AURIGA INDUSTRIES A/S



Auriga Annual report 2008

Annual report 2008

REVIEW

ACCOUNTS AND NOTES

Auriga – in brief

Auriga Industries A/S is the parent of Cheminova A/S with annual revenue of more than DKK 5 billion.

Cheminova is a global chemical supplier of crop protection products. Its main area of activity is development, production and marketing of crop protection products for controlling weeds, insects and fungal diseases.

Cheminova has a market-leading position within insecticides and is an important supplier of herbicides and fungicides. Through own in-house registration, process and formulation development, Cheminova endeavours to build a wide programme of crop protection products which are marketed in more than 100 countries worldwide. Cheminova has subsidiaries and representative offices in more than 30 countries, and the export share is 99%.

Cheminova employs approx. 800 people in Denmark and 1,100 abroad.

Auriga is listed on NASDAQ OMX, Copenhagen.

Mission

We help improve quality of life for the world's population by supplying products that help farmers increase yields and quality of crops to satisfy the global demand for food, feed, fibre and energy.

Vision

We create results for our customers by being a sustainable and innovative world-class supplier of a broad range of quality crop protection products. Value creation shall match the best among peer companies to the benefit of all stakeholders.

Values

- We achieve ambitious goals
- We are innovative
- We decide and act
- We recognize results
- We are good corporate citizens

REVIEW

Record revenue and strong earnings in 2008

As new President & CEO of Auriga Industries A/S, I am delighted to report considerable growth for 2008. In achieving growth of 30 per cent for Cheminova in the past year, we have generated the highest revenue and the second-best results ever.

The time has come to launch new and ambitious targets for the future. The target is to more than double Cheminova's market share to 5 per cent by 2015 in a market which is growing due to an ever-increasing demand for food. The Business Plan "Five-in-Fifteen" is based on a three-pronged strategy, which is designed to ensure strong growth and considerable improvements in earnings in the coming years.

Firstly, we will create substantial organic growth through development and market introduction of several new products. Secondly, we will continue to strengthen Cheminova's market position through the acquisition of complementary products, companies and activities. And thirdly, we will improve earnings through economies of scale and ongoing improvements in production and all other functions to match the best among peers in the industry.

We are helping to reduce food shortages in the world, and we have a clear vision for Cheminova's development. The targets are ambitious and the strategy clear. The new global management and the almost 2,000 employees working around the globe are ready to improve results in the coming years for the benefit of all stakeholders.

Kurt Pedersen Kaalund
President & CEO

Financial highlights 2004-2008

	DKKm					EURm
	2004	2005	2006	2007	**2008**	**2008**
Income statement:						
Revenue *	4,094	4,017	4,032	4,368	**5,664**	**760**
EBITDA *	818	625	175	327	**712**	**96**
Operating profit, EBIT *	630	443	7	145	**515**	**69**
Net financials *	(42)	(84)	(87)	(67)	**(114)**	**(15)**
Profit/(loss) before tax *	593	362	(75)	83	**402**	**54**
Profit/(loss) after tax and minority interests	425	250	(171)	(60)	**204**	**27**
Balance sheet:						
Balance sheet total	5,358	5,865	5,642	4,422	**5,132**	**689**
Share capital	255	255	255	255	**255**	**34**
Equity	2,370	2,587	2,304	2,142	**2,210**	**297**
Net assets	3,793	4,298	4,167	2,905	**3,784**	**508**
Interest-bearing debt	1,715	1,933	2,013	1,211	**1,710**	**230**
Net interest-bearing debt	1,143	1,565	1,757	701	**1,486**	**199**
Cash flows:						
Cash flows from operating activities *	421	83	45	274	**(342)**	**(46)**
Cash flows from investing activities *	(59)	(211)	(217)	369	**(378)**	**(51)**
- of which invested in property, plant and equipment *	(61)	(75)	(77)	(110)	**(139)**	**(19)**
Available cash flow *	374	(169)	(172)	642	**(720)**	**(97)**
Other:						
Depreciation, amortisation, impairment losses and write-downs *	190	182	168	182	**197**	**26**
Research and development costs *	121	127	131	138	**252**	**34**
Number of employees *	1,510	1,539	1,613	1,615	**1,904**	**1,904**
Ratios:						
EBITDA margin *	20%	16%	4%	7%	**13%**	**13%**
EBIT margin *	15%	11%	0.2%	3%	**9%**	**9%**
NOPLAT *	433	305	5	98	**276**	**37**
ROIC (Return on invested capital) *	11%	7%	0.1%	3%	**7%**	**7%**
NIBD/EBITDA factor *	1.4	2.5	10.1	2.1	**2.1**	**2.1**
NIBD/Equity	0.5	0.6	0.8	0.3	**0.7**	**0.7**
Debt ratio	30%	36%	42%	24%	**39%**	**39%**
Return on equity	17%	10%	(7%)	(3%)	**9%**	**9%**
Share data:						
Profit/(loss) in DKK per share of DKK 10	17.3	10.1	(6.9)	(2.4)	**8.2**	**1.1**
Cash flows from operating activities in DKK per share of DKK 10 *	17.1	3.4	1.8	11.1	**(13.7)**	**(1.8)**
Equity value in DKK per share of DKK 10	96.6	105.1	93.4	86.8	**88.8**	**11.9**
Dividend in DKK per share of DKK 10	4.00	4.00	2.40	4.00	**5.75**	**0.77**
Quoted price, end of year	115	192	158	91	**91**	**12**
Price/earnings ratio	7	19	(23)	(37)	**11**	**11**
Quoted price/equity value	1.19	1.82	1.70	1.05	**1.02**	**1.02**
Number of shares in millions	25.5	25.5	25.5	25.5	**25.5**	**25.5**
Market value, end of year	2,933	4,885	4,039	2,318	**2,308**	**310**

* Comparative figures for 2004-2006 have been restated following the divestment of Hardi and Skamol.

In the income statement, key figures in EUR are translated using the average exchange rate (745.60), while balance sheet items are translated using the end-of-year exchange rate (745.06).

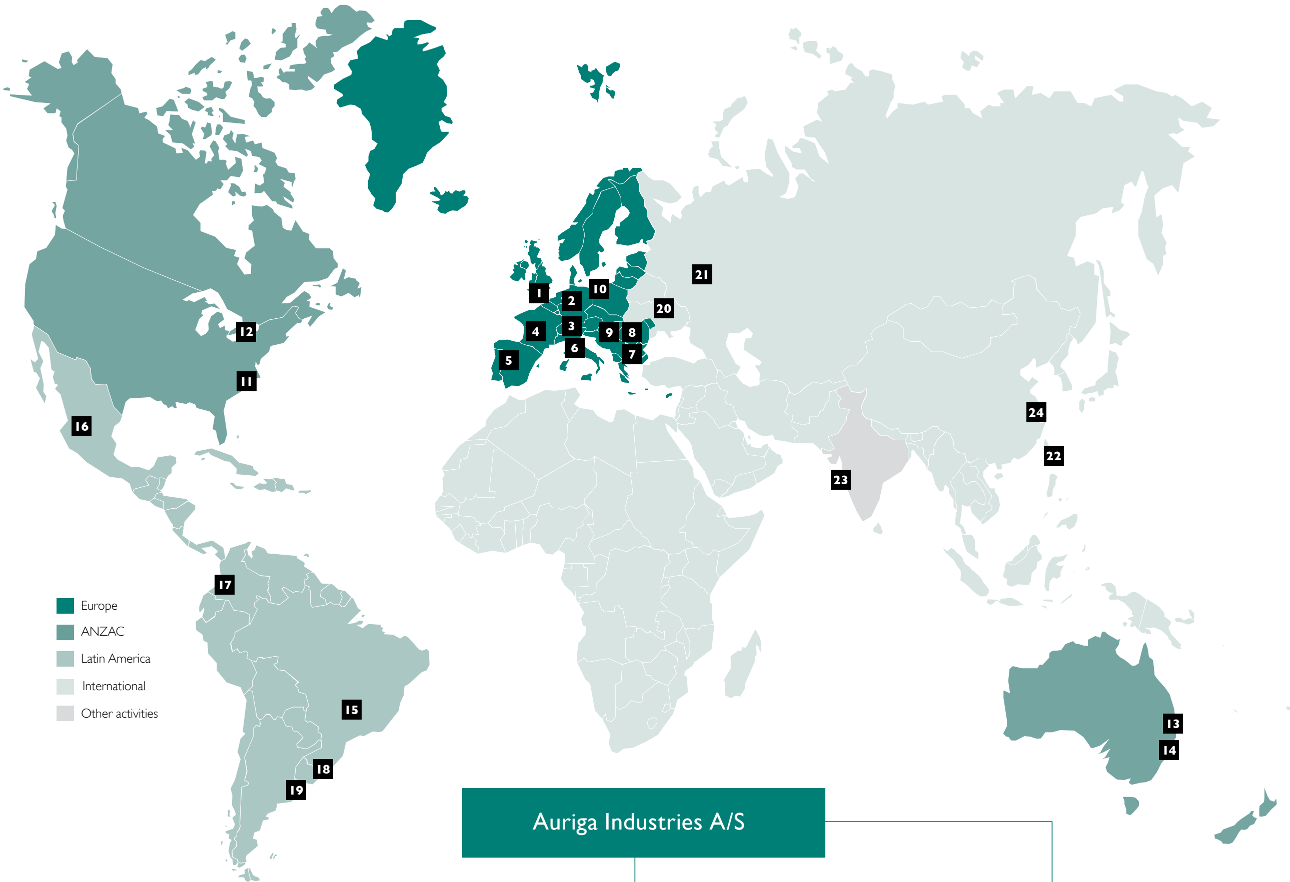
The financial ratios have been calculated in accordance with the recommendations of the Danish Society of Financial Analysts (Den Danske Finansanalytikerforening).

The financial ratios have been adjusted for the portfolio of treasury shares.

Definition of ratios

NOPLAT	=	Operating profit/(loss) after tax
Net assets	=	Non-current assets + working capital
Net interest-bearing debt	=	Interest-bearing debt ÷ cash and cash equivalents and securities
ROIC	=	NOPLAT x 100 : net assets
NIBD/EBITDA factor	=	Net interest-bearing debt : EBITDA
NIBD/Equity	=	Net interest-bearing debt : Equity
Debt ratio	=	Net interest-bearing debt x 100 : net assets
Return on equity in %	=	Net profit/(loss) for the year x 100 : Average equity
Profit/(loss) in DKK per share of DKK 10	=	Net profit/(loss) for the year : Average no. of shares
Cash flows from operating activities in DKK per share of DKK 10	=	Cash flows from operating activities : Average no. of shares
Dividend in DKK per share of DKK 10	=	Dividend : Average no. of shares
Equity value in DKK per share of DKK 10	=	Equity value : Average no. of shares
Price/earnings ratio	=	Share price : earnings per share
Share price/equity value	=	Share price : equity value
EBIT margin	=	Operating profit/(loss) x 100 : Revenue
EBITDA margin	=	Operating profit/(loss) before depreciation, amortisation and impairment of goodwill x 100 : Revenue

Corporate structure



Auriga Industries A/S

Cheminova A/S

Auriga Ejendomme A/S

Unless otherwise indicated, the below companies are wholly owned.
The Auriga group owns 49% of Damolin A/S.

Updated March 2009.

REGION EUROPE

1 **Headland Agrochemicals Ltd.**
UK

2 **Stähler**
Germany (owned: 75%)

3 **Pytech Chemicals GmbH**
Switzerland

4 **Cheminova Agro France S.A.S.**
France

5 **Agrodan S.A.**
Spain (owned: 90%)

6 **Cheminova Agro Italia S.r.l.**
Italy

7 **Cheminova Bulgaria EOOD**
Bulgaria

8 **Cheminova Romania Representative Office**
Rumania

9 **Cheminova Hungary**
Hungary (owned: 51%)

10 **Cheminova Polska Sp. zo.o.**
Poland

REGION ANZAC

11 **Cheminova Inc.**
USA

12 **Cheminova Canada Inc.**
Canada

13 **Ospray PTY Ltd.**
Australia (owned: 71.5%)

14 **Cheminova MFG Pty.**
Australia

REGION LATIN AMERICA

15 **Cheminova Brasil Ltda.**
Brazil

16 **Cheminova Agro de México S.A. de C.V.**
Mexico

17 **Cheminova Colombia**
Colombia

18 **Abielux S.A.**
Uruguay

19 **Cheminova Agro de Argentina S.A.**
Argentina

REGION INTERNATIONAL

20 **Cheminova Representative Office**
Ukraine

21 **Cheminova LLC**
Russia

22 **Cheminova Taiwan Ltd.**
Taiwan

OTHER ACTIVITIES

23 **Cheminova India Ltd.**
India

24 **Cheminova Shanghai Representative Office**
China

Management's Review

Auriga Industries A/S

Objectives and strategy

It is the overall strategic objective of Auriga to ensure long-term value creation for the benefit of Auriga's shareholders, employees and other stakeholders.

Following the divestment of Hardi International and Skamol in 2007, Auriga's main activity is focused on developing Cheminova.

Cheminova's new Business Plan sets out several ambitious growth and earnings targets and forms the cornerstone of the value creation to be seen in the coming years. The plan is launched under the name of "Five-in-Fifteen" as Cheminova will be striving to double its market share to 5 per cent in 2015. Growth in revenue is driven by healthy and strong organic growth based on new and existing products, but acquisitions of companies and products will also contribute significantly to fulfilling the growth target. Economies of scale and ongoing streamlining will improve earnings margins, resulting in an EBITDA margin in 2015 matching the best among peer companies in the industry.

Consolidated profit

The results of Auriga Ejendomme and the associate Damolin are recognised in the consolidated results of Auriga together with the results of Cheminova.

Auriga's revenue increased by 30 per cent to DKK 5,664 million (DKK 4,368 million) in 2008. Revenue thereby exceeded expectations at the beginning of the year and is in line with the outlook announced in the company announcement issued on January 30, 2009.

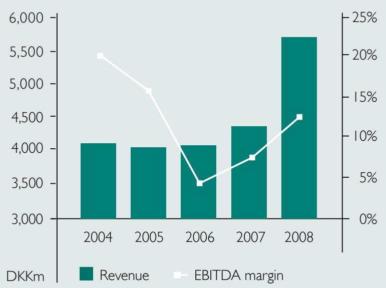
In 2008, Cheminova's revenue in USD was recognised at an effective exchange rate of approx. DKK 5.00 against DKK 5.80 in 2007. At unchanged exchange rates, revenue growth would have been 35 per cent.

Considerably higher raw material and energy costs were offset by price increases in the market. Development and registration costs were maintained at a high level, but now account for less than 5 per cent of revenue.

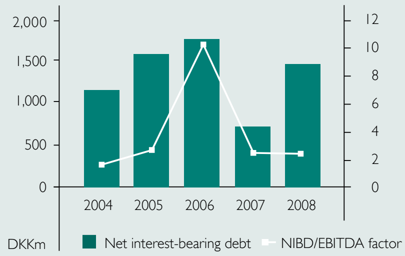
Operating profit before depreciation and amortisation (EBITDA) increased by DKK 385 million to DKK 712 million (DKK 327 million), corresponding to an EBITDA margin of 12.6 per cent against 7.5 per cent in 2007. After depreciation and amortisation of DKK 197 million, an operating profit (EBIT) of DKK 515 million (DKK 145 million) was realised, corresponding to an EBIT margin of 9.1 per cent against 3.3 per cent in 2007.

Financial expenses increased considerably to DKK 114 million (DKK 67 million) due to the international financial crisis, foreign exchange unrest and an increase in net interest-bearing debt. Damolin contributed profit after tax of DKK 1 million (DKK 5 million).

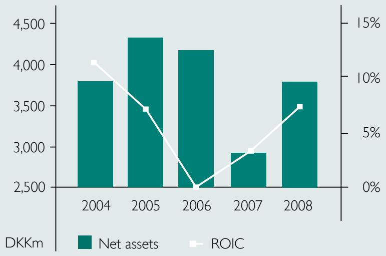
Revenue and EBITDA margin



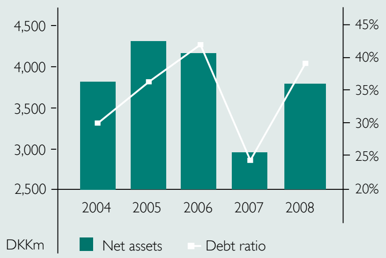
Net interest-bearing debt and NIBD/EBITDA factor



Net assets and ROIC



Net assets and debt ratio



Auriga realised a consolidated profit before tax of DKK 402 million (DKK 83 million).

The balance sheet total was up DKK 710 million at DKK 5,132 million (DKK 4,422 million). Due to increasing inventories, working capital had increased to DKK 2,490 million at the end of the year, corresponding to 44 per cent of revenue. However, the average net resources tied up in accounts receivable, inventories and trade payables fell again from 46.8 per cent in 2007 to 44.1 per cent in 2008. Net interest-bearing debt increased to DKK 1,486 million (DKK 701 million), corresponding to a gearing (net interest-bearing debt relative to EBITDA) of 2.1 (2.1).

Cash flow developed more negatively than expected due to the above-mentioned increase in inventories, and cash flow from operating activities was DKK -342 million (DKK 274 million). After combined investments of DKK 378 million, including the acquisition of 50 per cent of Stähler, available cash flow was negative at DKK -720 million (DKK 642 million).

Outlook 2009

The long-term market conditions for the agricultural and agrochemical sectors are still believed to be good. However, considerable uncertainty surrounds the question of the extent to which developments in 2009 will be affected by the general economic downturn, falling crop prices and the credit crunch. It has been a weak start to the year, with customers hesitant about placing orders, but the industry is still expecting a positive development for the year as a whole. However, also this year Cheminova expects to grow more than the industry in general, thereby increasing its market share.

Including the full consolidation of Stähler, Cheminova expects revenue of approx. DKK 6,250 million and an EBIT margin of approx. 9 per cent.

In parallel, the Auriga group expects revenue of approx. DKK 6,250 million and an EBIT margin of approx. 9 per cent.

Cash flow from operating activities is expected to be positive in 2009.

Cheminova A/S

Income statement		
DKKm	**2008**	2007
Revenue	**5,651**	4,361
Production costs	**3,941**	3,257
Other costs	**1,190**	980
Other operating costs	**22**	35
Operating profit	**541**	160
Net financials	**(140)**	(69)
Profit before tax	**401**	91
Tax	**187**	25
Minority interests' share	**11**	6
Net profit for the year	**204**	60
Assets		
Non-current assets	**1,149**	1,010
Inventories	**1,803**	1,120
Receivables	**1,808**	1,612
Cash	**223**	248
Total assets	**4,983**	3,990
Equity and liabilities		
Equity	**1,574**	1,537
Non-current liabilities	**894**	554
Current liabilities	**2,515**	1,899
Total equity and liabilities	**4,983**	3,990
Ratios		
Working capital	**2,496**	1,729
Cash flow from operating activities	**(358)**	268
Available cash flow	**(737)**	120
EBITDA margin	**12.6%**	7.8%
EBIT margin	**9.6%**	3.7%
ROIC	**8.5%**	4.4%

Values

It is Cheminova's mission to help to improve quality of life for the world's population by supplying products that help farmers increase yields and crop quality to satisfy the global demand for food, feed, fibre and energy.

The vision is to create results for customers by being a global, sustainable and innovative supplier of a broad range of quality crop protection products. Value creation shall match the best among peer companies for the benefit of all stakeholders.

