share of results for the year</i>	-	650	-	-
Årets afgang ved salg <i>Disposals for the year</i>	-	-1.046	-	-
Reguleringer 31.12 <i>Adjustments at 31 December</i>	-	-	-	-
Regnskabsmæssig værdi 31.12 <i>Carrying amount at 31 December</i>	-	-	-	-

Kapitalandelen i den associerede virksomhed Confect A/S (ejerandel 40 %) blev solgt i regnskabsåret 2006.
The investment in the associate, Confect A/S (40% ownership) was sold in the financial year 2006.

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2007	2006	2007	2006
11 Varebeholdninger				
<i>Inventories</i>				
Råvarer og hjælpematerialer <i>Raw materials and consumables</i>	13.866	10.640	11.716	8.536
Varer under fremstilling <i>Work in progress</i>	5.335	4.060	5.098	3.814
Fremstillede færdigvarer og handelsvarer <i>Finished goods and goods for resale</i>	33.758	34.667	14.276	17.587
	<u>52.959</u>	<u>49.367</u>	<u>31.090</u>	<u>29.937</u>
Nedskrivning af varebeholdninger <i>Write-down of inventories</i>	1.900	3.044	572	1.863
Værdi af varebeholdninger indregnet til nettosalgsværdi <i>Value of inventories recognised at net selling value</i>	3.357	4.543	823	657
<p>Faldet i nedskrivninger i moderselskabet skyldes primært tilbageførsel af nedskrivninger på skrottede varer. <i>The decrease in write-downs in the parent company, is, for the most part, attributable to reversal of write-downs on scrapped goods.</i></p>				
12 Tilgodehavender				
<i>Receivables</i>				
Tilgodehavender fra salg <i>Trade receivables</i>	70.251	83.376	37.180	42.130
Tilgodehavender hos tilknyttede virksomheder <i>Amounts owed by group enterprises</i>	-	-	20.082	18.033
Andre tilgodehavender <i>Other receivables</i>	1.780	5.215	1.040	1.496
	<u>72.031</u>	<u>88.591</u>	<u>58.302</u>	<u>61.659</u>
<p>Specifikation af overforfaldne tilgodehavender fra salg: <i>Specification of overdue trade receivables:</i></p>				
Forfalden 0-30 dage <i>Overdue 0-30 days</i>	17.830	30.236	9.134	13.245
Forfalden 30-90 dage <i>Overdue 30-90 days</i>	509	2.662	378	74
Forfalden over 90 dage <i>Overdue more than 90 days</i>	3.848	4.389	493	823
Nedskrivning på forfaldne tilgodehavender <i>Write-down on the overdue receivables</i>	-1.964	-2.114	-800	-1.000
Regnskabsmæssig værdi af forfaldne tilgodehavender <i>Carrying amount of overdue receivables</i>	<u>20.223</u>	<u>35.173</u>	<u>9.205</u>	<u>13.142</u>
<p>Specifikation af udviking i nedskrivninger: <i>Specification of write-down:</i></p>				
Nedskrivninger 1. januar <i>Write-down 1 January</i>	2.114	2.088	1.000	1.207
Nedskrivninger i året <i>Write-down during the year</i>	771	592	0	120
Realiseret i året <i>Realised during the year</i>	-368	-434	-15	-327
Tilbageført <i>Write-down reversed</i>	-553	-132	-185	0
Nedskrivninger 31. december <i>Write-down 31 December</i>	<u>1.964</u>	<u>2.114</u>	<u>800</u>	<u>1.000</u>

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2007	2006	2007	2006
13 Selskabsskat <i>Corporation tax</i>				
Selskabsskat 1.1, netto <i>Corporation tax at 1 January, net</i>	-179	1.445	-398	1.008
Valutakursregulering <i>Foreign exchange adjustment</i>	29	93	-	-
Refusion af skat <i>Tax refund</i>	-257	-1.609	-4	-1.008
Årets aktuelle selskabsskat <i>Corporation tax for the year</i>	-2.692	-2.071	-806	-635
Betalt selskabsskat i året <i>Corporation tax paid during the year</i>	4.335	1.963	2.443	237
	1.236	-179	1.235	-398
Som fordeles således: <i>Specified as follows:</i>				
Forudbetalt selskabsskat <i>Corporation tax prepaid</i>	1.475	225	1.310	6
Skyldig selskabsskat <i>Corporation tax payable</i>	239	404	75	404
	1.236	-179	1.235	-398

