Company announcement
No. 8/2013, August 15, 2013
28 pages

schouw+co

Interim report – First half year of 2013

Highlights

- The first six months of 2013 were largely as expected.
- Revenue was DKK 5,619 million (2012: DKK 5,705 million). EBIT was DKK 214 million (2012: DKK 321 million).
- Including a positive value adjustment of financial investments and profit from discontinued operations, the profit after tax amounted to DKK 587 million (2012: DKK 140 million.)
- BioMar expects a fall in overall volumes in the large salmon markets for the rest of the year and lowers its full-year EBIT forecast by 10–15%.
- Fibertex Personal Care had a good start to the year and raises its full-year EBIT forecast, whereas Hydra-Grene lowers its EBIT forecast due to weak sales to the wind turbine industry in the first half year.
- Overall, Schouw & Co. lowers its operating profit forecast for 2013, but the change is offset by an expected non-recurring income of about DKK 50 million from the sale of the property in Lystrup. As a result, the full-year EBIT forecast is maintained at the range of DKK 680-770 million.

Jens Bjerg Sørensen, President of Schouw & Co., said:

"After a difficult start to 2013, the second quarter developed largely as we had expected.

Due to a drop in the quantities of farmed fish and cold weather conditions at the beginning of the year, BioMar reported, as expected, a significant drop both in volumes sold and in EBIT relative to 2012. On the other hand, Fibertex Personal Care improved its sales, achieved good capacity utilisation and thus a substantial improvement in EBIT in both the first and the second quarters.

Due to recent months' developments in the major salmon markets in Norway and Chile, we have had to lower our 2013 earnings forecast for BioMar. It appears that the overall market in 2013 will be smaller than previously expected, and the more competitive markets have put gross margins under pressure. However, we believe that BioMar has strengthened its relative market position and that the company is well positioned for future developments in the market.

During the rest of 2013, we will continue the work to help our individual companies to strengthen their strategic positions, while remaining focused on organic and acquisitive profitable growth."

Schouw & Co. will be reviewing the financial statements in a conference call (in Danish) for analysts, members of the press and other interested parties on

THURSDAY, AUGUST 15, 2013 AT 16.00

A link to the presentation is available at www.schouw.dk, where the presentation will also be available for subsequent viewing. Those wishing to attend the conference call are invited to call tel. +45 3271 4767. Questions relating to the above should be directed to Jens Bjerg Sørensen, President, on tel. +45 8611 2222.