It is essential for Cheminova to act with reference to the company's values: to be good corporate citizens, to achieve ambitious goals, to be innovative, to decide and act and to recognize results.

Income, balance sheet and cash flow

In 2008, Cheminova saw considerably stronger growth than the industry in general, thereby winning more market share. At unchanged exchange rates, revenue grew by 35 per cent, while the market is deemed to have increased by just over 20 per cent. In Danish kroner, revenue was up 30 per cent at DKK 5,651 million (DKK 4,361 million), thereby exceeding expectations at the beginning of the year even though the global recession led to stagnating sales towards the end of the year. Growth is based on an expanding market and favourable market conditions, among other things for the largest product, glyphosate, the introduction and increasing sales of new products and the acquisition of a 50 per cent stake in the Stähler group. Price increases have successfully been obtained in the market to cover considerably higher raw material and energy costs, while significant improvements have been achieved in operations at the production facilities in Denmark and India.

Development and registration costs were maintained at a high level, but now account for less than 5 per cent of revenue. Selling costs and administrative expenses relative to revenue have been reduced as a result of economies of scale.

EBITDA more than doubled to DKK 715 million (DKK 338 million), corresponding to an EBITDA margin of 12.6 per cent (7.8 per cent). After depreciation and amortisation of DKK 174 million (DKK 178 million), operating profit (EBIT) was DKK 541 million (DKK 160 million), corresponding to an EBIT margin of 9.6 per cent (3.7 per cent).

Financial expenses increased considerably to DKK 140 million (DKK 69 million) due to an increase in interest-bearing debt, the financial crisis and the foreign exchange unrest which, especially in Q4, resulted in significantly higher interest and currency expenses. Profit before tax was DKK 401 million against DKK 91 million in 2007.

Balance sheet total increased by DKK 993 million to DKK 4,983 million, primarily as a result of higher inventories towards the end of the year. At the end of the year, working capital had increased to DKK 2,496 million, corresponding to 44 per cent of revenue. The average net resources tied up in accounts receivable, inventories and trade payables declined again from 46.8 per cent in 2007 to 44.1 per cent in 2008.

Cash flow for the year developed more negatively than expected due to the above-mentioned increase in inventories and investments, including acquisitions. Cash flow from operating activities was negative at DKK -358 million against a positive cash flow of DKK 268 million in 2007. After combined investments of DKK 379 million (DKK 148 million), available cash flow was negative at DKK -737 million against a positive available cash flow of DKK 120 million in 2007.

Cheminova's foreign exchange risk is limited in that the exposure in the most important currencies is hedged by forward exchange and option contracts. After a decline of 10 per cent in both 2006 and 2007, the group's main currency, USD, increased by just over 4 per cent in 2008, ending the year at a price of 5.28. In 2008, Cheminova realised an effective USD settlement price of approx. DKK 5, while the expected net exposure in 2009 is hedged at a price of just over DKK 5.50.

Market developments

The industry experienced an extraordinarily good year with improved market conditions and strong growth. The demand for agricultural crops is increasing due to population growth, changed diets in step with rising living standards in newly industrialised countries and increasing use of bioenergy. In 2008, these developments led to an increase in cultivated farmland in many parts of the world and to a stronger focus on crop yields.

The use of crop protection products therefore increased, and the industry experienced growth rates of just over 20 per cent, which should be compared to annual growth rates of approx. 1 per cent over the past ten years. Moreover, biotech crops saw continued growth and are now grown on 125 million hectares of cultivated farmland, representing an increase of just under 10 per cent, corresponding to just over 8 per cent of the world's cultivated farmland.

Sales and distribution

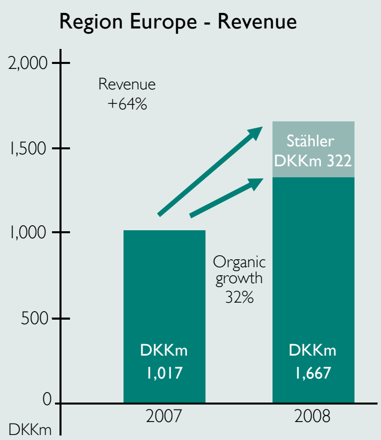
Realising considerably stronger growth than the market, Cheminova has again won market share and now has just under 2.5 per cent of the world market. Quite apart from benefiting from general market developments, Cheminova's growth is the result of the strategy pursued in recent years. Growth and improved results were achieved in all regions. In 2008, products based on seven new active ingredients were introduced in the first markets. Sales of new products almost doubled. Companies and activities have been acquired in several countries, the most important acquisition being a 50 per cent stake in the Stähler group in Germany, which provided direct access to further three markets in Europe, including the important German market.

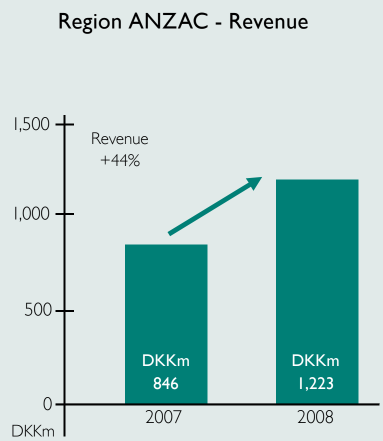
Region Europe

Stähler, which in 2008 was pro rata-consolidated, meant an increase in sales in Region Europe of DKK 322 million, while consolidated revenue reached DKK 1,667 million, up DKK 649 million relative to 2007. All major markets in Region Europe are now covered by own companies and direct representation. Sales of glyphosate were improved, among other things through introduction of improved formulations, while the insecticide dimethoate saw increasing sales after being reregistered in Europe. Introduction of new products, such as the fungicides fluazinam and epoxiconazole and the herbicide nicosulfuron was satisfactory.

Region ANZAC

The ANZAC region (Australia, New Zealand, the USA and Canada) saw strong growth in sales when calculated in local currencies, and calculated in Danish kroner, sales were up 44 per cent at DKK 1,223 million (DKK 846 million). The market





in Australia has been characterised by drought, but increased substantially in 2008. Together with a strengthening of the local company's position, this resulted in a doubling of sales. In the USA, the continued decline in sales of malathion for the boll weevil eradication programme in cotton is being more than compensated through improved market conditions for glyphosate and the introduction of new herbicides for cereals and maize.

Region Latin America

Region Latin America realised growth of 21 per cent with sales amounting to DKK 1,387 million (DKK 1,145 million) despite reduced volumes of glyphosate being available in Brazil. Growth was driven by increasing sales of new products, including the pyrethroid insecticide gamma-cyhalothrin. Despite long credit terms in Brazil and high financing costs, the business is contributing positively to value creation in the group.

Region International

Growth in Region International totalled 19 per cent, corresponding to realised revenue of DKK 355 million (DKK 298 million), and results exceeded expectations. In 2008 business activities in the CIS countries (Russia, the Ukraine etc.) also developed satisfactorily, and sales of new products exceeded expectations. Towards the end of the year, these countries were burdened by the international financial crisis, and it is becoming increasingly difficult to obtain credit insurance for exports to countries in this region.

Other activities

With revenue of DKK 1,020 million (DKK 1,059 million), developments in the segment Other activities were satisfactory with very satisfactory growth in the Indian company. Sales of fine chemicals came under pressure due to the need for price increases to compensate for substancially increasing raw material and energy costs. Fine chemicals, which primarily cover the sale of intermediates for use in other companies' production of crop protection products, constitute a declining share of sales and accounted for less than 10 per cent of revenue in 2008.

Herbicides

Herbicides is the largest product area and accounts for 43 per cent of sales. The largest product is glyphosate, which during first half saw a reduced supply and increasing demand. The result was increasing prices, which were, however, replaced by declining prices towards the end of the year. Other important products are sulfonylurea herbicides such as metsulfuron and nicosulfuron, as well as several new products such as diflufenican, sulcotrione and fenoxaprop which were introduced in 2008 and the previous years.

Insecticides

With 31 per cent of sales, insecticides make up the second-largest product group. The traditional organophosphorous insecticides, such as dimethoate, malathion and chlorpyrifos, and Class I products such as methyl parathion and monocrotophos, account for a declining share of sales, currently less than 20 per cent. Other important insecticides are the pyrethroids gamma-cyhalothrin and acrinathrin, which have seen satisfactory development since the full takeover of the joint venture company Pytech in 2008 as well as the global acrinathrin rights in 2006. Moreover, growth has been achieved for the new products imidacloprid and abamectin.

Fungicides

The fungicide programme continues to be dominated by flutriafol, but the introduction of several new products, including tebuconazole, epoxiconazole and fluazinam, has contributed to the group now accounting for 11 per cent of sales.

Other

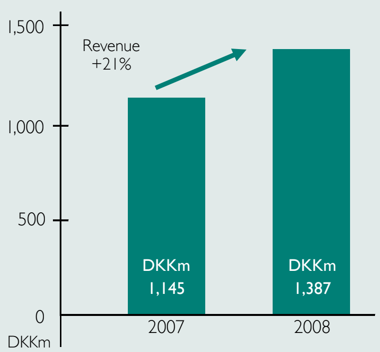
In addition to sales of herbicides, insecticides and fungicides, Cheminova is actively engaged in selling other types of products, including special micro nutrients, growth stimulants etc. as well as fine chemicals. These products account for 15 per cent of sales.

Production and logistics

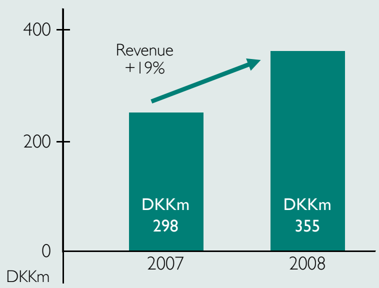
Production at Cheminova's facilities in both Denmark and India was satisfactory in 2008. In Denmark, production at the glyphosate plant is now 10 per cent higher than what was previously thought to be its maximum capacity.

There was a shortage of several key raw materials in 2008, and raw material and energy prices increased considerably relative to 2007.

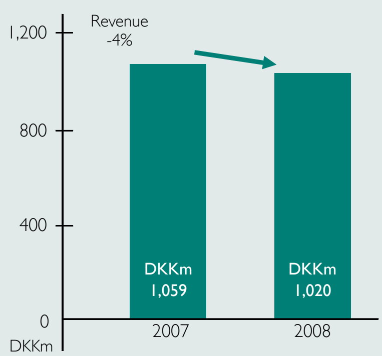
Region Latin America - Revenue



Region International - Revenue



Other activities - Revenue



Implementation of the LEAN project has resulted in annual savings of approx. DKK 25 million, and further streamlining measures have been identified which will be implemented during 2009 and 2010, with the final savings expected to reach DKK 100 million a year. The production and logistics organisation was restructured in 2008, and during 2009, a new performance-based management system will be introduced.

In 2008, extraordinary provisions of DKK 25 million were made to cover a possible claim by the authorities stemming from incorrect customs handling of imported goods for processing and reexporting over the past three years.

In 2008, investments in property, plant and equipment amounted to DKK 138 million against DKK 101 million in 2007. Most investment resources have been directed at completing the fungicide production plant in Denmark and the incineration plant in India.

Development and registration

In accordance with Cheminova's strategy, considerable resources have, since 2005, been spent developing, registering and introducing new products. In 2008, global development and registration costs declined to under 5 per cent of revenue due to the strong growth in revenue.

The massive focus on development and registration has strengthened Cheminova's development pipeline and product portfolio considerably, and in 2008 no less than seven new active ingredients were brought to market.

Collaboration with Stähler has given rise to synergies, and development activities are expected to intensify further following the acquisition of an additional 25 per cent stake in the company at the beginning of 2009.

With a view to maintaining a high level of development, development activities are increasingly being established with external partners, ie. production based on production technology developed by Cheminova. In 2008, a code was adopted setting out the requirements to be met by such external partners, and from 2009 these requirements will be integrated into Cheminova's CSR manual.

Using modern formulation technology, Cheminova develops new and advanced formulations of active ingredients, including compounds, which enables the company to better differentiate its products from those of its competitors. Focus is on developing product and formulation types with improved efficiencies and improved safety for users and the environment.

In 2008, a record number of product approvals (registrations) were obtained for the sale of new products. The number of registrations obtained was up just over 30 per cent relative to 2007, and more than doubled relative to 2006.

Corporate Social Responsibility (CSR)

The CSR report for 2008 provides a detailed status on the targets set out within the areas of product stewardship, development and innovation, production, the new EU chemicals regulation and supply chain management, which were to be achieved in 2008.

In relation to product stewardship, the primary objective is for Cheminova to phase-out sales of WHO Class I products in all countries except the USA, Canada, Australia, Japan and the EU before the end of 2010. The phasing-out is going according to plan. In 2008, Cheminova even phased out methyl parathion in Cuba earlier than promised, just as sales of phorate in India have been replaced with a far safer insecticide one year earlier than set out in the phase-out plan.

As regards the production facilities, the company in India has established a new chemical waste incineration plant. The plant meets the most recent environmental standards and is an important element in gearing production in India for the future.

Moreover, the CSR report for 2008 looks at the following four main themes: *Mission, vision and values, the food challenge, climate and Cheminova Brazil.* The themes are elaborated in Cheminova's CSR report which will be published concurrently with the annual report. A brief outline is given below:

Mission, vision and values:

Cheminova has redefined its mission and vision and defined the values which are to characterise the company. CSR is an integrated element of Cheminova's values. "We are good corporate citizens" is, among other things, demonstrated by all employees acting in accordance with the principles laid down in the Code of Business Principles, which can be found on the Cheminova website.

Food challenge:

2008 was a year of turbulent food prices. The price of cereals and other crops more than doubled over a short period of time due to historically low inventories, but the production of agricultural crops was high in 2008, and prices have since declined considerably. However, increasing population figures and growing demand from an increasing middle class with a high standard of living, especially in Asia, continue to pose considerable challenges for agricultural food production.

Climate:

In the current climate change debate, CO_2 emissions are named as the main reason for the rising temperatures expected to be seen globally in the coming decades. The increase in CO_2 emissions is attributable to the burning of fossil fuels. Via its energy policy, Cheminova has for several years been working actively to reduce CO_2 emissions from its production facilities in Denmark and India. At the factory in Denmark, a surplus hydrogen-fed combustion plant operated satisfactorily in 2008, thereby making a substantial contribution to reducing emissions of CO_2.

Cheminova Brazil:

In autumn 2008, Cheminova was accused by the Danish media of seeking to obstruct a reassessment of methyl parathion in Brazil. This misunderstanding led to a critical view on the activities in Brazil, and the story gave an incorrect impression of accident statistics as well as Cheminova's endeavours to phase out the product as promised. Cheminova maintains its plan to phase out sales of methyl parathion in Brazil by the end of 2010 at the latest.

This year's CSR report is the third CSR report prepared by Cheminova. Like last year's report, the CSR report for 2008 has been verified by an independent firm of auditors. The main purpose is to document that the stated data are correct, and to verify the extent to which Cheminova has fulfilled the objectives set out in the report for 2007. The report contains tables comparing performance with the internationally recognised GRI index. During 2009, a decision will be made as to whether Cheminova wishes to adhere to a formal international CSR standard.

Organisation and management

2008 saw the running-in of the new global matrix organisation which was implemented at the beginning of the year. Top management tasks are now handled by the Global Executive Committee, members of which are the senior vice presidents for Cheminova's four function areas and the four regional presidents.

At a management seminar, Cheminova's mission, vision and values were reworded, and targets and strategies for the coming years were laid down. Since then, work has gone into a detailed Business Plan and into translating the values into a framework for the action to be taken at all levels within the organisation.

Business Plan "Five-in-Fifteen"

The growth targets defined in the former Business Plan 2010 are expected to be achieved already in 2009, and Cheminova has therefore laid down a new Business Plan under the heading "Five-in-Fifteen" consisting of several ambitious growth and earnings targets.

It is Cheminova's aim to create continued and strong growth in revenue and to double its market share to 5 per cent by 2015. Growth in revenue is expected to lead to considerable economies of scale within sales and administration, while development and registration costs will impact earnings proportionately less. Growth is to be created partly through organic growth based on introduction of several new products in the coming years, and partly on increased market penetration for existing products. To this should be added that Cheminova expects to realise acquisitions of complementary companies, products and activities which will also make substantial contributions to meeting the growth target.

Over and above such economies of scale, earnings margins are expected to improve through increasing sales of differentiated high-value products and through the streamlining of all functions, including production and supply chain. With economies of scale and ongoing improvements, the target is an EBITDA margin in 2015 matching the best among peer companies in the industry. In addition to improving earnings, initiatives are also still being taken to improve working capital.

Outlook 2009

Despite the long-term positive developments, the outlook for the year is – due to the serious economic downturn – still very uncertain. It is uncertain to what extent declining crop prices may impact the industry, while it is also difficult to predict the extent to which the international credit crisis will affect the farmers' financing of the coming season. It has been a weak start to the year, with customers hesitant about placing orders, but the industry is still expecting a positive development for the year as a whole. Regardless of market developments, Cheminova expects to increase sales more than the industry in general, thereby winning market share. This is based, among other things, on continued growth from new products and full consolidation of the Stähler group following the acquisition of an additional 25 per cent stake in the company.

In 2009, Cheminova is expected to generate revenue of approx. DKK 6,250 million, while the EBIT margin is expected to be approx. 9 per cent. Cash flow from operating activities is expected to be positive in 2009.

Cheminova offers a wide range of plant protection products, the most important being:

- Herbicides based on the active ingredients glyphosate, metsulfuron, tribenuron, thifensulfuron, nicosulfuron, diflufenican, fenoxaprop and clodinafop.
- Insecticides based on the active ingredients malathion, chlorpyrifos, dimethoate, methyl parathion, acephate, gamma-cyhalothrin, acrinathrin, imidacloprid and abamectin.
- Fungicides based on the active ingredients flutriafol, fluazinam, tebuconazole, epoxiconazole, fenpropidin and fosetyl-al.

Cheminova's product programme also comprises several intermediates and flotation agents for the mining industry.

Shareholders

Investor relations (IR) policy

Auriga aims to provide investors, share analysts, stockbrokers and other stakeholders with ongoing financial information as well as information about the group's operations, objectives and strategies as well as any other relevant aspects. Open and active communication will ensure a satisfactory level of information for investors to be able to make investment decisions. All communication takes place in accordance with current rules laid down by NASDAQ OMX, Copenhagen, and other relevant bodies.

The IR function has access to relevant strategic and financial information in the company and handles contact with investors, analysts and stockbrokers.

Auriga strives to ensure a high level of accessibility in connection with IR activities using different media, i.e. the Internet. Annual reports and interim reports, company announcements and the most recent investor presentations and webcasts can be found on the Auriga websites (www.auriga.dk for a Danish version, www.auriga-industries.com for an English version).

Interest in Auriga is growing, which has led to increased participation in investor meetings and other IR events in Denmark and abroad.

Auriga share

The Auriga share, which is included in the MidCap+ index, is listed on NASDAQ OMX, Copenhagen, under the ID code DK0010233816 with the symbol AURI B. The share ended the year at a price of 90.50 corresponding to a modest price drop of 0.4 per cent in 2008. Assuming that the general meeting approves a dividend of DKK 5.75 per share, the share has generated a combined positive return of just below 6 per cent, which is among the best share returns in Denmark in 2008. By comparison, OMXC20 fell by 47 per cent in the same period.