Noter til regnskabet / Notes to the financial statements

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2007	2006	2007	2006
14 Udskudt skat				
<i>Deferred tax</i>				
Udskudt skat 1.1	1.132	4.044	508	114
<i>Deferred tax at 1 January</i>				
Valutakursregulering	-218	141	-	-
<i>Foreign exchange adjustment</i>				
Årets regulering af udskudt skat	2.434	416	1.940	395
<i>Adjustment for the year of deferred tax</i>				
Tilbageførsel af nedskrivning af udskudt skatteaktiv	-	-3.468	-	-
<i>Reversed write-down of deferred tax asset</i>				
Regulering af udskudt skat på egenkapital	-396	-1	-396	-1
<i>Adjustment of deferred tax recognised in equity</i>				
Nedsættelse af dansk selskabsskat fra 28 % til 25 %	342	-	342	-
<i>Reduction of the Danish corporation tax rate from 28% to 25%</i>				
	3.294	1.132	2.394	508
Udskudt skat vedrører:				
<i>Deferred tax relates to:</i>				
Immaterielle anlægsaktiver	39	6	39	6
<i>Intangible assets</i>				
Materielle anlægsaktiver	2.569	1.031	2.802	1.304
<i>Property, plant and equipment</i>				
Varebeholdninger	-163	-547	-143	-522
<i>Inventories</i>				
Tilgodehavender	-261	-990	-200	-280
<i>Receivables</i>				
Øvrige poster	1.110	1.632	-104	-
<i>Other items</i>				
	3.294	1.132	2.394	508
Udskudt skat indregnes således i balancen:				
<i>Deferred tax is recognised on the balance sheet as follows:</i>				
Udskudt skatteaktiv	2.704	3.352	-	-
<i>Deferred tax asset</i>				
Hensættelse til udskudt skat	5.998	4.484	2.394	508
<i>Provisions for deferred tax</i>				
	-3.294	-1.132	-2.394	-508

Indregnet udskudt skatteaktiv i koncernen udgør pr. 31. december 2007 2.704 tDKK (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 2,704 thousand at 31 December 2007 (2006: DKK 3,352 thousand) 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>	
	2007	2006	2007	2006
15 Hensatte forpligtelser				
<i>Provisions</i>				
Hensat huslejeforpligtelse 1. januar* <i>Provisions for rent commitments at 1 January*</i>	2.254	1.582	-	-
Anvendt i året <i>Utilised during the year</i>	-442	-636	-	-
Hensat i året <i>Provided during the year</i>	-	1.308		
Tilbageført hensættelse <i>Reversed during the year</i>	-800	-	-	-
Hensat huslejeforpligtelse 31. december* <i>Provisions for rent commitments at 31 December*</i>	1.012	2.254	-	-
Hensatte garantiforpligtelser m.v. <i>Warranty provisions, etc.</i>	423	246	-	-
	1.435	2.500	-	-
Forfaldstidspunkter for hensatte forpligtelser forventes at blive: <i>Expected term of the provisions:</i>				
Kortfristede forpligtelser <i>Current liabilities</i>	645	790	-	-
Langfristede forpligtelser <i>Non-current liabilities</i>	790	1.710	-	-
	1.435	2.500	-	-

* Den hensatte huslejeforpligtelse vedrører forventede tab på fremlejekontrakter i perioden frem til 30. juni 2011.