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Contents

Consolidated financial highlights

Amounts in DKK million

January 1 – June 30

GROUP SUMMARY	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 TOTAL
Revenue	3,040.5	3,009.4	5,618.5	5,704.8	12,477.8
Operating profit before depriciation (EBITDA)	255.2	280.9	409.7	512.4	1,162.6
EBIT before goodwill impairment	157.0	184.2	213.9	321.2	774.9
Operating profit (EBIT)	157.0	184.2	213.9	321.2	772.2
Profit/(loss) after tax in associates	(0.8)	(0.1)	(2.0)	(1.4)	(4.7)
Value adjustment of financial investments [1]	139.6	(78.0)	213.1	(90.0)	(68.3)
Net financials before value adjustment of financial investments	(26.6)	(28.3)	(41.8)	(50.4)	(85.9)
Profit before tax	269.3	77.7	383.2	179.4	613.3
Tax on profit	(50.5)	(15.6)	(66.8)	(42.3)	(144.5)
Profit for the period from continuing operations	218.8	62.1	316.4	137.1	468.8
Profit for the period from discontinued operations	0.2	(0.6)	270.4	2.7	28.9
Profit for the period	219.0	61.5	586.8	139.8	497.7
Share of equity attributable to shareholders of Schouw & Co.	5,060.1	4,294.9	5,060.1	4,294.9	4,623.9
Minority interests	3.1	6.6	3.1	6.6	3.4
Total equity	5,063.2	4,301.5	5,063.2	4,301.5	4,627.3
Total assets	10,105.3	10,330.1	10,105.3	10,330.1	10,381.3
Net interest-bearing debt (NIBD)	1,706.6	2,872.8	1,706.6	2,872.8	2,023.0
Working capital	2,200.3	2,377.5	2,200.3	2,377.5	1,892.1
Other key and financial data					
Average number of employees	2,921	2,886	2,922	2,866	2,873
Cash flows from operating activities	96.8	174.7	(50.0)	181.0	861.8
Investments in property, plant and equipment	149.5	152.7	211.9	218.3	351.4
Depreciation of property, plant and equipment	93.4	92.0	186.3	182.1	367.2
Return on equity (%) [2]	20.2	5.7	20.2	5.7	11.3
ROIC (%) [2]	13.0	16.2	13.0	16.2	15.2
Equity ratio (%)	50.1	41.6	50.1	41.6	44.6
EBITDA margin (%)	8.4	9.3	7.3	9.0	9.3
EBIT margin (%)	5.2	6.1	3.8	5.6	6.2
NIBD/EBITDA [2]	1.6	2.1	1.6	2.1	1.7
Per share data					
Earnings per share (of DKK 10)	9.19	2.61	24.73	5.91	21.09
Net asset value per share (of DKK 10)	212.22	182.40	212.22	182.40	196.25
Share price at end of period (of DKK 10)	184.00	118.50	184.00	118.50	149.00
Price/net asset value	0.87	0.65	0.87	0.65	0.76
Market capitalisation [3]	4,387.1	2,790.2	4,387.1	2,790.2	3,510.7

The financial ratios have been calculated in accordance with "Recommendations & ratios 2010", issued by the Danish Society of Financial Analysts. Martin has been divested and has therefore been reclassified from a consolidated business to discontinued operations. Comparative figures for 2012 in the income statement and the financial highlights and key figures have been restated accordingly, whereas comparative figures for balance sheet items are not restated.

1) Value adjustment consists of value adjustments and dividends from the holdings of shares in Vestas and Lerøy.
2) Calculated over the latest 12 months.
3) Market capitalisation is calculated excluding the holding of treasury shares.

Interim report – first half year 2013

Financial performance

DKK million	Q2 2013	Q2 2012	Change
Revenue	3,040.5	3,009.4	31.1
EBITDA	255.2	280.9	(25.7)
EBIT	157.0	184.2	(27.2)
Value adj. fin. investment	139.6	(78.0)	217.6
Profit before tax	269.3	77.7	191.6
Profit from disc. ope.	0.2	(0.6)	0.8
Profit for the period	219.0	61.5	157.5

DKK million	YTD 2013	YTD 2012	Change
Revenue	5,618.5	5,704.8	(86.3)
EBITDA	409.7	512.4	(102.7)
EBIT	213.9	321.2	(107.3)
Value adj. financial inv.	213.1	(90.0)	303.1
Profit before tax	383.2	179.4	203.8
Profit from discon. opert.	270.4	2.7	267.7
Profit for the period	586.8	139.8	447.0

Overall, the companies of the Schouw & Co. Group had a muted start to 2013, as the long-lasting winter with frost and snow and low water temperatures in northern Europe had a pronounced impact. Each company is reviewed separately elsewhere in this report. As expected, revenue and EBIT fell in the first half of 2013 compared with the exceptionally good performance of H1 2012, which was based on a number of exceptionally favourable factors compared with prior years.

The decline suffered in the H1 2013 period occurred mainly in the first quarter, while the Q2 results were much more like the year-earlier period.

Consolidated revenue fell by 1.5% from DKK 5,705 million in H1 2012 to DKK 5,619 million in H1 2013. The decline was mainly attributable to BioMar and Hydra-Grene and to a lesser extent Fibertex Nonwovens and Grene, while Fibertex Personal Care reported strong improvements and Xergi, the pro rata consolidated joint venture, also achieved better results. For the Q2 period, revenue increased by 1.0% from DKK 3,009 million in 2012 to DKK 3,041 million in 2013.