The trade in the Auriga share in 2008 was 18.6 million Class B shares (23.6 million shares) with a total market price of approx. DKK 3.2 billion (DKK 3.4 billion). The highest price was DKK 237 while the lowest was DKK 81. At the end of 2008, the market value of the company's shares was DKK 2.3 billion.

Share capital and ownership

Auriga's share capital of DKK 255 million is divided into Class A shares with a nominal value of DKK 75 million (7,500,000 shares) and Class B shares with a nominal value of DKK 180 million (18,000,000 shares). Class A shares are non-negotiable and carry ten votes per share of DKK 10, while Class B shares listed on NASDAQ OMX, Copenhagen, carry one vote per share of DKK 10. At the end of the year, approx. 6,700 shareholders were registered in Auriga's register of shareholders, representing 87 per cent of the share capital. Approx. 700 employees own shares in the company. The Aarhus University Research Foundation owns all Class A shares, while the following three shareholders own more than 5 per cent of the capital or voting rights:

	Capital	Votes
The Aarhus University Research Foundation, Aarhus, Denmark	40.38%	83.65%
The Danish Labour Market Supplementary Pension Fund (ATP), Hillerød, Denmark	13.00%	3.56%
The Employees' Capital Pension Fund (LD), Copenhagen, Denmark	5.84%	1.60%

In order to fulfil the requirements of Section 107a of the Danish Financial Statements Act, the Board of Directors is authorised, under the Articles of Association, to increase the share capital by up to DKK 25 million Class B shares until May 1, 2009, without pre-emption rights for existing shareholders and at a price not below par.

Until the general meeting on April 2, 2009, the Board of Directors is authorised to acquire treasury shares with a nominal value of up to 10 per cent of the share capital at a price not deviating more than 10 per cent from the quoted price applicable at any time.

Treasury shares

In April 2008, the company sold 300,000 shares so that the treasury shareholding as at December 31, 2008 has been reduced to 515,680 shares or 2 per cent of the share capital.

Insider register

Auriga keeps an insider register as required by the Danish Securities Act (Værdipapirhandelsloven), comprising the Board of Directors, Board of Executives and other executive staff with access to insider information. These persons are only entitled to trade Auriga shares for a period of four weeks after the release of company announcements of a financial nature.

Insider share ownership	No. of shares.		Price in DKK	
	2008	2007	2008	2007
Group Board of Directors	10,662	11,066	964,911	1,005,899
Group Board of Executives	2,737	2,737	247,699	248,793
All insiders	123,315	128,976	11,160,008	11,723,918

Annual general meeting and dividend

The annual general meeting will be held on Thursday, April 2, 2009, at 2 pm at the company head office, Thyborønvej 78, 7673 Harboøre, Denmark. Auriga's Board of Directors recommends to the general meeting that dividend of DKK 5.75 per share be paid for 2008, against a dividend of DKK 4.00 per share in 2007. The share is traded exclusive of dividend the day after the general meeting.

Financial calendar for 2009

Under the rules laid down by NASDAQ OMX, Copenhagen, Auriga does not comment on financial issues for a period of three weeks leading up to the release of financial statements.

Annual Report for 2008	March 20, 2009
General meeting	April 2, 2009
Interim report, Q1 2009	May 5, 2009
Interim report, H1 2009	August 27, 2009
Interim report, Q3 2009	November 10, 2009

Auriga releases company announcements via GlobeNewswire, NASDAQ OMX.

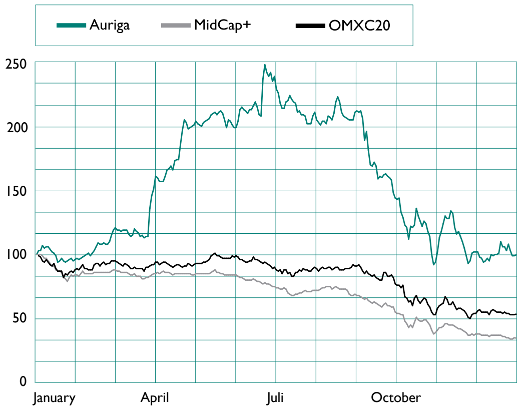
Company announcements 2008

No. 1	Change to the Board of Executives of Auriga and Cheminova	24.01.2008
No. 2	Cheminova acquires full ownership of Pytech Chemicals GmbH	27.02.2008
No. 3	Financial statements for 2007	27.03.2008
No. 4	Notice of general meeting	04.04.2008
No. 5	Proposal to general guidelines concerning performance-related remuneration of the Board of Directors and the Board of Executives	04.04.2008
No. 6	Annual report for 2007	07.04.2008
No. 7	Interim report for 1st quarter 2008	21.04.2008
No. 8	Notification concerning annual general meeting held	21.04.2008
No. 9	Change to primary insider shareholdings of Auriga shares	24.04.2008
No. 10	Company articles of association	30.04.2008
No. 11	Cheminova to acquire a formulation and filling plant in Australia	20.06.2008
No. 12	Upward adjustment of Auriga's outlook for 2008	24.06.2008
No. 13	Interim report for 1st half 2008	20.08.2008
No. 14	Interim report for 3rd quarter 2008	10.11.2008
No. 15	Financial calendar for 2009	24.11.2008

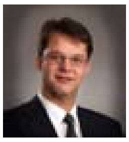
Company announcements 2009

No. 1	Revised outlook of the accounts of 2008	30.01.2009
No. 2	Cheminova acquires majority ownership of the Stähler group	12.02.2009
No. 3	Notice of annual general meeting 2009	13.03.2009
No. 4	Clarification concerning general meeting	13.03.2009

Indexed share price development 2008 for the Auriga share, MidCap+ and OMXC20



Investor contact



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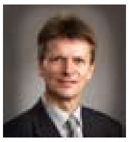
investor@auriga.dk



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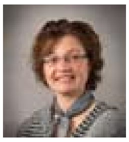
Shareholder secretariat



Lene Faurskov
Executive secretary
Tel. +45 70 10 70 30
lf@auriga.dk

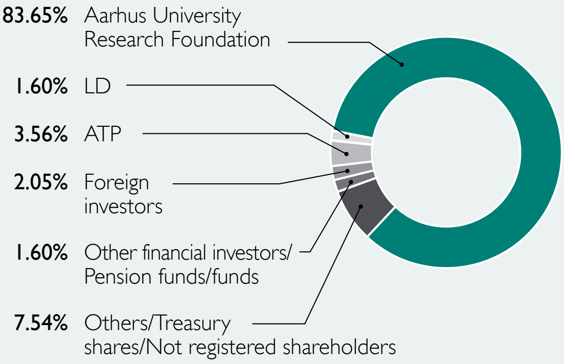
Stock-related key figures

		2008	2007
Listed price, end of year	DKK	90.50	90.90
Highest market price	DKK	237.00	195.50
Lowest market price	DKK	81.00	81.00
Market value, end of year	DKKm	2,308	2,318
Price earnings	DKK	11	(37)
Quoted price/equity value		1.02	1.05
Earnings per share (EPS)	DKK	8.20	(2.44)
Operating cash flow per share	DKK	(13.70)	11.10
Equity value per share	DKK	88.80	86.80
Dividend per share	DKK	5.75	4.00

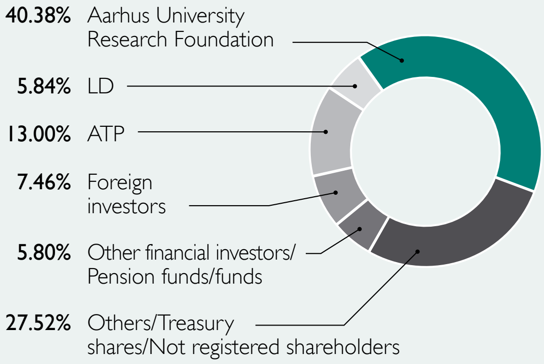
Share analysis

Broker	Analyst	Telephone
ABG Sundal Collier	Stig Frederiksen	+45 33 18 61 00
Carnegie Bank	Claus Almer	+45 32 88 02 00
Dansk Aktie Analyse	Peter Falk-Sørensen	+45 32 96 09 60
Danske Equities	Kenneth Leiling	+45 33 44 00 00
Jyske Bank	Jens Houe Thomsen	+45 89 89 70 42
Nordea Markets Div., Equities	Michael W. Hybholt	+45 33 33 52 83
SEB Enskilda	Niels G. Leth	+45 36 97 70 00
Sydbank	Søren Løntoft Hansen	+45 74 36 44 64

Votes



Share capital



Corporate Governance

Auriga is a Danish listed public limited company which is managed on the basis of the company's Articles of Association, objectives and values and on the corporate governance principles laid down in relevant legislation, best practice and recommendations. Auriga's Board of Directors focuses on long-term interests and value creation for the benefit of shareholders and other stakeholders.

According to the recommendations for good corporate governance which form part of the rules concerning listing on NASDAQ OMX, Copenhagen, Auriga must adhere to these recommendations based on the 'comply-or-explain' principle.

Auriga generally complies with the recommendations of NASDAQ OMX, Copenhagen, for good corporate governance, but has nevertheless chosen a different practice in a few areas, as described below.

In 2008, general guidelines on performance-related remuneration were introduced for members of Auriga's Board of Directors and Board of Executives. Visit www.auriga.dk for further information about Auriga's corporate governance.

Role of shareholders and interaction with the management

Capital and share structure

The Board of Directors assesses the expediency of Auriga's existing capital and share structures at regular intervals. Auriga has two share classes, Class A shares with a nominal value of DKK 75 million, and Class B shares with a nominal value of DKK 180 million, where each Class A share carries ten votes, while each Class B share carries one vote. The Class B shares are listed on NASDAQ OMX, Copenhagen, while the Class A shares are non-negotiable. According to the charter of the Aarhus University Research Foundation, the foundation must hold all Class A shares and at least 51 per cent of the votes in Auriga. In the opinion of the Board of Directors, the existing ownership and share structure is expedient for the continued positive development of the company.

General meeting

Proxies issued to Auriga's Board of Directors do not include the positions of shareholders regarding individual items on the agenda. The reason for this is that, in the opinion of the Board of Directors, the inclusion of the position of the shareholder regarding each item on the agenda on the proxy form does not take account of developments in the debate at the general meeting.

Decisions at the general meeting are normally adopted by a simple majority of votes. However, the adoption of resolutions to amend the Articles of Association normally requires that two-thirds of the votes cast and two-thirds of the voting share capital present at the general meeting favour the proposal in accordance with Danish company legislation.

Role of stakeholders and their importance to the company

Auriga's management endeavours to strike a good balance in the value creation and the dialogue with all the stakeholders. Moreover, the group is very keen to contribute to responsible behaviour, as reflected, among other things, in Cheminova's Code of Business Principles, the annual CSR report (Corporate Social Responsibility) and in the environmental accounts.

Openness and transparency

Through active and structured investor relations and information activities, an open and trustworthy dialogue is sought with investors, analysts, stockbrokers and other stakeholders. All communication is in accordance with the code of conduct of the stock exchange. For further information, please see the section "Shareholders" on page 10.

The Annual Report has been presented in accordance with the IFRS executive order and meets the requirements of Danish legislation. The Annual Report has also been presented in accordance with the criteria for generally recognised accounting principles and contains some supplementary non-financial information.

Tasks and responsibilities of the Board of Directors

Auriga is managed according to a two-tier management system in which there is a clear division of authority and independence

Cheminova's broad range of products and global market presence reduce dependency on individual crops and countries, thereby spreading the business risk.

between the Board of Directors and the Board of Executives. Every year, the Board of Directors discusses and decides on the overall strategic management of the group, planning the level of internal reporting to ensure the satisfactory financial and managerial supervision of the company. The procedures of the Board of Directors are reviewed once a year with a view to matching the current needs of the company.

Composition of the Board of Directors

In accordance with the requirements of Section 107a of the Danish Financial Statements Act (Årsregnskabsloven), Auriga's Articles of Association lay down the following rules concerning the appointment and replacement of members of the company's Board of Directors:

In addition to the employee representatives who, according to the rules of law in force from time to time may be elected as board members, the Board of Directors consists of four to six members elected by the general meeting for one year at a time. Resigning board members may be re-elected. However, no board member can be elected or re-elected after having attained the age of 70.

The members of the Board of Directors possess broad and relevant business experience and relevant professional qualifications. The need for any changes to the competencies of the Board of Directors as a whole is assessed on a regular basis. The criteria for selecting new candidates are based on the combination of professional qualifications and international experience deemed by the Board of Directors to be required to supplement those of the existing members. Auriga's Board of Directors is independent according to the guidelines issued by NASDAQ OMX, Copenhagen. Nine board meetings were held in 2008.

In accordance with the requirements of the EU's 8th directive and Danish legislation, the Board of Directors has decided to set up an audit committee following the general meeting held on April 2, 2009.

Auriga has not defined any guidelines as to how many honorary positions a board member may hold as more emphasis is placed on the input, qualifications and capacity of individual members. It is deemed sufficient to state the members' combined holding of shares in the company. In 2008, the Board of Directors, with the assistance of an external consultant, carried out an evaluation of the collaboration and working methods of the Board of Directors. The work of the Board of Directors is otherwise evaluated on a regular basis.

Remuneration to the Board of Directors and the Board of Executives

No information on individual remuneration is given in the Annual Report as the information on developments in the combined remuneration paid to the Board of Directors and the Board of Executives is deemed to be sufficient.

Members of the Board of Directors receive fixed remuneration and are not part of any incentive schemes.

The Board of Directors determines the remuneration for the Board of Executives once a year. The basic pay received by members of the Board of Executives is often supplemented by incentive programmes. Other employee groups typically receive basic pay, bonus/profit-sharing and pension contributions.

The general meeting approves the remuneration for the Board of Directors and the Board of Executives, including any performance-related remuneration, which under current law is described in further detail in Note 3.

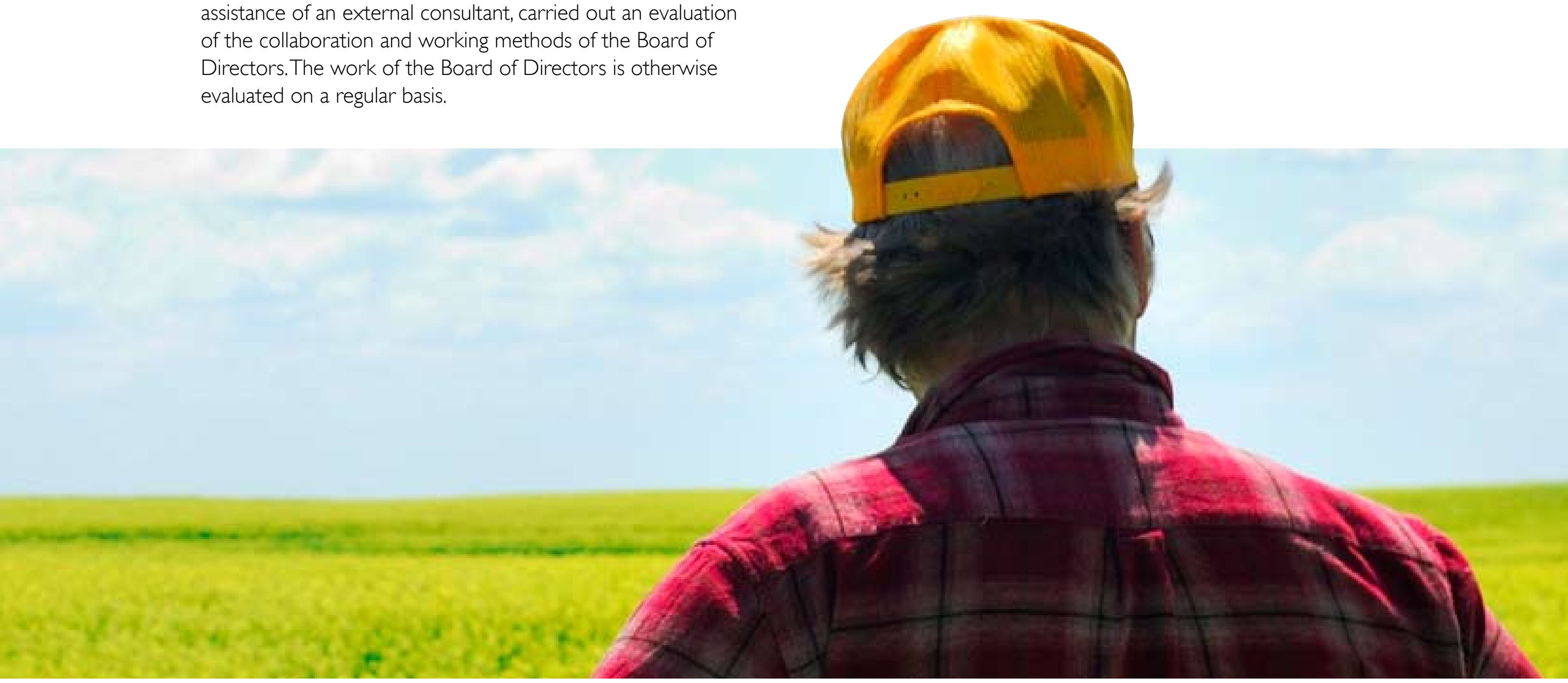
No agreement has been made with any member of the Board of Executives which imposes obligations of an unusual nature on the company over and above one year of severance pay.

Risk management

The most significant business risks are identified and described in Auriga's Annual Report, while the most important risk-reducing procedures are described at an operational level. The Board of Directors monitors Auriga's commercial and financial risk management, while also regularly evaluating the risk exposure in general.

Audit

The Board of Directors, in consultation with the Board of Executives, assesses the auditors' independence and competencies for use in its recommendations to the general meeting. So far, the Board of Directors has not found an actual internal audit to be necessary but has decided to establish an audit committee in 2009.



Risk management

Auriga's overall strategic risk management is based on the following principles:

- Corporate Governance, which lays down the guidelines for the group's management structure.
- Corporate Social Responsibility, which describes the code of business principles and norms to which all the company's employees conform no matter where in the world they are.
- Internal policies, which concern rules and procedures for relevant risk areas.

Financial risks

Given Auriga's extensive international activities, the company is exposed to a number of financial risks. The group has adopted a finance policy which lays down the guidelines for the management of financial risks as well as containing a description of approved financial instruments and risk limits. The most important financial risks are described below and elaborated further in the notes.

Foreign exchange risk

Most of Auriga's sales are settled in foreign currencies, primarily USD, EUR, CAD, AUD, BRL and INR, while a large share of the production and development costs are settled in DKK. The purpose of foreign exchange risk management is primarily to reduce the impact of foreign exchange fluctuations on the financial results. Exposure in the most important currencies is hedged through the conclusion of forward exchange and option contracts with a term of up to 24 months. Hedging is based on expectations with regard to future developments in foreign exchange rates with an ongoing assessment of the efficiency of the measures. The foreign exchange risk relating to intra-group loans to subsidiaries is often hedged by means of currency swaps.

At the end of 2008, hedging of the USD, CAD and JPY exchange rates applied in the budget has been in the form of partial hedging of the foreign exchange risk attaching to the expected exposure in 2009. The market value of all currency contracts was DKK 1,496 million at the end of the year (DKK 935 million). The contracts have an average term of approx. 2 months with the due dates being tailored to the hedged transactions. Most of the currency contracts are classified as hedge accounting. The continuous adjustment to the fair value of the contracts is therefore included in equity and not entered in the income statement until the hedged transaction is realised. As at the balance sheet date, forward exchange and option contracts hedging future transactions resulted in a gain of DKK 27 million (DKK 10.2 million), which is recognised in equity.