* *Provisions for rent commitments are attributable to onerous subleases up to 30 June 2011.*

Noter til regnskabet / Notes to the financial statements

16 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	Udløb	Fast/ variabel	2007	2006	2007	2006
<i>Loan</i>	<i>Expiry</i>	<i>Fixed-/ floating-rate</i>				
Kreditinstitutter/ <i>Credit institutions, etc.</i>						
DKK (realkreditlån)/ <i>mortgage loan</i>	2026	Fast/Fixed	4,0 %	4,0 %	12.071	12.489
DKK	2026	Variabel	4,2 %	4,4 %	7.292	7.600
DKK	2012	Fast/Fixed	6,9 %	6,9 %	5.882	7.059
DKK	2010	Fast/Fixed	4,9 %	4,9 %	4.688	7.813
Træk på kreditter/ <i>credits drawn</i>	-	Variabel	5,5 %	4,8 %	34.563	50.999
Leasingforpligtelse/ <i>Lease liability</i>	2010	Fast/Fixed	4,5 %	4,5 %	2.658	3.061
Moderselskab/ <i>parent company</i>			5,1 %	4,8 %	67.154	89.021
SEK	2009	Fast/Fixed	6,2 %	6,2 %	2.745	3.075
SEK	2009	Variabel	-	3,9 %	-	861
Træk på kreditter/ <i>Credits drawn</i>	-	Variabel	5,5 %	4,8 %	6.491	7.900
Tilknyttede virksomh./ <i>group enterpri.</i>			5,7 %	5,1 %	9.236	11.836
Koncern/ <i>group</i>			5,2 %	4,8 %	76.390	100.857
Dagsværdi i alt/ <i>Total fair value</i>					76.879	101.387

Dagsværdien af de finansielle gældsforpligtelser er opgjort som nutidsværdien af forventede fremtidige afdrags- og rentebetalinger.

De effektive rentesatser er opgjort på baggrund af det aktuelle renteniveau pr. 31. december 2007.

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 2007 (2006: 1 tkr.).

The fair value of the financial liabilities is measured as the present value of expected future repayments and interest payments.

The effective rates of interest were calculated on the basis of the interest rate level at 31 December 2007.

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 instrument represented a positive value of DKK 1 thousand before tax at 31 December 2007 (2006: DKK 1 thousand).

Noter til regnskabet / Notes to the financial statements

16 Gældsforpligtelser (fortsat)

Liabilities (continued)

Gældsforpligtelserne er indregnet således i balancen:

Liabilities are recognised on the balance sheet as follows:

tDKK	Koncern		Moderselskab	
	<i>Consolidated</i>		<i>Parent company</i>	
	2007	2006	2007	2006
Realkredit- og kreditinstitutter				
<i>Credit institutions/banks</i>				
Langfristede forpligtelser	27.857	34.643	26.455	32.101
<i>Non-current liabilities</i>				
Kortfristede forpligtelser	48.533	66.214	40.699	56.920
<i>Current liabilities</i>				
I alt	76.390	100.857	67.154	89.021
<i>Total</i>				

Leasingforpligtelser indgår således i gæld til kreditinstitutter

Lease liabilities are recognised as loans to credit institutions, banks, etc.

Langfristede forpligtelser (1-5 år)	1.643	2.259	1.643	2.259
<i>Non-current liabilities (1-5 years)</i>				
Kortfristede forpligtelser (0-1 år)	1.048	802	1.048	802
<i>Current liabilities (0-1 year)</i>				
Regnskabsmæssig værdi i alt	2.691	3.061	2.691	3.061
<i>Total</i>				
Rente-element	122	305	122	305
<i>Interest element</i>				
Minimumsleasingydelse i alt	2.813	3.366	2.813	3.366
<i>Total minimum lease payments</i>				

17 Leverandørgæld og andre gældsforpligtelser

Trade and other payables

Leverandørgæld	37.242	32.199	25.820	18.416
<i>Trade payables</i>				
Gæld til tilknyttede virksomheder	-	-	3.259	-
<i>Amounts owed to group enterprises</i>				
Andre gældsforpligtelser	35.535	32.096	22.180	21.796
<i>Other payables</i>				
	72.777	64.295	51.259	40.212

Andre gældsforpligtelser vedrører primært lønrelaterede gældsforpligtelser og skyldig moms.

Other payables primarily relate to wage and salary related payables and VAT payable.