EBIT fell from DKK 321 million in H1 2012 to DKK 214 million in H1 2013. The decline was mainly attributable to BioMar and to a lesser extent Hydra-Grene and Grene, while Fibertex Personal Care reported fair improvements. The decline occurred mainly in the first quarter and only to a lesser extent in the second quarter when EBIT fell from DKK 184 million in 2012 to DKK 157 million in 2013.

The H1 2013 profit before tax included a positive value adjustment on financial investments of DKK 213 million, as compared with a negative value adjustment of DKK 90 million in H1 2012. The Group's other financial items improved from an expense of DKK 50 million in H1 2012 to an expense of DKK 42 million in H1 2013, due to the lower average interest-bearing debt.

This reduced the consolidated profit before tax from DKK 179 million in H1 2012 to DKK 383 million in H1 2013.

On December 19, 2012, Schouw & Co. agreed to divest Martin Professional to Harman International Industries of the United States. As a result, Martin has been reclassified to discontinued operations in both the 2012 and 2013 consolidated financial statements. The transaction was finalised effective February 28, 2013 and the gain from the sale was recognised in the first quarter of 2013.

Profit from discontinued operations, which is stated after tax, amounted to DKK 270 million in Q1 2013. The amount consisted of the profit from Martin until the end of February plus the preliminary gain from the sale of Martin less costs and other adjustments related to the transaction, including, in particular, write-downs of DKK 22 million on two properties in Frederikshavn which Schouw & Co. took over from Martin prior to the transaction. As there have been only insignificant subsequent changes to this item, profit from discontinued operations for H1 2013 also amounted to DKK 270 million. Profit from discontinued operations in Q1 2012 was DKK 3 million, the profit attributable to Martin.

Accordingly, our consolidated profit after tax for H1 2013 was DKK 587 million, compared with a DKK 140 million profit in H1 2012.

Liquidity and capital resources

All companies of the Schouw & Co. Group are focused on optimising working capital and reducing net interest-bearing debt, with due consideration for the Group's aspirations for continued growth. We reduced the debt significantly in the first half of 2013, mainly by divesting Martin and by selling a non-strategic shareholding in Lerøy Seafood Group.

Operating activities resulted in a cash outflow of DKK 50 million in H1 2013, compared with a cash inflow of DKK 181 million in H1 2012. Cash flows for investing activities amounted to DKK 258 million in H1 2012, against DKK 226 million in H1 2013, calculated without the positive effect from the sale of shares in Lerøy Seafood Group. Discontinued operations generated a cash inflow of DKK 500 million in H1 2013, compared with DKK 37 million in the year-earlier period.

This is a translation of Schouw & Co.'s Interim Report for the six months ended June 30, 2013. The original Danish text shall be controlling for all purposes, and in case of discrepancy, the Danish wording shall be applicable.

The consolidated net interest-bearing debt was reduced from DKK 2,873 million at June 30, 2012, to DKK 1,707 million at June 30, 2013.

The Group's working capital was reduced from DKK 2,377 million at June 30, 2012, at which time the amount included Martin, to DKK 2,200 million at June 30, 2013. In addition to the sale of Martin, the working capital was also affected by the implementation of amendments to IAS 16 which, as explained under the section 'Accounting policies', mean that certain spare parts are reclassified from inventories to plant and machinery. The change has reduced the working capital by DKK 55 million.

Portfolio company highlights

The Schouw & Co. businesses generally had a muted start to 2013. The following is a brief review of individual company performances in the first half of 2013:

BioMar realised a volume decline in the North Sea region that was mainly due to a contraction of the overall market resulting from the unusually cold weather conditions. The overall market in Chile also contracted, due to severe biological challenges.

Higher selling prices due to higher raw materials prices have partly made up for the lower volumes, but as expected earnings were lower than in the first half of 2012.

Recent developments have lowered the total feed consumption forecast for the rest of the year in the two major salmon markets. In addition, gross margins are expected to be impacted by changes to customer and product mixes.