In a sensitivity calculation which does not take account of the hedging of foreign currency transactions, a 5 per cent change in the exchange rate of the group's main currency (USD) would affect revenue for 2009 by approx. DKK 54 million (approx. DKK 51 million in 2008) and EBIT by approx. 27 million (approx. DKK 22 million in 2008).

Based on the balance sheet at the end of 2008, a 5 per cent decline in all foreign currencies relative to DKK would result in an increase in the value of financial instruments of DKK 69.8 million, cf. Note 25. The financial instruments included in the calculation are the group's interest-bearing net debt, accounts receivable, trade payables, non-current and current financial investments, forward exchange contracts and currency options hedging a transaction risk. In addition, interest rate and currency swaps are included. Expected foreign currency transactions, investments and non-current assets are not included.

Auriga's investments in foreign subsidiaries are only hedged occasionally as these investments are far more long-term in nature.

In modern plant care, pesticides play an important role in improving yields and crop quality.

Interest rate risks

Fluctuations in interest rate levels pose a risk to the group's interest-bearing assets and liabilities. The interest rate risk is to some extent managed by means of interest rate swaps, while regular assessments are made of the distribution between fixed-rate and variable-rate debt. The group's net interest-bearing debt rose by DKK 785 million and amounted to DKK 1,486 million at the end of the year (DKK 701 million). The market value of all interest rate swaps, the nominal value of which is DKK 300 million (DKK 200 million), which have an average term of 4,3 years, totalled DKK 7.7 million at the end of the year (DKK 2.4 million). At the end of the year, the average term of the group's financial instruments was 3.7 years, while the combined interest rate sensitivity at a 1 per cent change in interest rates would be DKK 0.3 million, cf. Note 25.

Liquidity risk

The purpose of the group's financial planning is to ensure an optimum capital structure and the presence of adequate financial resources, while at the same time minimising capital costs. Liquidity is controlled through the use of short-term overdraft facilities combined with long-term, fixed credit facilities with a number of well-known financial institutions. At the end of the year, unutilised drawing facilities stood at DKK 485 million (DKK 819 million).

Credit risk

The most important primary financial instruments are trade receivables, other receivables and deposits with banks. The carrying amounts of these balance sheet items reflect the maximum credit risk. The credit risk attaching to accounts receivable is not unusual, but concerns primarily Brazil. Money market deposits and derivative financial instruments are only placed with financial institutions with high credit ratings.

Market and business risks

Via established policies and procedures, risks are identified, and the purpose of active risk management is to counter, limit or hedge the risks which may be influenced and which are of particular significance to the company.

The group's earnings are affected by levels of economic activity, including developments in raw materials and energy prices as well as the prices of agricultural crops and climatic conditions. Other risk factors include the company's ability to develop and introduce new products, stricter statutory requirements, environmental issues, patents and the competitive situation in important markets.

Customers and suppliers

For both the parent and its subsidiaries, the group undertakes the continuous assessment of customer creditworthiness and has in the past, with the exception of 2006, suffered relatively few and limited bad debts. The risk attaching to particularly risky transactions is reduced through the use of secure terms of payment, credit insurance cover, mortgages secured on harvests etc.

At the end of the year, the group's trade receivables amounted to DKK 1.5 billion, and approx. 53 per cent of these receivables are secured through credit insurance cover, letters of credit or other types of security. The group's policy on provisions for bad debts is based on specific assessments of credit risks, including credit times and the economic conditions in the individual markets.

Cheminova's products create value for farmers worldwide.

In Brazil, the economic situation in the agricultural sector has improved despite the negative impact of the financial crisis. The company has tightened its credit policy, and it has been possible to reduce net provisions which constitute just under 70 per cent of claims payable.

Auriga attaches great importance to the fostering of good and long-term relations with suppliers, and in so far as is possible, the group has secured the supply of critical raw materials via contracts and agreements, often with a number of suppliers in different regions.

Insurance

As an integrated part of the group's risk management, a comprehensive insurance programme has been established comprising, among other things, all risks, operating loss and commercial and product liability insurance. The insurance programmes are tailored to the group's risk profile and are reviewed regularly in collaboration with external advisors. The group may be held liable under product liability legislation for the use of its products. No major new product liability lawsuits were filed against the group in 2008.

Employees

The objective is for Auriga to be an attractive workplace for the group's employees. This is done by promoting exciting and challenging jobs and working environments in the company, while at the same time ensuring that Auriga is able to attract and retain talented key staff to safeguard the company's innovative ability in future and achievement of objectives. The group endeavours to offer competitive terms of employment.

By making efficient and responsible plant care possible, we want to contribute to the global food supply – in 50 years there will be about one and a half times as many people in the world as today.

Statement by the Boards

The Board of Directors and the Board of Executives have today reviewed and approved the Annual Report for 2008 for Auriga Industries A/S.

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, including the requirements of NASDAQ OMX, Copenhagen, concerning the presentation of financial statements.

In our opinion, the accounting policies applied are expedient, so that the Annual Report gives a true and fair view of the group's and the parent's assets and liabilities and financial position as at December 31, 2008, and the results of the group's and the parent's activities and cash flows for the period January 1 - December 31, 2008.

In our opinion, the management's review provides a true and fair description of the development in the group's and the parent's activities and financial affairs, the results for the year and the group's and the parent's financial position as a whole as well as a description of the most important risks and uncertainty factors faced by the group and the parent.

The Annual Report is presented to the general meeting for adoption.

Harboøre, March 20, 2009

Board of Directors:

Ole Steen Andersen *Chairman*	Kenneth Bro	Karl Anker Jørgensen
Povl Krogsgaard-Larsen *Deputy Chairman*	Torben Skriver Frandsen	Jan Stranges
Gunnar Krarup Andersen	Johannes Jacobsen	Jørn Sand Tofting

Board of Executives:

Kurt Pedersen Kaalund
President & CEO

Independent Auditor's Report

To the shareholders of Auriga Industries A/S

We have audited the Annual Report of Auriga Industries A/S for the financial year January 1 - December 31, 2008, which comprises the statement of the Board of Directors and the Board of Executives on the annual report, management's review, income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies for both the group and the parent. 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 Board of Directors and the Board of Executives' responsibility for the Annual Report

The Board of Directors and the Board of Executives 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.

Auditor's 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 and international standards on auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about amounts and disclosures in the Annual Report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the Annual Report, whether due to fraud or error. In making those risk assessments, the auditor considers 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 Board of Directors and the Board of Executives, 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 of our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Annual Report gives a true and fair view of the group's and the parent's assets, liabilities and financial position as at December 31, 2008, and of the results and the cash flows of the group and the parent for the financial year January 1 - December 31, 2008, in accordance with the International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Aarhus, March 20, 2009

Deloitte
Statsautoriseret Revisionsaktieselskab

Henrik Vedel	Jesper Meto
State Authorised Public Accountant	*State Authorised Public Accountant*

Food prices increased everywhere in the world for much of 2008, because production has been unable to keep up with demand for several years.

Karl Anker Jørgensen *Johannes Jacobsen* *Gunnar Krarup Andersen* *Torben Skriver Frandsen* *Ole Steen Andersen*

Board of Directors

Karl Anker Jørgensen (born 1955)

Professor, dr. scient.

Member of the Board of Directors since 2007

Cannot be considered an independent member of the Board of Directors due to his membership of the Board of Directors of the Aarhus University Research Foundation

Member of the Royal Danish Academy of Sciences and Letters (Det Kongelige Danske Videnskabernes Selskab), the Academy for the Technical Sciences (Akademiet for de Tekniske Videnskaber) and a Fellow of the Royal Society of Chemistry.

Member of the Board of Directors in the Aarhus University Research Foundation, INCUBA A/S and INCUBA VENTURE I K/S.

Johannes Jacobsen (born 1940)

Member of the Board of Directors since 2002

Is considered an independent member of the Board of Directors

Chairman of the Board of Directors in Excellent Systems A/S.

Member of the Danish Academy of Technical Sciences (Akademiet for de Tekniske Videnskaber).

Ole Steen Andersen (born 1946)

Chairman of the Board of Directors

Member of the Board of Directors since 2005

Is considered an independent member of the Board of Directors

Chairman of the Board of Directors in BB Electronics Holding A/S, Pharmexa A/S, Hedge Corp A/S and Danish Venture Capital and Private Equity Association (DVCA).

Member of the Board of Directors in Sanistål A/S, AVK Holding A/S, Scandinavian Private Equity A/S, HTCC Inc. and the Sandbjerg Estate (Den Selvejende Institution Sandbjerg Gods).

Gunnar Krarup Andersen (born 1965)

Semi-skilled worker/combined workplace union members' representative in Cheminova A/S

Elected by the employees of the group

Member of the Board of Directors since 2007

Cannot be considered an independent member of the Board of Directors

Torben Skriver Frandsen (born 1945)

Member of the Board of Directors since 2008

Is considered an independent member of the Board of Directors

Member of the Board of Directors for Symbion Capital I A/S, ServiceGruppen for Dataudstyr A/S, WindowMaster A/S, EDB Gruppen A/S and EDB Gruppen Holding A/S (former Cidron IT Holding A/S).

Povl Krogsgaard-Larsen *Jørn Sand Tofting* *Kenneth Bro* *Jan Stranges*

Povl Krogsgaard-Larsen (born 1941)

Professor, dr. pharm.

Deputy Chairman of the Board of Directors

Member of the Board of Directors since 2002

Is considered an independent member of the Board of Directors

Chairman of the Board of Executives of the Carlsberg Foundation (Carlsbergfondet) and Chairman of the Board of Directors in Carlsberg A/S.

Deputy Chairman of the Board of Directors of the Alfred Benzon Fonden.

Member of the Board of Directors of Bioneer A/S, the Carlsberg Laboratory, Carlsberg Breweries A/S and the National History Museum at Frederiksborg.

Member of The Royal Danish Academy of Sciences and Letters (Det Kongelige Danske Videnskabernes Selskab), The Danish Academy of Natural Sciences (Danmarks Naturvidenskabelige Akademi) and the Danish Academy of Technical Sciences (Akademiet for de Tekniske Videnskaber).

Jørn Sand Tofting (born 1956)

Electrician/workplace union members' representative in Cheminova A/S

Elected by the employees of the group

Member of the Board of Directors since 2003

Cannot be considered an independent member of the Board of Directors

Member of the central board in Dansk Elforbund.

Member of the bank council in Nordea, Lemvig, Denmark.

Kenneth Bro (born 1954)

System Engineer in Cheminova A/S

Elected by the employees of the group

Member of the Board of Directors since 2007

Cannot be considered an independent member of the Board of Directors

Jan Stranges (born 1958)

Member of the Board of Directors since 2001

Is considered an independent member of the Board of Directors

Cheminova's top management
Global Executive Committee (GEC)

Rico Toft Christensen (born 1970)

Vice President, Portfolio Management

Joined Cheminova in 1997 as a marketing trainee, advancing through the market development department to become product manager of glyphosate. In 2002-2007, posted to the subsidiary in Brazil, initially responsible for marketing and subsequently President and CEO. After returning to Denmark, head of portfolio management. Holds an MSc in Business Administration from the Danish business university Handelshøjskolen in Esbjerg and Sønderborg.

Niels Morten Hjort (born 1963)

Senior Vice President, Production & Logistics

Joined Cheminova in 1989 as an electrical engineer, later responsible for sales of intermediates and toll manufacturing. In 1997-2002, posted to Cheminova India as a member of the Board of Executives. After returning to Denmark in 2002, head of production and logistics. Is a graduate from the Danish engineering college Ingeniørhøjskolen Århus Teknikum.

Søren Vedel (born 1956)

Senior Vice President, Finance & Support

Joined Cheminova 2006 as head of finance and support. Previously worked in managerial positions at Danfoss in Denmark, France and the USA and furthermore at Vestas in Denmark. Holds a BSc in Business Economics and a Diploma in Business Administration from the Danish business university Handelshøjskolen in Sønderborg.

Cesar Rojas (born 1955)

Regional President, region Latin America (LATAM)

Joined Cheminova in 2004 as President and CEO of the subsidiary in Mexico. Since 2008, President and CEO of the subsidiary in Brazil and region Latin America. Has held senior positions with Rhône-Poulenc, Aventis and Bayer, in a few years responsible for Bayer CropScience in Latin America. Holds an engineering degree (Agronomy) and has furthermore studied e.g. agronomics, marketing and management.

Allan Skov (born 1949)

Senior Vice President, Development & Registration

Joined Cheminova in 1988 as an R&D engineer and became head of the R&D department in 1991. Since 2008 head of development and registration. Came from positions with, among others, Haldor Topsøe in Copenhagen and the USA. Is a graduate chemical engineer from the Danish Academy of Engineering (Danmarks Ingeniør Akademi).

Rico Toft Christensen *Niels Morten Hjort* *Søren Vedel* *Cesar Rojas* *Allan Skov*

Kurt Pedersen Kaalund (born 1963)

President & CEO in Auriga Industries A/S and Cheminova A/S

Joined Cheminova in 1989 as sales planner and was later posted to the USA. After returning to Denmark in 1993, sales manager and commercial manager. In 2003-2007, President and CEO of Skamol, and Executive Vice President of Cheminova 2007-2008. Since May 1, 2008, President and CEO of Cheminova and from January 1, 2009, also President and CEO of Auriga. Holds an MSc in Economics from the University of Aarhus, Denmark.

Martin Petersen (born 1959)

Regional President, region ANZAC

Joined Cheminova in 2008 as Regional President for region ANZAC. During more than 20 years of working with crop protection products, he has held senior positions with Helena, Bayer and Gowan Company in the USA, Latin America, South Africa and Europe. Holds a master's degree in international business from the University of South Carolina.

Mats Edh (born 1956)

Regional President, region International

Joined Cheminova in 2004 as product portfolio manager for herbicides. In 2005-2008, vice-president for marketing and project development North America with Cheminova Inc. in the USA. Since 2008, head of Pytech Chemicals GmbH in addition to being Regional President. Has held senior positions with Cyanamid International. Holds an MSc in Agriculture from the University of Agricultural Sciences in Uppsala, Sweden.

Jaime Gomez-Arnau (born 1953)

Regional President, region Europe

Joined Cheminova in 1999 as head of sales in the subsidiary in Spain. Since 2003, President and CEO of the subsidiary in Spain and has also been responsible for restructuring the subsidiaries in Italy and France. Has held various senior positions with Ciba-Geigy and Rhône-Poulenc in Spain and France. Is a graduate agronomist from the university in Madrid.

Jacob Johansen (born 1967)

Vice President, Corporate Development

Joined Cheminova in 1993, working initially as market analyst and later as product manager for chlorpyrifos and malathion. In 1999-2004, President of the subsidiary in Argentina. After returning to Denmark in 2004, initially head of sales and marketing, then head of corporate development, a staff function reporting to the President and CEO and responsible for acquisitions of companies and products. Holds an MSc in Business Administration from Copenhagen Business School.

Kurt Pedersen Kaalund *Martin Petersen* *Mats Edh* *Jaime Gomez-Arnau* *Jacob Johansen*

Accounting policies

Basis of accounting

The Annual Report is presented in compliance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. Any further Danish disclosure requirements in respect of annual reports are laid down by the IFRS order issued in compliance with the Danish Financial Statements Act (Årsregnskabsloven) and by regulations issued by NASDAQ OMX, Copenhagen. The Annual Report also satisfies the International Financial Reporting Standards issued by the IASB.

The Annual Report has been prepared on the historical cost basis, except for derivative financial instruments and investments in financial assets held for trading that are measured at fair value. The principal accounting policies adopted are set out below.

The accounting policies are applied consistently with last year.

Annual reporting figures are stated in Danish kroner.

Implementation of new and changed standards and interpretations

The Annual Report for 2008 has been presented in accordance with the new and amended standards and new interpretations effective for annual periods beginning on or after January 1, 2008, including among others IAS 23 concerning borrowing costs, IAS 39 concerning recognition and measurement of financial instruments, and IFRS 3 concerning business combinations.

Standards and interpretations not yet effective

Changes in standards and interpretations published, but not yet effective, at the time of publication of this annual report have not been incorporated into this report.

New standards which are relevant for the company, but which do not become effective until after January 1, 2008, include IFRS 8 concerning operating segments which will become effective from January 1, 2009. In the opinion of management, the group's future implementation of these standards and interpretations will not have a significant impact on the annual report.

Basis of consolidation

The consolidated financial statements include the financial statements of Auriga Industries A/S (the parent) and the subsidiaries in which the parent has a direct or indirect stake in the form of at least 50 per cent of the voting rights or in any other way has control. The corporate structure is shown on page 3. Furthermore, enterprises which are owned and managed together with others and in which the parties exercise their control jointly are included through pro rata consolidation in the consolidated financial statements.

The consolidated financial statements are prepared based on financial statements of the parent, the individual subsidiaries and the pro rata-consolidated enterprises through a consolidation of items of a similar nature. Intra-group income and expenditure, shareholdings, balances and dividend as well as unrealised intra-group profits and losses have been eliminated.

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary or associate are measured at their fair values at the date of acquisition. Any excess of cost over fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of cost below fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to profit and loss in the period of acquisition. The minority interests are stated at the minority interest share of the fair values of the assets and liabilities recognised.

Cost of the acquired enterprise includes the fair value of the consideration paid plus costs directly attributable to the acquisition. If the final consideration sum is conditional upon one or more future events, such adjustments will only be recognised in cost if the particular event is likely to happen and its effect on cost can be reliably calculated.

The profit or loss of subsidiaries acquired or disposed of during the year is included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal.

Foreign currency translation

The individual financial statements of subsidiaries are presented in the currency of the primary economic environment in which the subsidiary operates (its functional currency).

Transactions in currencies other than Danish kroner are recognised using the exchange rate at the transaction date. Monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

On consolidation, the assets and liabilities of the group's foreign operations are translated at the exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Translation differences arising, if any, are classified as equity and transferred to the group's translation reserve. Such translation differences are recognised as earnings or costs in the income statement in the period in which the operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the rate prevailing on the balance sheet date.

Significant accounting estimates

In preparing the financial statements, management necessarily makes estimates and assumptions concerning the factors which affect the reported assets and liabilities as at the balance sheet date as well as the income and expenses reported for the financial period.

The estimates by management are based on historical experience and on a number of other assumptions which are deemed to be reasonable in the circumstances. The result of this process forms the basis of the assessment of the income and expenses reported which do not appear from other material.

The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise, which may lead to the actual results deviating from such estimates.

Income statement

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes. Revenue is recognised in the income statement when goods are delivered, and risk has passed.

Government grants

Government grants comprise development and financing grants, investment grants etc. Grants are recognised when there is reasonable certainty that they will be received.

Grants for the purchase of assets and development projects are recognised under other operating income.

Cost of sales

Comprises the consumption of raw materials, including delivery costs, repairs and maintenance, payroll, remuneration and other costs of sales as well as depreciation and amortisation.

Sales and distribution costs

Include costs incurred in connection with marketing and sales, including payroll and remuneration, rent, advertising, freight, customs duties as well as depreciation and amortisation.

Administrative expenses

Comprise payroll for administrative staff and management plus other office costs, including depreciation and amortisation, bad debts, IT operations and canteen costs.

Research and development cost

Include remuneration and payroll and any other costs which relate to the group's research and development activities including depreciation and amortisation.