Noter til regnskabet / Notes to the financial statements

18 Sikkerhedsstillelser

Security

Ud over gæld til realkreditinstitut på 12,1 mio. DKK med pant i grunde og bygninger med regnskabsmæssig værdi på 64,3 mio. DKK er følgende aktiver stillet til sikkerhed for koncernens og moderselskabets gæld til kreditinstitutter:

In addition to loans with credit institutions of DKK 12.1 million secured upon land and buildings with a carrying amount of DKK 64.3 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	
	2007	2006	2007	2006
Ejerpantebreve på 75,0 mio. DKK (2006: 75,0 mio. DKK) med pant i materielle anlægsaktiver med en bogført værdi på: <i>Mortgage deeds registered to the mortgagor of DKK 75 million (2006: DKK 75.0 million) secured upon property, plant and equipment with a carrying amount of:</i>	103,1	101,9	103,1	101,9
Pantebreve på 11,9 mio. DKK (2006: 12,3 mio. DKK) med pant i ejendom og øvrige aktiver i dattervirksomheder. Bogført værdi af ejendom udgør: <i>Mortgages of DKK 11.9 million (2006: DKK 12.3 million) secured upon property and other assets in subsidiaries. The carrying amount of the property amounts to:</i>	58,2	57,1	-	-
Finansielle leasingforpligtelser på 2,7 mio. DKK (2006: 3,0 mio. DKK) med sikkerhed i leasingaktiver med bogført værdi på: <i>Finance lease obligations of DKK 2.7 million (2006: DKK 3.0 million) secured on leased assets with a carrying amount of:</i>	2,7	3,0	2,7	3,0

19 Eventualforpligtelser

Contingent liabilities

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

Koncernen er part i enkelte igangværende retssager. Det er ledelsens opfattelse, at udfaldet af disse retssager ikke vil påvirke koncernens finansielle stilling ud over de forpligtelser, der er indregnet i balancen pr. 31. december 2007.

The Group is a party to a few pending lawsuits. Management is of the opinion that the outcome of these cases will not affect the Group's financial position in addition to the liabilities recognised on the balance sheet at 31 December 2007.

Noter til regnskabet / Notes to the financial statements

20 Operationel leasing:

Uopsigelige operationelle leasingydelser er som følger:

Non-cancellable lease payments are specified as follows:

tDKK	Koncern <i>Consolidated</i>		Moderselskab <i>Parent company</i>	
	2007	2006	2007	2006
0-1 år <i>0-1 year</i>	4.753	4.096	1.048	841
1-5 år <i>1-5 years</i>	9.514	11.292	1.642	1.288
> 5 år <i>> 5 years</i>	-	-	-	-
	14.267	15.388	2.690	2.129
Resultatført omkostning til operationel leasing <i>Expensed operating lease costs</i>	4.573	4.149	1.047	838

Moderselskabets operationelle leasingforpligtelse 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) huslejekontrakter med løbetid op til 3½ år. En del af de lejede lokaler er fremlejet med tab, og der er, jf. note 15, hensat 1,0 mio. DKK hertil (2006: 2,3 mio. DKK).

Apart from the lease of operating equipment (term up to five years), the Group's operating lease liability comprises tenancy agreements with terms of up to 3½ years. A part of the leased premises has been subleased at a loss and a provision of DKK 1.0 million has been made, see note 15 (2006: DKK 2.3 million).

Koncernen har fremlejet del af lejet ejendom. Lejerne har mulighed for forlængelse af lejeaftaler.

The group has subleased a part of the premises. The tenants may renew the lease agreements.

Uopsigelige lejeindtægter er som følger:

Non-cancellable lease payments are broken down as follows:

0-1 år <i>0-1 year</i>	2.145	1.749	-	-
1-5 år <i>1-5 years</i>	3.286	1.556	-	-
> 5 år <i>> 5 years</i>	-	-	-	-
	5.431	3.305	-	-
Resultatført lejeindtægt <i>Rental, recognised in the income statement</i>	1.749	1.749	1.047	838

Noter til regnskabet / Notes to the financial statements

21 Finansielle risici og valutapositioner

Financial risks and currency positions

Koncernens og moderselskabets finansielle risici, risikostyring og følsomheder er beskrevet i ledelsesberetningen, hvortil der henvises.

The Group's and the parent company's financial risks, risk management and sensitivities are described in Management's Review, to which we refer.