Fibertex Personal Care had a very good start to the year, reporting revenue improvements based on higher volume output both at the factory in Denmark and the one in Malaysia. The higher volumes translate into higher capacity utilisation and improved earnings.

In the spring of 2012, Fibertex Personal Care announced plans for a further extension of the facility in Malaysia, which will increase plant capacity by about 30% in 2014. The project has commenced and is proceeding according to plan. The main parts of the construction work have now been completed and the production line is currently being installed. The new production line is expected to be run in by the end of the year.

Fibertex Nonwovens reported slightly lower revenue and earnings compared with the same period of last year. The revenue decline derived exclusively from the first quarter and a drop in activity in Europe, as demand has yet to recover following the downturn occurring in the second half of 2012.

On the other hand, the Q2 2013 revenue and earnings were in line with the year-earlier period, indicating that the market is beginning to stabilise, even though it remains jittery.

Grene reported a revenue decline for the first quarter that was mainly due to the long-lasting winter, and an earnings decline due to lower revenue and higher costs due in part to the implementation of a new ERP system in Denmark.

In the second quarter, Grene recovered part of the lost revenue and achieved earnings in line with the year-earlier period.

In its Danish operations, Grene has divested the activities of Grene Industri-service in order to focus more on its core activities. Grene Finland and its peer company Noramaa merged effective June 30, 2013 creating a more significant player on the Finnish market.

Hydra-Grene had a relatively poor first half of 2013 because activity in the wind turbine segment weakened relative to the year-earlier period. The relatively weak business activity in the first few months of the year had been expected, but the weakness lasted longer than anticipated at the start of the year, making it more important for Hydra-Grene that the activity forecast for the wind segment in the second half of the year crystallises.

Sales to the rest of the OEM industry and to the aftermarket were slightly higher than in the same period of 2012.

Financial investments

Schouw & Co. continues to hold 4,000,000 shares in Vestas, equal to a 1.96% ownership interest. At June 30, 2013, the shares were priced at DKK 81.40 per share, compared with DKK 31.86 per share at December 31, 2012, producing an unrealised positive value adjustment of DKK 198 million for H1 2013.

At December 31, 2012, Schouw & Co. also held 1,000,000 shares in Lerøy Seafood Group. This shareholding was divested in January 2013. Proceeds from the transaction amounted to DKK 145 million, producing a realised capital gain on the shareholding of DKK 15 million for H1 2013.

Combined, financial investments produced financial income of DKK 213 million in H1 2013, as compared with a financial expense of DKK 90 million in H1 2012.

Schouw & Co. shares and shares held in treasury

Schouw & Co.'s share capital comprises 25,500,000 shares with a nominal value of DKK 10 each for a total nominal share capital of DKK 255,000,000. Each share carries one vote.

Schouw & Co. shares appreciated by 23% during the first half year of 2013, from DKK 149.00 per share at December 31, 2012 to DKK 184.00 per share at June 30, 2013.

At December 31, 2012, the company held 1,938,363 treasury shares, equal to 7.60% of the share capital. Schouw & Co. used 281,250 treasury shares in the first half of 2013 in connection with options exercised under the Group's share incentive scheme. As a result, the company currently holds 1,657,113 treasury shares, corresponding to 6.50% of the share capital. The portfolio of treasury shares is recognised at DKK 0.

Events after the balance sheet date

After the end of the reporting period on June 30, 2013, Schouw & Co. agreed to sell the factory site in Lystrup outside Aarhus currently leased to Elopak Denmark to a buyer affiliated with the tenant.

The agreement is subject to customary conditions and the transfer of ownership is expected to take effect on October 31, 2013. The sale is expected to produce an accounting gain of around DKK 50 million, which will be recognised under "Other operating income" which forms part of EBIT.

We would also note that there has been a strong rally in Vestas shares after the end of the reporting period on June 30, 2013.