These costs also include costs incurred in respect of development projects, where such costs do not fulfil the capitalisation requirements. Also included are costs incurred on an ongoing basis in connection with the maintenance of registration rights in respect of the group's products.

Share-based payments

The group issues bonus schemes to certain employees. Bonus schemes are debt schemes. The bonus calculated is expensed on a straight-line basis over the vesting period, based on the group's calculations of the number of phantom shares that will eventually vest. The item is set off as an item of debt.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Rents payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Other operating income

Includes income of a secondary nature in relation to the companies' main objectives, including, among other items, the disposal of non-current assets and royalties.

Profit/loss in associates

The proportionate share of profit/loss after tax for the year, adjusted for unrealised intra-group profits and losses, is recognised under the item "Profit after tax from investments in associates".

Financial income and expenses

Financial income and expenses comprise interest, capital gains and losses on securities and write-downs concerning securities, payables and foreign currency transactions, amortisation of financial assets and liabilities, including finance lease commitments as well as supplementary payments and refunds under the tax prepayment scheme etc. Realised and unrealised gains and losses on derivative financial instruments which cannot be classified as as hedging agreements are also recognised.

Interest income and expenses are accrued based on the principal amount and the effective interest rate.

Discontinued operations

Discontinued operations are presented in the income statement as a separate item and consist of the operating profit/loss after tax of the operations in question and any gains or losses resulting from the adjustment to fair value or the sale of the assets associated with the operations. Costs attributable to the sale are recognised in the statement of gains and losses.

Tax

The parent is jointly taxed with its Danish sister companies and subsidiaries and with Forskningsfondens Ejendomsselskab A/S as trust company. Current Danish income tax is distributed among the jointly taxed Danish companies in proportion to their taxable incomes.

Current tax payable is based on the taxable profit for the year. The group's current tax liability is calculated using tax rates that have been enacted by the balance sheet date. Tax for the year, comprising the expected current tax for the year and deferred tax for the year, is recognised in the income statement with the portion attributable to the profit/loss for the year and directly in equity with the portion attributable to items recognised directly in equity.

Current tax is recognised in the balance sheet under receivables where excess on-account tax has been paid and under payables where the on-account tax paid does not cover the current tax.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in foreseeable future.

The carrying amount of deferred tax assets is reviewed at the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered in foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

Balance sheet

Internally generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from the group's attainment of sales and registration rights is recognised only if all of the conditions specified by IAS 38 are met. Expenditure in respect of development projects is recognised if certain criteria are fulfilled under intangible assets and is measured at cost less accumulated amortisation and impairment. Capitalisation is usually subject to it being deemed to be sufficiently certain that future earnings will cover the development expenses. Moreover, in the opinion of the group, capitalisation is subject to all required public registration and authority approvals having been obtained.

Internally generated intangible assets are amortised on a straight-line basis over their useful lives. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it has incurred.

Acquired sales and registration rights, know-how

Those intangibles are measured at cost less accumulated amortisation and write-downs. The assets are amortised in accordance with the straight-line method over their expected useful lives, such lives being 3-10 years.

Goodwill

Goodwill arising on the acquisition of a subsidiary, associate or jointly controlled entity represents the excess of cost over the group's interest in the fair value of the identifiable assets and liabilities of such subsidiary, associate or jointly controlled entity at the date of acquisition.

For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Property, plant and equipment

Buildings, technical and other equipment are carried at cost less accumulated depreciation and impairment losses.

Assets in the course of construction for production, rental or administrative purposes are carried at cost, less any recognised impairment loss.

Cost includes purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of own production of non-current assets includes direct and indirect expenses incurred in respect of wages and salaries, consumption of materials and subsuppliers.

Depreciation of the assets commences when the assets are ready for their intended use. Depreciation is based on cost less residual value. Depreciation is charged using the straight-line method on the following bases:

Office and laboratory buildings, residential and tenement buildings and garages	30 years
Production and factory buildings and road system	15-20 years
Technical plant and machinery	8 years
Fixtures and fittings, tools and equipment	5 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

Impairment of property, plant and equipment and intangible assets excluding goodwill

At each balance sheet date, the group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that such asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss is subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income in the income statement.

Investment properties

Investment properties are properties owned for the purpose of generating rental income or capital gains.

Investment properties are measured at cost, comprising purchase price and costs incurred, less accumulated depreciation and impairment.

The property in Taastrup with a carrying amount of DKK 109 million which used to be classified as land and buildings was reclassified as an investment property at the begining of 2008. The reclassification does not impact results. Comparative figures for 2007 have not been restated.

Investments in associates

An associate is an entity over which the group is in a position to exercise significant influence, but not control or jointly control, through participation in the financial and operating policy decisions of the investee.

The results as well as assets and liabilities of associates are recognised in these financial statements using the equity method. Investments in associates are carried in the balance sheet at cost as adjusted for post-acquisition changes in the group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of the associates in excess of the group's investment in such associates are not recognised.

Any excess of cost over the group's share of fair values of the identifiable net assets of the associate at the date of acquisition is recognised as goodwill. Any deficiency of cost below the group's share of fair values of the identifiable net assets of the associate at the date of acquisition (i.e. discount on acquisition) is credited in the income statement in the period of acquisition.

Where a group enterprise transacts with an associate of the group, profits and losses are eliminated to the extent of the group's investment in the relevant associate.

Inventories

Inventories are stated at the lower of cost and net realisable value according to the average cost formula. Cost comprises direct materials and, where applicable, direct labour costs and those indirect production overheads (IPO) that have been incurred in bringing the inventories to their present location and condition. Indirect production overheads include the proportionate share of capacity costs directly related to own-manufactured goods and work in progress.

Receivables

Receivables comprise trade receivables. Receivables are included in the category loans and receivables which are financial assets with fixed or identifiable payments which are not listed in an active market and which are not derivative financial instruments.

Receivables are measured at amortised cost. Write-down is carried out to cover expected bad debts on the basis of individual assessments of the receivables.

Securities and equity investments

Securities and equity investments are recognised and derecognised on the trading date, and are initially measured at fair value.

Securities and equity investments are classified as investments held for trading and are measured at subsequent reporting dates at fair value. Gains and losses arising from changes in fair value are included in profit or loss for the period.

Fair value is stated as the listed price of listed securities and at an estimated fair value calculated on the basis of market information and acknowledged valuation methods for other securities.

Equity investments which are not traded in an active market and in respect of which the fair value cannot be calculated in a sufficiently reliable manner are measured at cost.

Securities and investments are included in the category financial assets available for sale. Financial assets available for sale are financial assets which cannot be classified as either loans or receivables, financial assets measured at fair value via the income statement or held-to-maturity financial assets.

Equity

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Dividend is recognised as a liability at the time of adoption by the General Meeting. Proposed dividend for the financial year is shown as a separate item under equity.

The acquisition of treasury shares is recognised directly in equity at cost under "Retained earnings". Proceeds on the disposal of treasury shares and dividends received are also recognised directly in equity.

Retirement benefit obligations

Payments to defined-contribution plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit plans are dealt with as payments to defined-contribution plans where the group's obligations under the schemes are equivalent to those arising in a defined-contribution plan.

For defined-benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the period in which they occur. They are recognised outside profit or loss and presented in the statement of recognised income and expense.

Past service cost is recognised immediately in the income statement if the vesting period has terminated, and is otherwise amortised on a straight-line basis over the average period until the vesting period terminates.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation reduced by the fair value of scheme assets. Any net asset cannot exceed the present value of refunds and reductions in future contributions to the plan.

Provisions

Provisions are recognised when the company, following an event occurring before or on the balance sheet date, has a legal or constructive obligation, the settlement of which is expected to result in an outflow from the company of economic benefits. Provisions concerning obligations expected to fall due more than one year from the balance sheet date are measured at present value.

Bank borrowings

Interest-bearing bank loans and overdrafts etc. are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade payables

Trade payables are not interest-bearing and are stated at their nominal value.

Derivative financial instruments and hedge accounting

The group's activities expose it primarily to the financial risks of changes in exchange rates and interest rates. The group uses, among other financial instruments, forward exchange contracts and interest rate swap contracts to hedge these exposures.

The use of financial derivatives is governed by the group's policies, approved by the Board of Directors, which provide written principles on the use of financial derivatives.

Changes in the fair values of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in the income statement. If the hedging of a cash flow from a firm commitment or forecast transaction results in the recognition of an asset or a liability, then, at the time such asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in equity are recognised in the income statement in the same period in which the hedged item affects net profit or loss.

Changes in the fair values of derivative financial instruments, classified as and satisfying the criteria for hedging of the fair value of a recognised asset or a recognised liability, are recognised in the income statement together with the changes in fair value of the hedged asset or hedged liability.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Cash flow statement

The cash flow statement is presented in accordance with the indirect method. Cash and cash equivalents comprise cash and investments less the share of the short-term bank debt included in the company's continuous liquidity management. The cash flow statement cannot be compiled exclusively on the basis of the published financial statements.

Segment information

Segment information includes five regions (primary segment) and five business segments (secondary segment). The group's primary regions can be divided into the segments ANZAC, LATAM, Europe, International and Other activities. The segment information complies with the group's accounting policies and internal financial management.

The growing middle class, especially in South East Asia, is increasingly demanding meat. Animal herds are primarily fed with cereals and soybeans resulting in growth in crop acreage and increase in demand for these crops.

We help improve quality of life for the world's population by supplying products that help farmers increase yields and quality of crops to satisfy the global demand for food, feed, fibre and energy.

Income statement 2008

		Group		Parent	
DKK '000	Note	2008	2007	2008	2007
Revenue	1	5,663,505	4,368,187	-	-
Production costs	2	3,941,484	3,256,642	-	-
Gross margin		1,722,021	1,111,545	-	-
Other operating income	5	22,369	33,220	4,114	1,386
Selling and distribution costs	2	673,424	628,013	-	-
Administrative expenses	2, 3, 4	304,105	233,688	15,581	15,231
Research and development costs	2	251,722	137,920	-	-
Operating profit/(loss)		515,139	145,144	(11,467)	(13,845)
Profit from investments in subsidiaries	6	-	-	74,000	100,000
Profit after tax from investments in associates	15	509	4,841	-	-
Loss on sale of investments	14	-	-	-	(357,881)
Financial income	7	237,149	160,110	35,157	10,668
Financial expenses	7	351,165	227,546	3,397	1,977
Profit/(loss) before tax from continuing operations		401,632	82,549	94,293	(263,035)
Tax on profit/(loss) for the year from continuing operations	8	186,795	26,775	5,224	2,068
Net profit/(loss) from continuing operations		214,837	55,774	89,069	(265,103)
Net loss from discontinued operations	9	-	(108,230)	-	-
Net profit/(loss) for the year		214,837	(52,456)	89,069	(265,103)
To be distributed as follows:					
To the shareholders of Auriga Industries A/S		204,168	(60,135)		
Minority interests		10,669	7,679		
		214,837	(52,456)		
Earnings per share (EPS):					
Continuing and discontinued operations	10	8.20	(2.44)		
Continuing and discontinued operations, diluted	10	8.20	(2.44)		
Continuing operations	10	8.20	2.03		
Continuing operations, diluted	10	8.20	2.03		
Proposed appropriation of profits:					
Dividend for the financial year				146,625	102,000
Retained earnings				(57,556)	(367,103)
				89,069	(265,103)

The Board of Directors recommends to the general meeting that dividend of DKK 5.75 per share (2007: DKK 4.00 per share) be paid for the year.

Balance sheet as at December 31, 2008 – Assets

		Group		Parent	
DKK '000	Note	2008	2007	2008	2007
Non-current assets					
Intangible assets	11				
Goodwill		322,259	185,273	-	-
Sales and registration rights etc.		197,957	172,511	-	-
Knowhow		75,409	99,424	-	-
Total intangible assets		595,625	457,208	-	-
Property, plant and equipment	12, 13				
Land and buildings		194,793	300,266	144	1,772
Technical plant and machinery		249,024	187,454	-	-
Fixtures and fittings, tools and equipment		62,590	35,329	172	258
Investment properties		108,943	-	-	-
Plant under construction		15,961	72,208	-	-
Total property, plant and equipment		631,310	595,257	316	2,030
Financial assets					
Investments in subsidiaries	14	-	-	330,422	330,422
Investments in associates	15, 16	34,063	33,554	75,738	75,738
Other financial assets	15	1,451	934	-	-
Deferred tax asset	21	31,199	91,306	15	412
Total financial assets		66,713	125,794	406,175	406,572
Total non-current assets		1,293,648	1,178,259	406,491	408,602
Current assets					
Inventories	17	1,803,024	1,119,572	-	-
Receivables					
Trade receivables	18	1,470,356	1,341,841	-	-
Receivables from subsidiaries		-	-	602,732	292,389
Receivables from associates		390	-	-	-
Income taxes receivable		39,689	47,271	-	391
Other receivables	18	300,492	225,322	67	139
Total receivables		1,810,927	1,614,434	602,799	292,919
Securities	19	973	2,063	973	2,063
Cash	28	223,492	508,022	-	256,115
Total current assets		3,838,416	3,244,091	603,772	551,097
Total assets		5,132,064	4,422,350	1,010,263	959,699

Balance sheet
as at December 31, 2008 – Equity and liability

		Group		Parent	
DKK '000	Note	2008	2007	2008	2007
Equity					
Share capital	20	255,000	255,000	255,000	255,000
Retained earnings		1,825,585	1,763,317	594,805	592,811
Accumulated translation adjustments		(37,395)	2,534	-	-
Proposed dividend for the financial year		146,625	102,000	146,625	102,000
Auriga shareholders' share of equity		2,189,815	2,122,851	996,430	949,811
Minority interests		20,636	19,286	-	-
Total equity		2,210,451	2,142,137	996,430	949,811
Non-current liabilities					
Mortgage debt	23	310,886	213,026	-	1,185
Employee bonds		20,246	14,167	333	-
Lease commitments	24	8,190	6,619	-	-
Credit institutions	23	608,818	277,589	-	-
Deferred tax	21	12,557	33,254	-	-
Retirement benefit obligations	22	4,389	4,307	245	1,052
Other provisions	22	29,283	26,278	-	-
Total non-current liabilities		994,369	575,240	578	2,237
Current liabilities					
Non-current payables falling due within one year	23	33,577	280,452	-	146
Credit institutions	23	723,972	416,899	6,723	730
Lease commitments	24	4,589	2,337	-	-
Trade payables		651,760	535,370	-	-
Payables to subsidiaries		-	-	3,743	-
Payables to associates		164	-	-	-
Income taxes payable		48,184	33,005	1,374	-
Other payables		432,055	425,100	1,210	6,577
Other provisions	22	18,407	7,324	205	198
Profit-sharing for the financial year		14,536	4,486	-	-
Total current liabilities		1,927,244	1,704,973	13,255	7,651
Total liabilities		2,921,613	2,280,213	13,833	9,888
Total equity and liabilities		5,132,064	4,422,350	1,010,263	959,699
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Cash flow statement 2008

		Group		Parent	
DKK '000	Note	2008	2007	2008	2007
Net profit/(loss) for the year		214,837	55,774	15,069	(7,222)
Depreciation, amortisation, impairment losses and write-downs, assets		197,193	181,982	97	322
Other adjustments	26	318,293	99,589	(27,457)	(6,623)
Change in receivables		(305,695)	(32,113)	73	972
Change in inventories		(653,695)	53,442	-	-
Change in trade payables etc.		140,837	(5,351)	(5,034)	5,560
Operating cash flows		(88,230)	353,323	(17,252)	(6,991)
Financial income received		271,810	169,623	35,157	10,668
Financial expenses		(387,690)	(233,722)	(3,397)	(1,977)
Cash flows from ordinary activities		(204,110)	289,224	14,508	1,700
Income taxes paid		(137,681)	(15,478)	(2,942)	(766)
Cash flows from operating activities		(341,791)	273,746	11,566	934
Acquisition of subsidiaries	27	(188,024)	(21,403)	-	(85,600)
Divestment of subsidiaries		-	516,131	-	516,131
Acquisition of intangible assets		(37,973)	(13,299)	-	-
Sale of intangible assets		446	-	-	-
Acquisition of property, plant and equipment		(139,185)	(109,688)	-	-
Sale of property, plant and equipment		5,711	1,356	1,617	-
Dividend received from associates		-	9,862	-	9,862
Change in minority interests		(19,129)	(14,307)	-	-
Cash flows from investing activities		(378,154)	368,652	1,617	440,393
Available cash flow		(714,944)	642,398	13,183	441,327
Repayment of non-current payables		(367,268)	(127,209)	(1,331)	(141)
Raising of long-term loan		434,626	150,626	-	-
Issue of employee bonds		5,746	2,072	-	-
Dividend paid		(105,197)	(64,906)	(24,737)	40,758
Sale of treasury shares		56,287	-	56,287	-
Cash flows from financing activities		24,194	(39,417)	30,219	40,617
Cash flows from discontinued operations	9	-	87,232	-	-
Change in cash and cash equivalents		(695,750)	690,213	43,402	481,944
Cash and cash equivalents as at January 1	28	196,243	(597,027)	549,837	67,893
Cash and cash equivalents as at December 31	28	(499,507)	93,186	593,239	549,837

Statement of changes in equity

Equity, group DKK '000	Share capital	Retained earnings	Accumulated translation adjustments	Proposed dividend for the financial year	Total	Minority interests	Total
2007:							
Equity as at January 1, 2007	255,000	1,892,333	50,288	61,200	2,258,821	45,064	2,303,885
Total income for the year 2007	-	(130,972)	(47,754)	102,000	(76,726)	(20,114)	(96,840)
Dividend paid in respect of 2006	-	-	-	(61,200)	(61,200)	(5,664)	(66,864)
Dividend, treasury shares	-	1,956	-	-	1,956	-	1,956
Total changes in equity in 2007	-	(129,016)	(47,754)	40,800	(135,970)	(25,778)	(161,748)
Equity as at December 31, 2007	255,000	1,763,317	2,534	102,000	2,122,851	19,286	2,142,137
2008:							
Total income for the year 2008	-	2,718	(39,929)	146,625	109,414	7,810	117,224
Dividend paid in respect of 2007	-	-	-	(102,000)	(102,000)	(6,460)	(108,460)
Sale of treasury shares	-	56,287	-	-	56,287	-	56,287
Dividend, treasury shares	-	3,263	-	-	3,263	-	3,263
Total changes in equity in 2008	-	62,268	(39,929)	44,625	66,964	1,350	68,314
Equity as at December 31, 2008	255,000	1,825,585	(37,395)	146,625	2,189,815	20,636	2,210,451

Statement of recognised income and costs, group DKK '000	Retained earnings	Accumulated translation adjustments	Proposed dividend for the financial year	Total	Minority interests	Total
2007:						
Cash flow hedge:						
- Value adjustment recognised in equity	(13,000)	-	-	(13,000)	-	(13,000)
Foreign currency translation adjustment of foreign activities	32,387	(47,754)	-	(15,367)	(428)	(15,795)
Change in minority interests in respect of discontinued operations	-	-	-	-	(13,485)	(13,485)
Other changes in equity	956	-	-	956	(13,880)	(12,924)
Tax on changes in equity	10,820	-	-	10,820	-	10,820
Net gains recognised directly in equity	31,163	(47,754)	-	(16,591)	(27,793)	(44,384)
Net profit for the year	(162,135)	-	102,000	(60,135)	7,679	(52,456)
Total income for the year 2007	(130,972)	(47,754)	102,000	(76,726)	(20,114)	(96,840)
2008:						
Cash flow hedge:						
- Value adjustment recognised in equity	15,722	-	-	15,722	-	15,722
Foreign currency translation adjustment of foreign activities	(71,303)	(39,929)	-	(111,232)	(855)	(112,087)
Other changes in equity	-	-	-	-	(2,004)	(2,004)
Tax on changes in equity	756	-	-	756	-	756
Net gains recognised directly in equity	(54,825)	(39,929)	-	(94,754)	(2,859)	(97,613)
Net profit for the year	57,543	-	146,625	204,168	10,669	214,837
Total income for the year 2008	2,718	(39,929)	146,625	109,414	7,810	117,224