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 <i>Currency</i>	Koncern <i>Consolidated</i>			
	Tilgode- havender/ likvider <i>Receivables/ cash and cash eq.</i>	Gælds- forpligtelser <i>Liabilities</i>	Nettoposition 31/12 2007 <i>Net position at 31/12 2007</i>	Nettoposition 31/12 2006 <i>Net position at 31/12 2006</i>
Svenske kroner <i>SEK</i>	826	657	169	-933
Norske kroner <i>NOK</i>	814	602	212	649
Euro <i>EUR</i>	969	1.670	-701	-4.616
	2.609	2.929	-320	-4.900

Der er ikke foretaget afdækning af fremtidige valutatransaktioner pr. 31. december 2007 og 31. december 2006 i koncernen
The Group has not engaged in any hedging transactions covering its forecast foreign exchange positions at 31 December 2007 and 31 December 2006.

Valuta, tDKK <i>Currency</i>	Moderselskab <i>Parent company</i>			
	Tilgode- havender/ likvider <i>Receivables/ cash and cash eq.</i>	Gælds- forpligtelser <i>Liabilities</i>	Nettoposition 31/12 2007 <i>Net position at 31/12 2007</i>	Nettoposition 31/12 2006 <i>Net position at 31/12 2006</i>
Svenske kroner <i>SEK</i>	24.473	628	23.845	9.795
Norske kroner <i>NOK</i>	72	4.152	-4.080	4.702
Euro <i>EUR</i>	938	1.228	-290	-407
	25.483	6.008	19.475	14.090

Noter til regnskabet / Notes to the financial statements

22 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, 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 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 virksomheder har omfattet følgende:

Trade with group enterprises comprised the following:

tDKK	Koncern Consolidated		Moderselskab Parent company	
	2007	2006	2007	2006
Salg til tilknyttede virksomheder <i>Sales to group enterprises</i>	-	-	27.257	28.217
Køb hos tilknyttede virksomheder <i>Purchases from group enterprises</i>	-	-	3.934	241

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

Moderselskabets mellemværender med tilknyttede virksomheder pr. 31. december, jf. note 12, omfatter såvel almindelige forretningsmellemværender vedrørende salg og køb af varer som lån. Forrentning af mellemværender fremgår af note 4.

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

Moderselskabet har, jf. note 19, stillet kaution for dattervirksomheders lån hos kreditinstitutter.

Herudover har der ikke i årets løb bortset fra normalt ledelsesvederlag (omtalt i note 2) 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 12, 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 4

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 19.

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 2).

Notes to the financial statements – Accounting policies

23 Accounting policies

The annual report of Expedit a/s for 2007 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 annual report has been prepared on the historical cost basis except for the following assets and liabilities which are measured at fair value: derivative financial instruments, financial instruments in the trading portfolio and financial instruments classified as available for sale.

The accounting policies set out below have been used consistently in respect of the financial year and to comparative figures.

Changes in accounting policies

Effective from 1 January 2007, Expedit a/s implemented IFRS 7 Financial Instruments: Disclosures and IAS 1 (revised 2005) Presentation of Financial Statements and IAS 32 (revised 2005) Financial Instruments: Presentation. In addition, Expedit a/s implemented IFRICs 7-10.

The new accounting standards and interpretations have no impact on recognition and measurement, and the accounting policies are therefore consistent with those of last year. The new standards produce only changes in the notes and disclosures in Management's Review. The comparative figures in the notes have been restated.

The new accounting standards/interpretations have no impact on earnings per share and diluted earnings per share.

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.

The consolidated financial statements have been prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements prepared according to the

Notes to the financial statements – Accounting policies

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

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 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.

The acquisition date is the date when Expedit a/s effectively obtains control of the acquired enterprise.

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. Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for the impairment test. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with another functional currency than the presentation currency used in the Expedit Group's financial statements are treated as assets and liabilities belonging to the foreign entity and translated into the foreign entity's functional currency at the exchange rate at the transaction date. Negative differences (negative goodwill) are recognised in the income statement at the acquisition date.

The cost of a business combination comprises the fair value of the consideration agreed upon and costs directly attributable to the acquisition. If some of the consideration is conditional on future events, this part of the consideration is recognised in cost to the extent the events are probable and the consideration can be measured reliably.