Schouw & Co. is not aware of any other events occurring after June 30, 2013, other than as set out elsewhere in this interim report, which are expected to have a material impact on the Group's financial position or outlook.

Outlook

Overall, the companies of the Schouw & Co. Group produced EBIT for the first half of 2013 that was largely in line with expectations, but which was also well below the exceptionally good performance of the first half of 2012.

The cold weather of the early months of the year had a particularly strong impact on BioMar's and Grene's financial results. For the second quarter, however, Grene reported EBIT that was in line with the same period last year, and although it will be a challenging task, the company continues to expect its full-year results to be within the most recent forecast range.

BioMar reported H1 EBIT that was significantly lower than in the same period of last year, but it was very close to the level expected. However, recent developments have lowered the total feed consumption forecast in the two major salmon markets for the remaining part of the year, which is BioMar's high season. In addition, gross margins are expected to be impacted by changes to customer and product mixes. As a result, BioMar has lowered its full-year EBIT forecast by 10–15%.

Fibertex Personal Care, on the other hand, had a very good start to the year with earnings improvements in both the first and the second quarters. The company raises its full-year EBIT forecast. After a relatively weak start to the year in the first quarter, Fibertex Nonwovens stabilised its operations in the second quarter and expects to achieve EBIT within the range forecast.

Hydra-Grene had a weak start to the year due to reduced sales to the wind turbine industry. The drop in business activity had been expected, but the period of weak activity has turned out to be longer than anticipated. As a result, Hydra-Grene has lowered its full-year earnings forecast.

Xergi, the pro rata consolidated joint venture which is recognised under Other businesses, expects to sustain its improvements in revenue and earnings. In addition, EBIT for Other businesses will be lifted by the expected gain of about DKK 50 million from the sale of the property in Lystrup outside Aarhus.

Overall, Schouw & Co. lowers its operating profit forecast for 2013, but by an amount that is offset by the non-recurring income from the sale of the property in Lystrup. As a result, we maintain the full-year EBIT forecast at the range of DKK 680-770 million.

Revenue is not expected to fall by any significant margin, as higher prices of raw materials will largely offset the loss of volume sales in BioMar. For the full-year 2013, Schouw & Co. therefore maintains the forecast of revenue in the vicinity of DKK 13.5 billion. As always, the revenue may change quite substantially due to changes in raw materials prices, without necessarily having an effect on profit.

Forecast

EBIT (DKK million)	After Q2	Orginal	2012
BioMar	330-370	380-420	438
Fibertex Personal Care	170-180	160-170	156
Fibertex Nonwovens	25-35	25-35	28
Grene	75-85	75-85	93
Hydra-Grene	40-50	50-60	67
Others*	40-50	(0-10)	-10
Total EBIT	**680-770**	**680-770**	**772**
Associates	(5)	(5)	(5)
Financial investments	-	-	(68)
Other financials**	-80	(80)	(86)
Profit before tax**	**595-685**	**595-685**	**613**

** Includes gain from the sale of property in the second half of 2013.*

** Stated before the effects of financial investments.*

Accounting policies

The interim report is presented in accordance with IAS 34 “Interim financial reporting” as adopted by the EU and additional Danish disclosure requirements for interim reports of listed companies.

Other than as set out below, the accounting policies are unchanged from those applied in the Annual Report 2012.

Effective from January 1, 2013, Schouw & Co. has implemented Amendments to IAS 1, Amendments to IFRS 7, IAS 19 (amended 2011) and Annual improvements to IFRSs 2009-2011.

Annual Improvements to IFRSs 2009-2011 contain ”Amendment to IAS 16”, which changes the accounting treatment of spare parts to the effect that certain parts previously classified as inventories are classified as plant and machinery with effect as from January 1, 2013. The implementation had no other effect on recognition and measurement.

IFRS 13 changes the principles for calculating fair values of both financial and non-financial assets and liabilities, while also introducing a number of new disclosure requirements. As Schouw & Co. already applies the principles for calculating fair value, the standard will only have an effect on disclosure requirements applying to Schouw & Co.