Equity, parent DKK '000	Share capital	Retained earnings	Proposed dividend for the financial year	Total
Equity as at January 1, 2007	255,000	1,082,958	61,200	1,399,158
Impairment, consolidated goodwill	-	(125,000)	-	(125,000)
Net gains recognised directly in equity	-	(125,000)	-	(125,000)
Net profit/(loss) for the year	-	(367,103)	102,000	(265,103)
Total income	-	(492,103)	102,000	(390,103)
Dividend paid in respect of 2006	-	-	(61,200)	(61,200)
Dividend, treasury shares	-	1,956	-	1,956
Equity as at December 31, 2007	255,000	592,811	102,000	949,811
Net profit/(loss) for the year	-	(57,556)	146,625	89,069
Total income	-	(57,556)	146,625	89,069
Dividend paid in respect of 2007	-	-	(102,000)	(102,000)
Sale of treasury shares	-	56,287	-	56,287
Dividend, treasury shares	-	3,263	-	3,263
Equity as at December 31, 2008	255,000	594,805	146,625	996,430

Notes on the financial statements 2008

Unless otherwise indicated, all figures are stated in DKK '000

NOTE 1 – Segment information

Geographical – Primary segment – 2008

Regions	ANZAC	LATAM	Europe	International	Other activities	Group elimination	Group
Revenue	1,222,766	1,386,668	1,666,667	354,607	1,171,226	-	**5,801,934**
Internal revenue	39	521	-	-	137,869	-	**138,429**
External revenue	1,222,727	1,386,147	1,666,667	354,607	1,033,357	-	**5,663,505**
Operating profit	85,812	23,002	115,823	36,212	254,290	-	**515,139**
Assets	776,665	1,174,738	860,539	56,115	2,264,007	-	**5,132,064**
Liabilities	577,039	961,669	628,102	14,334	740,469	-	**2,921,613**
Investments in intangible assets, property, plant and equipment	40,286	11,571	13,116	703	81,118	-	**146,794**
Depreciation and amortisation	3,377	3,983	10,788	433	158,329	-	**176,910**
Impairment losses and write-downs	-	-	283	-	20,000	-	**20,283**
Share of net profit/(loss) for the year in associates	-	-	-	-	509	-	**509**

Cheminova established a new global organisation on January 1, 2008, consisting of four new regions: ANZAC (Australia, New Zealand, the USA and Canada), LATAM (Latin America), Europe and International (CIS-countries: Russia, the Ukraine etc., Asia, the Middle East and Africa). Other activities include Cheminova's sales of fine chemicals, India, the parent's direct sales to global contract customers and Auriga Ejendomme.

It has not been possible to provide comparative figures for 2007, due to the new segment breakdown.

Revenue split according to customer placing.

Distribution of revenue – 2007

Regions	ANZAC	LATAM	Europe	International	Other activities	Group elimination	Group
Revenue	846,236	1,145,442	1,017,251	298,003	1,065,998	(4,743)	**4,368,187**

Activities – Secondary segment

	Herbicides	Insecticides	Fungicides	Other	Other activities	Group elimination	Group
2008:							
Revenue	2,443,176	1,721,866	633,919	762,185	102,359	-	**5,663,505**
2007:							
Revenue	1,699,645	1,454,173	531,538	584,564	103,010	(4,743)	**4,368,187**

It has not been possible to split assets according to product groups.

Activities – Primary segment – 2007

Areas of activity	Chemical industry	Other activities	Group elimination	Continuing activities	Agricultural machinery discontinued activity	Insulation materials discontinued activity	Group
Revenue	4,361,227	11,703	(4,743)	4,368,187	913,228	134,406	**5,415,821**
Internal revenue	-	(4,743)	4,743	-	-	-	**-**
External revenue	4,361,227	6,960	-	4,368,187	913,228	134,406	**5,415,821**
Operating profit/(loss)	160,009	(10,122)	(4,743)	145,144	3,080	11,384	**159,608**
Assets	3,990,106	1,055,055	(622,811)	4,422,350	-	-	**4,422,350**
Liabilities	2,453,298	119,304	(292,389)	2,280,213	-	-	**2,280,213**
Investments in intangible assets, property, plant and equipment	113,812	9,175	-	122,987	26,338	4,800	**154,125**
Depreciation and amortisation	178,748	3,701	-	182,449	36,039	8,639	**227,127**
Reversed write-downs	(467)	-	-	(467)	-	-	**(467)**
Share of net profit/(loss) for the year in associates	-	1,886	-	1,886	-	2,955	**4,841**
Investments in associates	-	-	-	-	-	(1,700)	**(1,700)**

Geographical – Secondary segment – 2007

	NAFTA countries	Europe	Other	Continuing activities	Agricultural machinery discontinued activity	Insulation materials discontinued activity	Group
Revenue	1,088,887	1,184,220	2,095,080	4,368,187	913,228	134,406	**5,415,821**
Assets	380,444	2,797,527	1,244,379	4,422,350	-	-	**4,422,350**
Investments in intangible assets, property, plant and equipment	3,215	116,672	3,100	122,987	26,338	4,800	**154,125**

NOTE 2 – Costs

Production costs
Production costs include the following main items:

	Group		Parent	
	2008	2007	2008	2007
Cost of sales for the year	3,720,647	3,100,441	-	-
Write-downs for the year relating to inventories	16,172	8,946	-	-
Reversed write-downs relating to inventories	(1,161)	(2,334)	-	-

Reversed write-downs relating to inventories totalling DKK 1.2 million pertain to Brazil and Russia. Out of reversed write-downs in 2007, DKK 1.7 million pertains to Flutriafol etc. in Brazil.

Staff costs
Staff costs include the following main items:

	Group		Parent	
	2008	2007	2008	2007
Wages and salaries	510,134	440,938	4,123	3,644
Profit-sharing	17,064	5,290	254	-
Share-based remuneration	927	1,772	-	-
Severance pay	15,686	7,861	-	-
Retirement benefit payments	32,752	29,619	350	361
Remuneration for the Board of Directors	2,303	2,375	2,263	2,375
Social security expenses	40,321	27,484	29	32
Other staff costs	26,796	10,121	-	-
Total staff costs	645,984	525,460	7,019	6,412

Staff costs are recognised as follows:

	Group		Parent	
	2008	2007	2008	2007
Production costs	293,815	248,996	-	-
Selling and distribution costs	166,649	134,689	-	-
Administrative expenses	104,300	82,538	7,019	6,412
Research and development costs	81,220	59,237	-	-
Total staff costs	645,984	525,460	7,019	6,412

Remuneration for the Board of Executives:

	Board of Executives of Auriga Industries A/S	
	2008	2007
Remuneration	5,003	6,117
Provision for share-based remuneration/bonus	927	1,772
Total	5,930	7,889

Members of the Board of Executives each have a company car at their disposal.

Average no. of employees:

	Group		Parent	
	2008	2007	2008	2007
Average no. of employees	1,904	1,615	4	5

Depreciation, amortisation, impairment losses and write-downs
Expenses include depreciation, amortisation, impairment losses and write-downs distributed on the following groups of expenses:

	Group		Parent	
	2008	2007	2008	2007
Production costs	77,608	93,341	-	-
Selling and distribution costs	72,014	74,463	-	-
Administrative expenses	36,198	10,305	97	322
Research and development costs	11,373	3,873	-	-
Total depreciation, amortisation, impairment losses and write-downs	197,193	181,982	97	322

Depreciation, amortisation, impairment losses and write-downs are distributed on the following assets:

		Group		Parent	
	Note	2008	2007	2008	2007
Amortisation of other intangible assets	11	75,539	72,693	-	-
Impairment of other intangible assets	11	283	(467)	-	-
Depreciation of property, plant and equipment	12,13	101,371	109,756	97	322
Impairment of property, plant and equipment	12,13	20,000	-	-	-
Total depreciation, amortisation, impairment losses and write-downs		197,193	181,982	97	322

NOTE 3 – Incentive schemes

The members of the Board of Directors are not comprised by any incentive scheme, but receive a fixed annual remuneration.

No share option schemes have been awarded to the Board of Executives.

Bonus scheme, Board of Executives 2008-2010:
An agreement has been made with the Board of Executives concerning bonus pay for the period 2008-2010. Under the agreement, a cash bonus can be earned in the period which is disbursed in April 2011. The size of this cash bonus depends on the overall economic value added (EVA – Economic Value Added) which is created in Cheminova A/S over the three-year period. The bonus pay for the entire three-year period can maximally amount to twice the fixed annual pay, which is maintained at the 2008 level throughout this period. The bonus scheme is expensed on an ongoing basis, based on the expected payments to be made in 2011.
At the end of 2008, provisions of DKK 596k were made in respect of the bonus scheme for 2008 concerning the Board of Executives.

Bonus scheme, Board of Executives 2005-2007:
An agreement was made with the Board of Executives of Auriga for the 2005-2007 period concerning a bonus scheme under which the bonus depends on the performance of the group's subsidiaries. The bonus earned is not distributed, but is transferred to a bonus pool which is dependent on developments in the price of the Auriga share (phantom shares).

The bonus for the 2005 scheme was disbursed in April 2007. Part of the bonus for the 2006 scheme was disbursed in April 2007 while the rest was disbursed in April 2008. The bonus scheme for 2007 comprised three members of the Board of Executives of whom two members qualified for a bonus based on the group's cash flow. Total provisions of DKK 93k were made at the end of 2008 (DKK 93k in 2007) concerning a bonus scheme for 2007. Part of the bonus scheme for 2007 was disbursed in December 2008, while the rest was disbursed in April 2009. When disbursing the remaining part of the bonus scheme for 2007, the bonus was calculated at DKK 110k (DKK 250k in 2007) at a share price of 90.50. The bonus agreements are debt schemes.
Other incentive programmes:
Incentive schemes for non-members of the company's Board of Directors and Board of Executives are administered in accordance with these overall guidelines.

NOTE 4 – Remuneration for auditors appointed by the general meeting

	Group		Parent	
	2008	2007	2008	2007
Deloitte, audit of annual report	5,180	3,932	300	275
Deloitte, other services	2,172	2,026	680	733
Other audit firms, audit of annual report	528	195	-	-
Other audit firms, other services	1,244	1,024	-	-
Total	9,124	7,177	980	1,008

NOTE 5 – Other operating income

	Group		Parent	
	2008	2007	2008	2007
Proceeds from sale of non-current assets etc.	4,539	1,141	3,333	-
Other income	17,830	32,079	781	1,386
Total	22,369	33,220	4,114	1,386

NOTE 6 – Profit/(loss) from investments in subsidiaries

	Parent	
	2008	2007
Dividend from subsidiaries	74,000	100,000
Total	74,000	100,000

NOTE 7 – Net financials

	Group		Parent	
	2008	2007	2008	2007
Financial income:				
Interest income from subsidiaries	-	-	34,661	9,512
Interest income	62,241	71,542	450	1,111
Dividend	55	45	46	45
Foreign currency translation adjustments	174,853	88,523	-	-
Total	237,149	160,110	35,157	10,668
Financial expenses:				
Interest expenses	(147,026)	(150,759)	(2,307)	(1,867)
Foreign currency translation adjustments	(196,302)	(76,677)	-	-
Fair value adjustment, financial assets	(7,837)	(110)	(1,090)	(110)
Total	(351,165)	(227,546)	(3,397)	(1,977)
Total net financials	(114,016)	(67,436)	31,760	8,691

NOTE 7 – Net financials, continued

Net gain/loss on financial assets and liabilities, defined in IAS 39:

	Group		Parent	
	2008	2007	2008	2007
Fair value adjustment of derivative financial instruments	1,434	27,402	(1,090)	(110)
Derivative financial instruments	1,434	27,402	(1,090)	(110)
Realised proceeds and loss from sale	(658)	(267)	-	-
Financial assets available for sale	(658)	(267)	-	-
Net interest income and expenses	(58,311)	(42,252)	32,898	8,862
Net fee income and expenses	(3,771)	-	-	-
Net foreign exchange gain and loss	(51,626)	14,072	-	-
Loans and receivables	(113,708)	(28,180)	32,898	8,862
Net interest income and expenses	(19,157)	(36,653)	(48)	(61)
Net fee income and expenses	(914)	-	-	-
Net foreign exchange gain and loss	18,987	(29,738)	-	-
Financial liabilities measured at amortised cost	(1,084)	(66,391)	(48)	(61)
Total	(114,016)	(67,436)	31,760	8,691

Inefficiency totalling DKK 82k (-47k) is included in financial liabilities measured at amortised cost.

NOTE 8 – Tax

	Group		Parent	
	2008	2007	2008	2007
Tax for the year can be categorised as follows:				
Tax on profit/(loss) for the year	186,795	26,775	5,224	2,068
Tax on discontinued operations	-	(12,222)	-	-
Tax on changes in equity	(488)	(10,820)	-	-
Tax for the year	186,307	3,733	5,224	2,068
Tax on profit/(loss) for the year is calculated as follows:				
Current tax	157,375	56,187	3,874	(391)
Deferred tax	30,104	(16,147)	397	54
Effect of changed tax rate	137	(6,649)	-	-
Adjustment of tax relating to previous years	(820)	(6,616)	953	2,405
Total	186,795	26,775	5,224	2,068
Reconciliation of tax rate:				
Danish income tax rate	25.0%	25.0%	25.0%	25.0%
Adjustment relating to previous years	(0.5%)	(8.1%)	0.7%	(22.8%)
Effect of changed tax rate	0.0%	(8.0%)	0.0%	0.0%
Surtax in associates	1.2%	4.1%	0.0%	0.0%
Surtax in subsidiaries	2.8%	22.8%	0.0%	0.0%
Non-capitalised tax losses	4.0%	0.0%	0.0%	0.0%
Other adjustments	14.0%	(3.4%)	0.0%	(0.1%)
Effective tax rate	46.5%	32.4%	25.7%	2.1%

NOTE 9 – Discontinued operations

	Agricultural machinery		Insulation materials		Group	
Disposal date	November 30, 2007		June 30, 2007			
	2008	2007	2008	2007	2008	2007
Income statement:						
Revenue	-	913,228	-	134,406	-	1,047,634
Costs	-	(907,867)	-	(120,373)	-	(1,028,240)
Profit/(loss) before tax	-	5,361	-	14,033	-	19,394
Tax on profit/(loss)	-	(11,467)	-	(755)	-	(12,222)
Net profit/(loss)	-	(6,106)	-	13,278	-	7,172
Gains and losses from disposals	-	(191,662)	-	76,260	-	(115,402)
Gains and losses after tax	-	(191,662)	-	76,260	-	(115,402)
Net profit/(loss) from discontinued operations	-	(197,768)	-	89,538	-	(108,230)
Cash-flow statement:						
Cash flow from operating activities	-	122,385	-	3,115	-	125,500
Cash flow from investing activities	-	(26,338)	-	(4,800)	-	(31,138)
Cash flow from financing activities	-	(1,496)	-	(5,634)	-	(7,130)
Total cash flow	-	94,551	-	(7,319)	-	87,232

NOTE 10 – Earnings per share

	Group	
	2008	2007
Net profit from continuing operations	214,837	55,774
Net loss from discontinued operations	-	(108,230)
Net profit/(loss) for the year	214,837	(52,456)
Minority interests' share of the net profit/(loss) for the year	(10,669)	(7,679)
Auriga Industries A/S's share of the net profit/(loss) for the year	204,168	(60,135)
Average no. of shares of DKK 10 each	25,500,000	25,500,000
Average no. of treasury shares	(609,850)	(815,680)
Average no. of shares	24,890,150	24,684,320
Diluted average no. of shares	24,890,150	24,684,320
Profit/(loss) from continuing and discontinued operations, per share of DKK 10	8.20	(2.44)
Profit/(loss) from continuing and discontinued operations, diluted, per share of DKK 10	8.20	(2.44)
Profit/(loss) from continuing operations, per share of DKK 10	8.20	2.03
Profit/(loss) from continuing operations, diluted, per share of DKK 10	8.20	2.03
Profit/(loss) from discontinued operations, per share of DKK 10	0.00	(4.47)
Profit/(loss) from discontinued operations, diluted, per share of DKK 10	0.00	(4.47)

NOTE 11 – Intangible assets, group

	Goodwill	Sales and registration rights etc.	Knowhow	Intangible assets, total
Cost as at January 1, 2007	807,340	322,239	240,220	**1,369,799**
Foreign currency translation adjustment	(357)	(283)	14	**(626)**
Additions relating to acquisition of subsidiary	-	1,124	-	**1,124**
Additions during the year	20,505	13,283	16	**33,804**
Disposals relating to divestment of subsidiary	(70,120)	(30,475)	(582)	**(101,177)**
Disposals during the year	(547,834)	(2,476)	-	**(550,310)**
Cost as at December 31, 2007	**209,534**	**303,412**	**239,668**	**752,614**
Amortisation and impairment losses as at January 1, 2007	394,252	112,681	116,683	**623,616**
Foreign currency translation adjustment	3	287	-	**290**
Reversed amortisation and impairment losses on disposals for the year	(354,459)	75	-	**(354,384)**
Disposal relating to divestment of subsidiary	(15,535)	(30,450)	(582)	**(46,567)**
Amortisation for the year	-	48,775	24,143	**72,918**
Impairment losses for the year	-	(467)	-	**(467)**
Amortisation and impairment losses as at December 31, 2007	**24,261**	**130,901**	**140,244**	**295,406**
Carrying amount as at December 31, 2007	**185,273**	**172,511**	**99,424**	**457,208**
Cost as at January 1, 2008	209,534	303,412	239,668	**752,614**
Foreign currency translation adjustment	(1,501)	(773)	(33)	**(2,307)**
Additions relating to acquisition of subsidiary	108,123	67,070	-	**175,193**
Additions during the year	30,364	7,587	22	**37,973**
Disposals during the year	-	(497)	-	**(497)**
Cost as at December 31, 2008	**346,520**	**376,799**	**239,657**	**962,976**
Amortisation and impairment losses as at January 1, 2008	24,261	130,901	140,244	**295,406**
Foreign currency translation adjustment	-	(3,584)	(19)	**(3,603)**
Reversed amortisation and impairment losses on disposals for the year	-	(259)	-	**(259)**
Disposal relating to divestment of subsidiary	-	(15)	-	**(15)**
Amortisation for the year	-	51,516	24,023	**75,539**
Impairment losses for the year	-	283	-	**283**
Amortisation and impairment losses as at December 31, 2008	**24,261**	**178,842**	**164,248**	**367,351**
Carrying amount as at December 31, 2008	**322,259**	**197,957**	**75,409**	**595,625**
Amortised over the following number of years		**3-10 år**	**5-10 år**	

In 2008, a software program with a carrying amount of DKK 0.3 million has been impaired to DKK 0. The item has been included in administrative expenses in the income statement.