If uncertainties regarding measurement of identifiable assets, liabilities and contingent liabilities exist at the acquisition date, initial recognition will take place on the basis of preliminary fair values. If identifiable assets, liabilities and contingent liabilities are subsequently determined to have different fair value at the acquisition date than first assumed, goodwill is adjusted up until 12 months after the acquisition. The effect of the adjustments is recognised in the opening balance of equity and the comparative figures are restated accordingly. Subsequently, goodwill is only adjusted as a result of changes in

Notes to the financial statements – Accounting policies

estimates of contingent purchase considerations, except in cases of material error. However, subsequent realisation of the acquired enterprise's deferred tax assets not recognised at the acquisition date will require recognition of the tax benefit in the income statement and at the same time write-down of the carrying amount of goodwill to the amount which would have been recognised if the deferred tax asset had been recognised as an identifiable asset at the acquisition date.

Gains or losses on disposal of subsidiaries and associates are stated as the difference between the sales amount or the disposal consideration 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 another 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 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.

Notes to the financial statements – Accounting policies

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 under a separate hedging reserve until the hedged transaction is realised. At this time, gains or losses regarding such hedging transactions are transferred from equity and recognised in 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.

Revenue from services (mounting) is recognised as provided.

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.

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.

Notes to the financial statements – Accounting policies

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.

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.

Notes to the financial statements – Accounting policies

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.

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 non-current 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. Value in use is the present value of the future cash flows expected to be derived from an asset or the cash-generating unit to which the asset belongs.

Notes to the financial statements – Accounting policies

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.

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. Write-down is made for bad debt losses in case impairment is deemed to exist.

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.

Notes to the financial statements – Accounting policies

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

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.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised under other non-current assets 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.

Deferred tax assets and tax liabilities are set off provided the enterprise has a legal right to set off current tax liabilities and tax assets or intends to settle current tax liabilities and tax assets on a net basis or to realise the assets and liabilities concurrently.

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.

Notes to the financial statements – Accounting policies

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 amortised cost.

Leases

For accounting purposes lease obligations are divided into finance and operating leases.

Leases are classified as finance leases if they transfer substantially all the risks and rewards incident to ownership to the lessee. All other leases are classified as operating leases.

The accounting treatment of assets held under finance leases and lease obligations is described under Property, plant and equipment and Financial liabilities, respectively.

Operating lease payments are recognised in the income statement on a straight-line basis over the lease term.

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.

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 after the indirect method as the profit/loss before tax adjusted for non-cash operating items, changes in working capital, interest, dividends 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.

Notes to the financial statements – Accounting policies

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

Management has taken the view that the Expedit Group only operates in one business and geographical segment, and consequently no segment information is disclosed.

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:

Notes to the financial statements – 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	$\frac{\text{Profit/loss} \times 100}{\text{Average equity, ex. minority interests}}$
Financial gearing	$\frac{\text{Net interest-bearing debt}}{\text{Equity}}$
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	$\frac{\text{Dividends paid}}{\text{Profit/loss}}$
Dividends per share	$\frac{\text{Dividends percentage} \times \text{nominal value of share}}{100}$

Notes to the financial statements – Accounting policies

Accounting estimates and judgements

Estimation uncertainties

The computation of the carrying amounts of certain assets and liabilities requires assessment, estimations and assumptions of future events.

Assessments and estimates used are based on historic experience and other factors that Management believes to be reasonable in the circumstances, 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.

Due to changes in the circumstances on which the former estimates were based or due to new knowledge or subsequent events, it may be necessary to change estimates previously made.

Estimates significant to the financial reporting are i.a. made upon the computation of depreciation/amortisation and impairment, scrap values, provisions and contingent liabilities and assets.

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.

New financial reporting regulation

IASB has issued the following new accounting standards (IAS and IFRS) and interpretations (IFRIC) which are not mandatory for adoption by Expedit a/s in the preparation of the annual report for 2007: IAS 1, 23 and 27, IRFS 2, 3 and 8 and IFRICs 11-14. Only IRFS 8 and IFRIC 11 have been approved by the EU.

Expedit a/s expects to implement these new accounting standards and interpretations when they become mandatory in 2008, 2009 and 2010, respectively. None of the new accounting standards or interpretations are expected to affect Expedit a/s' financial reporting.