Goodwill

Goodwill in connection with the acquisition of enterprises is distributed at the time of acquisition on the cash-generating units expected to enjoy the financial advantages of the combination. The useful life of goodwill is indefinite.

Impairment test for goodwill

Pursuant to the rules contained in IAS 36, the management has carried out an impairment test of the carrying amount of goodwill as at December 31, 2008. For each cash-generating unit (CGU), the impairment test compares the discounted value of future cash flows with the carrying amounts. The impairment tests carried out have not given rise to impairment losses on goodwill.

Goodwill has been allocated to the group's CGU, broken down with DKK 173 million on Europe, DKK 91 million on LATAM, DKK 40 million on ANZAC and DKK 18 million on Other activities.

Other business areas, Hardi and Skamol, were sold in 2007.

Impairment tests have been carried out for the individual subsidiaries in the group.

Future cash flows are based on the budget for 2009 and Business Plan for 2010-2015 as well as assumptions concerning growth after this period. The budget and Business Plan are based on specific business assessments of the business areas, while the projections after 2015 are based on general parameters.

For the group's CGU, the most important parameters underlying the projections after 2015 are a growth in sales of 2% and a similar growth in EBIT. The discount rate (WACC) is 8.89% before tax corresponding to a WACC of 8% after tax. It is assumed that the cash tax rate is 25%.

NOTE 12 – Property, plant and equipment, group

	Land and buildings	Technical plant and machinery	Fixtures and fittings, tools and equipment	Investment properties	Plant under construction	Property, plant and equipment total
Cost as at January 1, 2007	890,941	2,579,145	340,788	-	34,194	**3,845,068**
Foreign currency translation adjustment	(2,428)	218	(2,154)	-	43	**(4,321)**
Transfer	2,301	10,732	(150)	-	(13,270)	**(387)**
Additions relating to acquisition of subsidiary	-	-	802	-	-	**802**
Additions during the year	19,408	30,089	27,475	-	80,559	**157,531**
Disposals relating to divestment of subsidiary	(263,733)	(601,687)	(135,440)	-	(26,004)	**(1,026,864)**
Disposals during the year	(410)	(24,435)	(9,915)	-	(3,314)	**(38,074)**
Cost as at December 31, 2007	646,079	1,994,062	221,406	-	72,208	2,933,755
Depreciation and impairment losses as at January 1, 2007	461,815	2,210,988	278,665	-	-	**2,951,468**
Foreign currency translation adjustment	(625)	14	(1,800)	-	-	**(2,411)**
Depreciation during the year	28,604	101,611	23,442	-	-	**153,657**
Disposals relating to divestment of subsidiary	(143,746)	(481,880)	(106,671)	-	-	**(732,297)**
Disposals during the year	-	(20,475)	(4,161)	-	-	**(24,636)**
Reversed depreciation and impairment losses on disposals for the year	(235)	(3,650)	(3,398)	-	-	**(7,283)**
Depreciation and impairment losses as at December 31, 2007	345,813	1,806,608	186,077	-	-	2,338,498
Carrying amount as at December 31, 2007	300,266	187,454	35,329	-	72,208	595,257
Of which finance leases	-	-	6,028	-	-	6,028
Cost as at January 1, 2008	646,081	1,994,062	221,406	-	72,208	**2,933,758**
Foreign currency translation adjustment	(9,224)	(19,703)	(4,952)	-	(3,451)	**(37,329)**
Transfer	(140,691)	65,284	-	140,691	(65,284)	**-**
Additions relating to acquisition of subsidiary	20,714	1,218	17,383	-	-	**39,316**
Additions during the year	33,807	58,110	34,198	591	12,488	**139,194**
Disposals during the year	(6,147)	(834)	(7,573)	-	-	**(14,554)**
Cost as at December 31, 2008	544,541	2,098,139	260,463	141,282	15,961	3,060,385
Amortisation and impairment losses as at January 1, 2008	345,815	1,806,608	186,078	-	-	**2,338,500**
Foreign currency translation adjustment	(3,512)	(15,191)	(3,257)	-	-	**(21,960)**
Transfer	(8,849)	-	-	8,849	-	**-**
Depreciation for the year	19,067	58,327	20,487	3,490	-	**101,371**
Impairment losses for the year	-	-	-	20,000	-	**20,000**
Disposals during the year	(2,773)	(630)	(5,433)	-	-	**(8,836)**
Amortisation and impairment losses as at December 31, 2008	349,748	1,849,115	197,873	32,339	-	2,429,075
Carrying amount as at December 31, 2008	194,793	249,024	62,590	108,943	15,961	631,310
Of which finance leases	-	-	10,016	-	-	10,016
Depreciated over the following number of years	15-30 years	8 years	5 years	30 years		

In 2008, classification of the property in Taastrup has changed from land and buildings to investment properties. The property was impaired by DKK 20 million in 2008. The amount is included in administrative expenses in the income statement.

	Group	
	2008	2007
Carrying amount of land and buildings abroad	**75,296**	31,866
Carrying amount of land and buildings in Denmark	**228,440**	268,400
Carrying amount of land and buildings in Denmark not yet included in the official property assessment	**5,958**	7,607

NOTE 13 – Property, plant and equipment, parent

	Land and buildings	Fixtures and fittings, tools and equipment	Property, plant and equipment, total
Cost as at January 1, 2007	4,087	431	**4,518**
Cost as at December 31, 2007	**4,087**	**431**	**4,518**
Depreciation and impairment losses as at January 1, 2007	2,079	86	**2,165**
Additions during the year	236	87	**323**
Depreciation and impairment losses as at December 31, 2007	**2,315**	**173**	**2,488**
Carrying amount as at December 31, 2007	**1,772**	**258**	**2,030**
Cost as at January 1, 2008	4,087	431	**4,518**
Additions during the year	9	-	**9**
Disposals during the year	(3,776)	-	**(3,776)**
Cost as at December 31, 2008	**320**	**431**	**751**
Amortisation and impairment losses as at January 1, 2008	2,315	173	**2,488**
Depreciation during the year	11	86	**97**
Disposals during the year	(2,150)	-	**(2,150)**
Amortisation and impairment losses as at December 31, 2008	**176**	**259**	**435**
Carrying amount as at December 31, 2008	**144**	**172**	**316**
Depreciated over the following number of years	**30 years**	**5 years**	

NOTE 14 – Investments in subsidiaries

	Parent	
	2008	2007
Cost as at January 1	**330,422**	1,329,434
Disposals during the year	**-**	(999,012)
Cost as at December 31	**330,422**	330,422
Carrying amount as at December 31	**330,422**	330,422

Statement of gains and losses, investments:

	Parent	
	2008	2007
Sale, investments	**-**	547,046
Cost	**-**	(999,012)
Costs	**-**	(30,915)
Impairment, consolidated goodwill	**-**	125,000
Loss	**-**	(357,881)

The parent's investments and voting rights in subsidiaries comprise:

	Investments and voting rights in %	
	2008	2007
Cheminova A/S, Harboøre, Denmark	**100%**	100%
Auriga Ejendomme A/S, Harboøre, Denmark	**100%**	100%

NOTE 15 – Financial assets, group

	Investments in associates	Other financial assets	Financial assets, total
Cost as at January 1, 2007	16,145	1,843	17,988
Foreign currency translation adjustment	-	1	1
Additions during the year	-	484	484
Disposals relating to divestment of subsidiary	-	(1,127)	(1,127)
Disposals during the year	-	(267)	(267)
Cost as at December 31, 2007	16,145	934	17,079
Revaluation and impairment losses as at January 1, 2007	24,882	(8)	24,874
Dividend received	(12,314)	-	(12,314)
Disposals relating to divestment of subsidiary	-	8	8
Net profit for the year	4,841	-	4,841
Revaluation and impairment losses as at December 31, 2007	17,409	-	17,409
Carrying amount as at December 31, 2007	33,554	934	34,488
Cost as at January 1, 2008	16,145	934	17,079
Foreign currency translation adjustment	-	156	156
Additions during the year	-	406	406
Disposals during the year	-	(45)	(45)
Cost as at December 31, 2008	16,145	1,451	17,596
Revaluation and impairment losses as at January 1, 2008	17,409	-	17,409
Net profit for the year	509	-	509
Revaluation and impairment losses as at December 31, 2008	17,918	-	17,918
Carrying amount as at December 31, 2008	34,063	1,451	35,514

Associates and joint-venture companies are:

	Investment in %	
	2008	2007
Associates:		
Damolin A/S, Copenhagen, Denmark	49%	49%
Joint-venture companies:		
Stähler GmbH, Germany (pro rata-consolidated)	50%	0%
Pytech Chemicals GmbH, Horgen, Switzerland	0%	50%

Pytech is fully consolidated in Cheminova following the acquisition on July 1, 2008.

Selected ratios for associates and joint-venture companies:

	Group	
	2008	2007
Revenue	975,087	399,960
Net loss for the year	(18,872)	(4,465)
Current assets	471,522	213,214
Non-current assets	303,181	150,543
Current liabilities	415,838	194,671
Non-current liabilities	170,341	54,297

NOTE 16 – Financial assets, parent

	Investments in associates
Cost as at January 1, 2007	-
Additions during the year	85,600
Cost as at December 31, 2007	85,600
Revaluation and impairment losses as at January 1, 2007	-
Dividend received	(9,862)
Revaluation and impairment losses as at December 31, 2007	(9,862)
Carrying amount as at December 31, 2007	75,738
Cost as at January 1, 2008	85,600
Cost as at December 31, 2008	85,600
Revaluation and impairment losses as at January 1, 2008	(9,862)
Revaluation and impairment losses as at December 31, 2008	(9,862)
Carrying amount as at December 31, 2008	75,738

NOTE 17 – Inventories

	Group	
	2008	2007
Finished goods	1,282,463	811,815
Work in progress	81,797	49,332
Raw materials	337,756	166,960
Packaging materials	54,486	45,549
Consumables	4,453	6,516
Spare parts etc.	42,069	39,400
Total	1,803,024	1,119,572

NOTE 18 – Receivables

Trade receivables:

	Group	
	2008	2007
Trade receivables, end of year, gross	1,666,965	1,596,325
Write-down to cover bad debts, beginning of year	254,484	260,844
Value adjustment	(43,479)	18,437
Change in write-down during the year	(1,808)	26,546
Losses realised during the year	(12,588)	(51,343)
Write-down to cover bad debts, end of year	196,609	254,484
Trade receivables, end of year, net	1,470,356	1,341,841

Receivables falling due after more than one year:

	Group	
	2008	2007
Trade receivables	13,575	17,313
Receivables in respect of Pytech Chemicals GmbH	29,039	6,500
Other receivables	140	30,992
Total	42,754	54,805

Write-downs of receivables are included under administrative expenses.

The carrying amounts of these receivables reflect the maximum risk of loss on receivables when taking into account the write-downs made.

Of total receivables, approx. 53% have been covered by credit insurance, letters of credit or other forms of guarantees.

NOTE 19 – Securities

	Group		Parent	
	2008	2007	2008	2007
Listed shares	245	1,450	245	1,450
Unlisted securities	728	613	728	613
Total	973	2,063	973	2,063

NOTE 20 – Share capital

	Group		Parent	
	2008	2007	2008	2007
Share capital:				
Class A shares	75,000	75,000	75,000	75,000
Class B shares	180,000	180,000	180,000	180,000
Total share capital	255,000	255,000	255,000	255,000

The share capital has been fully paid in. The share capital has not changed in the past five years. Class A shares are non-negotiable and carry ten votes per share of DKK 10, while Class B shares carry one vote per share of DKK 10.

Treasury shares

Parent holding of Class B shares in Auriga Industries A/S:

	No. of shares		Nominal value, DKK '000		% of share capital in Auriga Industries A/S	
	2008	2007	2008	2007	2008	2007
Shareholding as at January 1	815,680	815,680	8,157	8,157	3.20%	3.20%
Sales	(300,000)	-	(3,000)	-	(1.18%)	0.00%
Shareholding as at December 31	515,680	815,680	5,157	8,157	2.02%	3.20%

	Group	
	2008	2007
Value of treasury shares as at December 31	46,671	74,147
Selling price of treasury shares sold during the year	(56,287)	-

In accordance with the accounting policies, the cost of treasury shares has been deducted directly from equity.

Subsidiaries' holding of Class B shares in Auriga Industries A/S:

	No. of shares		Nominal value, DKK '000		% of share capital in Auriga Industries A/S	
	2008	2007	2008	2007	2008	2007
Shareholding as at January 1	-	-	-	-	0.00%	0.00%
Purchase	-	9,577	-	96	0.00%	0.04%
Sales	-	(9,577)	-	(96)	0.00%	(0.04%)
Shareholding as at December 31	-	-	-	-	-	-

	Subsidiaries	
	2008	2007
Purchase price of treasury shares purchased during the year	-	1,555
Selling price of treasury shares sold during the year	-	(1,517)

Share purchases and sales have taken place as part of the profit-sharing scheme for employees.

NOTE 21 – Deferred tax

	Group		Parent	
	2008	2007	2008	2007
Deferred tax as at January 1	58,052	46,052	412	466
Foreign currency translation adjustment	(10,100)	3,343	-	-
Deferred tax for the year recognised in net profit/(loss) for the year	(40,029)	28,723	(397)	(54)
Deferred tax for the year recognised in equity	(3,574)	2,380	-	-
Additions concerning acquisition and disposal on the divestment of subsidiaries	14,294	(22,446)	-	-
Deferred tax as at December 31	18,642	58,052	15	412
Deferred tax is recognised in the balance sheet as follows:				
Deferred tax (asset)	31,199	91,306	15	412
Deferred tax (liability)	(12,557)	(33,254)	-	-
Deferred tax as at December 31, net	18,642	58,052	15	412
Deferred tax pertains to:				
Intangible assets	(14,307)	(20,561)	-	-
Property, plant and equipment	(29,066)	(34,757)	15	12
Current assets	32,317	19,124	-	400
Provisions	8,227	5,165	-	-
Other liabilities	14,453	39,194	-	-
Tax losses allowed for carryforward	7,017	49,887	-	-
Total deferred tax	18,642	58,052	15	412

Change in temporary differences during the year:

	Group, 2008					
	Balance sheet Jan. 1	Foreign currency translation adjustment	Addition relating to acquisition of enterprise	Recognised in net profit/ (loss) for the year	Recognised in equity	Balance sheet Dec. 31.
Intangible assets	(20,561)	647	-	5,606	-	(14,307)
Property, plant and equipment	(34,757)	312	-	5,379	-	(29,066)
Receivables	13,097	(1,158)	-	(4,710)	-	7,229
Inventories	15,272	(489)	242	23,652	-	38,678
Other current assets	(9,245)	(638)	-	(3,706)	-	(13,589)
Provisions	5,165	(201)	-	3,263	-	8,227
Other liabilities	39,194	(7,458)	5,262	(18,970)	(3,574)	14,453
Tax losses	49,887	(1,116)	8,790	(50,544)	-	7,017
Total	58,052	(10,100)	14,294	(40,029)	(3,574)	18,642

	Group, 2007					
	Balance sheet Jan. 1	Foreign currency translation adjustment	Disposals relating to divestment of enterprise	Recognised in net profit/ (loss) for the year	Recognised in equity	Balance sheet Dec. 31.
Intangible assets	(37,032)	2	1,967	14,502	-	(20,561)
Property, plant and equipment	(38,600)	42	4,671	(870)	-	(34,757)
Receivables	33,026	1,947	(93)	(21,783)	-	13,097
Inventories	17,079	20	(6,455)	4,628	-	15,272
Other current assets	(9,191)	1	(7)	(48)	-	(9,245)
Provisions	1,267	-	-	3,898	-	5,165
Other liabilities	47,601	1,921	(7,702)	(5,006)	2,380	39,194
Tax losses	31,902	(590)	(14,827)	33,402	-	49,887
Tax losses	46,052	3,343	(22,446)	28,723	2,380	58,052

NOTE 21 – Deferred tax, continued

	Group		Parent	
	2008	2007	2008	2007
Deferred tax for the Danish companies is calculated at a rate of	25%	25%	25%	25%
For the group's foreign subsidiaries, deferred tax is based on the applicable local tax rates	9%-40%	9%-40%	-	-
Retaxation liability from jointly taxed foreign subsidiaries	3,109	3,109	3,109	3,109
Non-capitalised tax losses	242,757	265,007	-	-
Capitalised tax losses	29,038	133,923	-	-
Expiry date for capitalisation of tax losses:				
1-5 years	257	10,769	-	-
More than 5 years	230,403	319,004	-	-
No expiry	41,135	69,157	-	-

The possible sale of shares in group enterprises and associates is not expected to give rise to significant taxation.

As regards the tax value of tax losses which can be carried forward and which are included in the balance sheet, it is deemed to be sufficiently likely that the loss will be capitalised within the foreseeable future.

NOTE 22 – Provisions

Retirement benefit obligations and other provisions comprise:

	Group		Parent	
	2008	2007	2008	2007
Retirement benefit provisions, beginning of year	4,551	10,265	1,250	1,250
Used during the year	(666)	(1,992)	-	-
Reversed provisions during the year	(1,284)	(275)	(800)	-
Divestment of subsidiary	-	(5,859)	-	-
Provisions for the year	1,994	2,412	-	-
Retirement benefit provisions, end of year	4,594	4,551	450	1,250
Warranty commitments, beginning of year	-	21,648	-	-
Divestment of subsidiary	-	(21,648)	-	-
Warranty commitments, end of year	-	-	-	-
Other provisions, beginning of year	33,358	35,946	-	-
Used during the year	(14,841)	(4,132)	-	-
Reversed provisions during the year	(27)	(3,549)	-	-
Divestment of subsidiary	-	(7,153)	-	-
Provisions for the year	28,995	12,246	-	-
Other provisions, end of year	47,485	33,358	-	-
Retirement benefit obligations and other provisions, end of year	52,079	37,909	450	1,250
Expected date of maturity for provisions:				
0-1 year	18,407	7,324	205	198
1-5 years	9,988	3,682	245	791
After 5 years	23,684	26,903	-	261
Retirement benefit obligations and other provisions, end of year	52,079	37,909	450	1,250

Other provisions of DKK 47 million (DKK 33 million) concern provisions for the clean-up of an old factory site, special holidays, anniversary bonuses etc.

Note 22 – Provisions, continued

Defined-benefit plans:

The group's foreign subsidiaries have entered into agreements concerning the payment of certain benefits, including retirement benefits. These commitments, defined-benefit plans, are unfunded or only partly funded. In case of defined-benefit plans, the employer is obliged to disburse certain benefits, for example retirement benefits. The employer bears the risk of the future development in interest rates, inflation and mortality etc. as regards the amount to be disbursed to the employee. In the consolidated financial statements, liabilities include DKK 2 million (DKK 2 million) relating to the group's commitments towards current and former employees after deduction of the plan assets. The unfunded commitments are included in the balance sheet and income statement as set out below.

	Group		Parent	
	2008	2007	2008	2007
Retirement benefit obligations:				
Present value of defined-benefit plans	3,439	3,752	-	-
Fair value of plan assets	(1,717)	(1,607)	-	-
Net liability recognised in the balance sheet	1,722	2,145	-	-
Change in recognised liability:				
Net liability, beginning of year	2,145	1,302	-	-
Net amount recognised in the income statement	448	1,827	-	-
Contributions from participants	(870)	(984)	-	-
Net liability, end of year	1,722	2,145	-	-
Costs recognised:				
Retirement benefit costs	573	1,063	-	-
Calculation of interest on obligations	207	204	-	-
Expected return on plan assets	(142)	(153)	-	-
Defined-benefit plans recognised in the income statement	638	1,114	-	-
Actuarial assumptions:				
Discount rate	7%	8%	-	-
Expected return on plan assets	9%	9%	-	-
Future rate of pay increase	3%	3%	-	-
Future contributions:				
The best estimate of contributions expected to be made to the scheme over the next year	2,200	900	-	-

Expected return:

The expected return is an average of the expected return on the various categories of retirement benefit obligations. The return is based on historical data and on the analysts' forecasts for the market of the assets in the coming year. Assets of the pension scheme have been placed in an external pension company.

Present value of defined-benefit plans:				
Present value, beginning of year	3,752	2,815	-	-
Retirement benefit costs	42	842	-	-
Calculation of interest on obligations	207	205	-	-
Benefits disbursed	(920)	(859)	-	-
Actuarial gains and losses	359	749	-	-
Present value, end of year	3,439	3,752	-	-
Fair value of plan assets:				
Fair value of plan assets, beginning of year	1,607	1,513	-	-
Expected return on plan assets	142	165	-	-
Contributions from participants	870	984	-	-
Benefits disbursed	(920)	(859)	-	-
Actuarial gains and losses	17	(196)	-	-
Fair value of plan assets, end of year	1,717	1,607	-	-
Defined-benefit plan obligations by country:				
India	3,439	3,752	-	-
Total	3,439	3,752	-	-
Return on pension assets:				
Actual return	159	(43)	-	-
Expected return	(142)	(153)	-	-
Actuarial losses on plan assets	17	(196)	-	-

NOTE 23 – Mortgage debt and payables to credit institutions

Mortgage debt and payables to credit institutions are recognised in the balance sheet as follows:

	Group		Parent	
	2008	2007	2008	2007
Non-current liabilities	919,704	490,615	-	1,185
Current liabilities	757,549	697,351	6,723	876
Total	1,677,253	1,187,966	6,723	2,061
Fair value	1,696,802	1,199,263	6,723	2,061
Nominal value	1,677,253	1,187,966	6,723	2,061
Maturity periods:				
0-1 year	757,549	697,351	6,723	1,022
1-5 years	727,551	94,741	-	584
More than 5 years	192,153	395,874	-	455
Total	1,677,253	1,187,966	6,723	2,061

NOTE 24 – Finance leases

	Group		Parent	
	2008	2007	2008	2007
Minimum lease payments:				
Due after 5 years	583	859	-	-
Due between 1 and 5 years	8,626	6,421	-	-
Due within 1 year	4,881	2,718	-	-
Total minimum lease payments	14,091	9,998	-	-
Of which interest	1,312	1,042	-	-
Present value of minimum lease payments	12,779	8,956	-	-

	Group		Parent	
	2008	2007	2008	2007
Present value:				
Due after 5 years	528	776	-	-
Due between 1 and 5 years	7,662	5,843	-	-
Due within 1 year	4,589	2,337	-	-
Total present value	12,779	8,956	-	-
Specification of finance leases:				
IT equipment	2,875	3,622	-	-
Trucks	5,038	5,334	-	-
Vehicles	4,835	-	-	-
Other operating equipment	31	-	-	-
Total finance leases	12,779	8,956	-	-

The group has entered into finance leases concerning operating equipment, fixtures and fittings. The average lease period is three years. All lease contracts follow a fixed repayment schedule. When the lease contracts expire, the group may acquire the assets at favourable prices.

NOTE 25 – Currency and interest rate risks

The group's risk management policy is described in the 'Risk management' section on page 14.

The group's foreign currency risks in the balance sheet:

	December 31, 2008				
Currency	Securities, cash and cash equivalents (DKK '000)	Receivables (DKK '000)	Payables (DKK '000)	Hedged by means of financial contracts (DKK '000)	Net position (DKK '000)
USD	61,835	307,705	(153,754)	(570,769)	**(354,983)**
EUR	50,324	355,922	(290,985)	-	**115,261**
AUD	14,977	53,924	(52,621)	(45,575)	**(29,295)**
CAD	1,196	54,765	(17,192)	-	**38,769**
GBP	1,813	18,267	(13,966)	-	**6,113**
BRL	10,888	525,149	(69,740)	-	**466,297**
INR	17,778	107,676	(40,538)	-	**84,916**
DKK	1,472	192,133	(283,103)	-	**(89,498)**
Other	64,183	125,777	(26,052)	-	**163,907**
	224,465	**1,741,317**	**(947,952)**	**(616,344)**	**401,486**

	December 31, 2007				
Currency	Securities, cash and cash equivalents (DKK '000)	Receivables (DKK '000)	Payables (DKK '000)	Hedged by means of financial contracts (DKK '000)	Net position (DKK '000)
USD	50,714	173,804	(174,887)	(294,367)	**(244,736)**
EUR	71,792	322,580	(212,889)	-	**181,483**
AUD	17,369	20,081	(8,872)	(53,482)	**(24,904)**
CAD	7,031	5,462	(12,214)	-	**279**
GBP	7	651	(11,637)	-	**(10,979)**
BRL	15,695	646,448	(123,566)	-	**538,577**
INR	24,504	153,358	(63,182)	-	**114,680**
DKK	261,830	120,301	(80,833)	-	**301,298**
Other	61,144	104,957	(202,301)	-	**(36,200)**
	510,086	**1,547,642**	**(890,381)**	**(347,849)**	**819,498**

Currency hedging agreements relating to future transactions

Net outstanding currency hedging agreements as at December 31 for the group, which are used for the purpose of and meet the conditions for hedge accounting of future transactions:

	2008				2007			
	Notional amount (DKK '000)	Foreign exchange gains/losses re-cognised in equity (DKK '000)	Fair value (DKK '000)	Time to maturity	Notional amount (DKK '000)	Foreign exchange gains/losses re-cognised in equity (DKK '000)	Fair value (DKK '000)	Time to maturity
USD	819,160	18,647	17,577	< 1yr	446,626	5,130	5,361	< 1yr
AUD	-	-	-	-	8,914	648	576	< 1yr
CAD	42,990	7,010	7,003	< 1yr	129,555	4,396	4,106	< 1yr
Other	16,960	1,312	1,338	< 1yr	-	-	-	-
	879,110	**26,969**	**25,918**		**585,095**	**10,174**	**10,043**	

Forward exchange contracts concern the hedging of the sale and purchase of goods, cf. the group's policy thereon.
Recognition of foreign exchange gains/losses in the income statement is expected to take place in 2009.

NOTE 25 – Foreign currency and interest rate risks, continued

Key currency figures for 2008 (DKKm)

Revenue	USD	EUR	DKK	AUD	CAD	GBP	Other	Total
Cheminova A/S	1,645	1,584	343	218	286	183	1,409	**5,670**
	29%	28%	6%	4%	5%	3%	25%	**100%**
Other activities	-	-	16	-	-	-	-	**16**
	0%	0%	100%	0%	0%	0%	0%	**100%**
Group total	**1,645**	**1,584**	**359**	**218**	**286**	**183**	**1,409**	**5,686**
	29%	**28%**	**6%**	**4%**	**5%**	**3%**	**25%**	**100%**

Costs	USD	EUR	DKK	AUD	CAD	GBP	Other	Total
Cheminova A/S	535*	1,560	843	75	-	159	1,710	**4,882**
	11%	32%	17%	2%	0%	3%	35%	**100%**
Other activities	-	-	18	-	-	-	-	**18**
	0%	0%	100%	0%	0%	0%	0%	**100%**
Group total	**535**	**1,560**	**862**	**75**	**-**	**159**	**1,710**	**4,900**
	11%	**32%**	**18%**	**2%**	**0%**	**3%**	**35%**	**100%**

* Costs in USD are exclusive of the subsidiaries' external purchases in USD.

Sensitivity analysis:

The group's sensitivity analysis shows the estimated change in the income statement and equity which would result from a 1 percentage point increase in the market interest rate and a 5% fall in all currencies against DKK.

Sensitivity analysis as at December 31, 2008 based on change in interest rates:

DKKm	1 percentage point increase in interest rate	Effect on income statement	Effect on equity
Net interest-bearing debt	**(13.2)**	(13.2)	**-**
Interest rate swaps	**11.1**	3.0	**8.1**
Currency swaps	**2.4**	2.4	**-**
Total interest rate sensitivity	**0.3**	(7.8)	**8.1**

Sensitivity analysis as at December 31, 2008 based on change in foreign exchange rates:

DKKm	5% fall in all currencies against DKK	Effect on income statement	Effect on equity
Net interest-bearing debt	**37.9**	26.0	**11.9**
Currency swaps	**11.9**	1.6	**10.3**
Forward exchange contracts	**44.9**	14.2	**30.7**
Currency options	**11.9**	(0.2)	**12.1**
Investments	**(37.8)**	-	**(37.8)**
Other financial receivables	**1.0**	1.0	**-**
Total exchange rate sensitivity	**69.8**	42.6	**27.2**

The group's interest rate risks in the balance sheet:

Interest rate risk as at December 31, 2008

DKKm	< 1 year	1 - 5 years	> 5 years	Total	Interest rate (%)
Securities	1	-	-	1	-
Cash	222	-	-	222	3.11
Interest-bearing assets	**223**	**-**	**-**	**223**	**3.11**
Mortgage debt	2	119	192	313	5.56
Other long-term debt	36	635	1	672	4.50
Bank debt	725	-	-	725	9.10
Interest-bearing debt	**763**	**754**	**193**	**1,710**	**6.68**

The rate of interest paid on the bank debt reflects the high financing expenses in South America.

	Group	
	2008	2007
Distribution of interest-bearing debt:		
Fixed interest	**27%**	35%
Variable interest	**73%**	65%
Distribution of mortgage debt and other non-current payables:		
Fixed interest over a 4-year period	**47%**	53%
Variable interest	**53%**	47%
Distribution of bank debt:		
Fixed interest	**0%**	0%
Variable interest	**100%**	100%
Interest-bearing debt by currency:		
Danish kroner	**43%**	44%
Foreign currency, primarily USD, EUR and BRL	**57%**	56%

NOTE 26 – Other adjustments

	Group		Parent	
	2008	2007	2008	2007
Share of profit/(loss) in associates	(509)	(4,841)	-	-
Net financials	114,016	65,159	(31,760)	(8,691)
Tax on profit/(loss) for the year	187,628	26,775	6,057	2,068
Adjustment of provisions	15,275	4,813	(800)	-
Market value adjustments of subsidiaries etc.	471	3,857	-	-
Other	1,412	3,826	(954)	-
Total	318,293	99,589	(27,457)	(6,623)

NOTE 27 – Acquisition of enterprices

	Group			Parent	
	2008	2008	2007	2008	2007
	Carrying amount	Fair value	Carrying amount	Carrying amount	Carrying amount
Intangible assets, property, plant and equipment	106,692	106,692	1,961	-	-
Financial assets	-	-	-	-	85,600
Inventories	78,264	78,264	1,993	-	-
Receivables	69,251	69,251	1,439	-	-
Cash	(52,711)	(52,711)	-	-	-
Credit institutions	(63,434)	(63,434)	(415)	-	-
Trade payables	(41,993)	(41,993)	-	-	-
Other payables	(68,879)	(68,879)	-	-	-
Net assets acquired	27,190	27,190	4,978	-	85,600
Consolidated goodwill	108,123	108,123	16,251	-	-
Acquisition sum	135,313	135,313	21,229	-	85,600
Of which cash less short-term bank debt	52,711	52,711	174	-	-
Cash acquisition sum	188,024	188,024	21,403	-	85,600

Cheminova has acquired 50% of the shares in the Stähler group as of January 1, 2008. Cheminova has acquired the Australian formulation plant in Wyong as of November 1, 2008. Cheminova has acquired the remaining shares in Pytech as of July 1, 2008. Cheminova has acquired the remaining shares in Crop Tech as of October 10, 2008. Cheminova has acquired 51% of the shares in Cherole Kft. as of January 22, 2007. A specific assessment has been made of the pre-acquisition balance sheet, which has not given rise to significant fair value adjustments of the assets and liabilities taken over.

Consolidated goodwill reflects expected future synergies.

In February 2009, Cheminova has entered into an agreement concerning the acquisition of an additional 25% ownership stake in the German Stähler group totalling DKK 68 million.

Acquisition of enterprices:

Name	Primary activity	Takeover date	Acquired ownership share in %	Acquired voting rights in %
Group 2008:				
Stähler GmbH, Germany	Sale of crop protection	January 1, 2008	50%	50%
Pytech Chemicals GmbH, Switzerland	Sale of crop protection	July 1, 2008	100%	100%
Group 2007:				
Cherole Kft., Hungary	Sale of crop protection	January 22, 2007	51%	51%

NOTE 28 – Cash

	Group		Parent	
	2008	2007	2008	2007
Cash and cash equivalents as at January 1 include:				
Beginning of year	93,186	(571,052)	549,837	67,893
Value adjustment	103,057	(25,975)	-	-
Cash and cash equivalents as at January 1	196,243	(597,027)	549,837	67,893
Cash and cash equivalents as at December 31 include:				
Securities	973	2,063	973	2,063
Cash	223,492	508,022	598,989	548,504
Bank debt	(723,972)	(416,899)	(6,723)	(730)
Cash and cash equivalents as at December 31	(499,507)	93,186	593,239	549,837
Liquidity:				
Unexercised drawing rights	484,811	819,053	68,277	74,270

No breaches on bank covenants in 2008.

NOTE 29 – Security provided

	Group		Parent	
DKKm	2008	2007	2008	2007
Outstanding debt on loan secured on property, plant and equipment	533	324	-	1
Carrying amount of charged property, plant and equipment	281	268	-	2
Lease obligation in respect of finance leases	13	9	-	-
Carrying amount of assets held under finance leases	10	6	-	-
Recourse guarantee for subsidiaries, max.	-	-	100	61

NOTE 30 – Contingent liabilities

The parent and the group comply with all current requirements stipulated by the environmental authorities, also pumping up and treating water from the subsoil to reduce the risk of unwanted environmental impacts to the greatest possible extent. A chemical waste depot established at Rønland also complies with all statutory requirements and approvals. The waste has been deposited under temporary permits which have been extended several times as it has not been possible to treat the waste. The current permit expires on January 1, 2010. Neither this case nor any other disputes pending or concluded have materially affected or are expected to materially affect the group's financial position.

NOTE 31 – Contractual liabilities

	Group		Parent	
DKKm	2008	2007	2008	2007
The group has entered into forward exchange and option contracts for the purchase and sale of various currencies at the equivalent value of	1,496	935	-	-
For the purpose of hedging interest rate risks, the group has entered into an interest rate swap covering the interest rate risk attaching to variable-interest loans of	300	200	-	-
The group has undertaken to buy minority shareholdings in the period from 2009 to 2012, the calculated max. cost being	82	118	-	-

As part of the group's activities, agreements have been made with suppliers etc. on usual terms as well as agreements concerning the possible acquisition of shares.

In a few cases, the parent has issued letters of intent to subsidiaries in the group.

NOTE 32 – Operating leases

	Group		Parent	
	2008	2007	2008	2007
Non-cancellable operating leases				
0-1 year	25,463	1,749	-	-
1-5 years	13,803	1,778	-	-
>5 years	2,217	-	-	-
Total	41,482	3,527	-	-
Lease payment:				
Expensed lease payment	26,906	1,631	-	-
Specification of operating leases:				
IT equipment	575	-	-	-
Buildings	34,020	-	-	-
Vehicles	4,560	3,527	-	-
Other operating equipment	2,327	-	-	-
Total operating leases	41,482	3,527	-	-

The group has entered into non-cancellable operating leases concerning operating equipment etc. The average lease period is three years. All lease contracts follow a fixed repayment schedule. When the lease contracts expire, the group may acquire the assets at favourable prices.

NOTE 33 – Related parties

Related parties controlling the company include the Aarhus University Research Foundation, Aarhus, Denmark, which holds the majority of the voting rights.

Related parties with a significant influence comprise members of the Board of Directors and the Board of Executives and their related family members. Related parties also comprise companies in which the above-mentioned persons have significant interests.
Moreover, all group enterprises and associates are considered to be related parties.

Intra-group transactions carried out during the year with group companies and pro rata-consolidated associates have been eliminated in the consolidated financial statements. Transactions with the management include remuneration of the management and are disclosed separately in the notes.
No other transactions have been carried out nor any agreements made with related parties in 2008.
The parent's transactions with subsidiaries are as follows:
Management fee DKK 675k (DKK 1,273k).
Interest income DKK 34,661k (DKK 9,512k).
Loans to subsidiaries, end of year, DKK 599 million (DKK 292 million).

NOTE 34 – Financial instruments

Equity – fair value reserve:

DKKm	Interest rate instruments	Forward exchange contracts	Total
Gains and losses in connection with fair value valuation	2	(25)	**(23)**
Tax	(1)	3	**2**
Balance as at December 31, 2007	**1**	**(22)**	**(21)**
Changes in 2008:			
Gains and losses in connection with changes in fair value	(10)	65	**55**
Tax	3	(13)	**(10)**
Total	**(7)**	**52**	**45**
Transferred to the income statement, net financials	-	6	**6**
Tax	-	(2)	**(2)**
Total	**-**	**4**	**4**
Fair value reserve as at December 31, 2008	**(6)**	**34**	**28**
Composed as follows:			
Gross gains and losses	(8)	46	**38**
Tax	2	(12)	**(10)**
Balance as at December 31, 2008	**(6)**	**34**	**28**

NOTE 35 – Financial assets and liabilities, defined in IAS 39

	Group		Parent	
	2008	2007	2008	2007
Financial assets				
Non-current assets:				
Securities and other investments	**973**	2,063	**973**	2,063
Financial assets available for sale	**973**	2,063	**973**	2,063
Current assets:				
Trade receivables	**1,470,356**	1,341,841	**-**	-
Cash	**223,492**	508,022	**-**	256,115
Loans and receivables	**1,693,848**	1,849,863	**-**	256,115
Financial liabilities				
Non-current liabilities:				
Payables to mortgage credit institutions	**310,886**	213,026	**-**	1,185
Other credit institutions	**608,818**	277,589	**-**	-
Financial liabilities measured at amortised cost	**919,704**	490,615	**-**	1,185
Current liabilities:				
Payables to mortgage credit institutions	**2,468**	32,362	**-**	146
Other credit institutions	**755,081**	664,989	**6,723**	730
Trade payables	**651,760**	535,370	**-**	-
Financial liabilities measured at amortised cost	**1,409,309**	1,232,721	**6,723**	876

NOTE 36 – Government grants

In the financial year, the group recieved government grants of DKK 2 million to cover costs and asset purchases.
Furthermore, the group was granted CO_2 quotas worth DKK 39 million, which corresponds to the expected emission tax.

NOTE 37 – Events occurring after the balance sheet date

In February 2009, Cheminova entered into an agreement concerning the acquisition of an additional 25% ownership stake of the German Stähler group resulting in a total ownership stake of 75%. The acquisition amounted to DKK 68 million.
No other significant events have occurred after December 31, 2008.

Five-in-Fifteen

Objective

- Double market share to 5% in 2015.
- EBITDA matching the best among peer companies.
- Increased value creation for the benefit of all stakeholders.

Strategy

- Organic growth through development and sales of new products.
- Acquisitions of complementary products and companies.
- Economies of scale and improved efficiency in all functions.

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