See Annual Report 2012 for a full description of the accounting policies.

Judgments and estimates

The preparation of interim reports requires Management to make accounting judgments and estimates that affect the application of accounting policies and recognised assets, liabilities, income and expenses. Actual results may differ from these judgments.

The most significant estimates are unchanged from December 31, 2012, and the most significant judgment uncertainty related thereto is the same as that used in preparing the Annual Report 2012.

Roundings and presentation

The amounts appearing in this interim report have generally been rounded to one decimal place using standard rounding principles. Accordingly, some additions may not add up.

Financial calendar for 2013

November 7, 2013 — Release of the Q3 2013 interim report

The company provides detailed information about contacts and the times of webcasts and conference calls held in connection with the release of its interim reports on its website, www.schouw.dk, and through stock exchange announcements.

Management Statement

The Board of Directors and the Executive Management of Aktieselskabet Schouw & Co. today considered and approved the interim report for the period January 1–June 30, 2013.

The interim report, which has been neither audited nor reviewed by the company's auditors, was prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim report gives a true and fair view of the Group's assets and liabilities and financial position at June 30, 2013 and of the results of the Group's operations and cash flows for the period January 1–June 30, 2013.

Furthermore, in our opinion the Management's report includes a fair review of the development and performance of the business, the results for the period and of the Group's financial position in general and describes the principal risks and uncertainties that it faces.

Aarhus, August 15, 2013

EXECUTIVE MANAGEMENT

Jens Bjerg Sørensen *President*	Peter Kjær

BOARD OF DIRECTORS

Jørn Ankær Thomsen *Chairman*	Erling Eskildsen *Deputy Chairman*	Niels K. Agner	Erling Lindahl
Kjeld Johannesen	Jørgen Wisborg	Agnete Raaschou-Nielsen	

BioMar is the world's third-largest manufacturer of quality feed for the fish farming industry. The company divides its operations into three geographical regions: the North Sea (Norway and Scotland), the Americas (Chile and Costa Rica) and Continental Europe.

Financial performance

From the beginning of the year, BioMar expected a year on year drop in volumes sold in the first quarter of 2013, but due to persistently weak markets, volumes also fell year on year in the second quarter. BioMar generated revenue of DKK 3,421 million in H1 2013, compared with DKK 3,527 million in H1 2012, as higher prices of raw materials pushed up selling prices by a large margin and partly offset the effect of the lower volumes sold.

Looking specifically at the second quarter, the lower volumes were mainly due to the continued fall in the overall markets in both the North Sea region and Chile. In the North Sea region, water temperatures being lower than last year until early June was the main reason for the lower output, whereas the setback in Chile was strongly related to mounting biological challenges. Continental Europe reported a minor drop that was indirectly a result of the economic situation in southern Europe.

A slightly higher gross margin per kilo of fish was not enough to make up for the sharp fall in volumes. EBIT fell from DKK 163 million in H1 2012 to DKK 63 million in H1 2013.

The working capital increased from DKK 837 million at June 30, 2012 to DKK 1,070 million at June 30, 2013. The increase was mainly due to trade receivables in Chile and Continental Europe. The net interest-bearing debt rose from DKK 776 million at June 30, 2012 to DKK 833 million at June 30, 2013. The development was due in part to the payment of intra-group dividends of DKK 200 million and the sale of shares in Lerøy Seafood Group in the first quarter of 2013.

Business development

From the start of the year, recent years' very high growth rates in the overall markets of Norway and Chile were expected to be replaced by, at best, zero growth in the overall market and, more likely, a slight market contraction, but the current outlook is somewhat more negative.

The Norwegian market shrank by more than expected due to low water temperatures and some fish farmers harvested earlier than usual in order to take advantage of the very attractive salmon prices. As a result, current forecasts call for about a 5% market contraction by volume in Norway, but at the same time BioMar is believed to have strengthened its relative market position.

The largest deviations from the previous forecasts are seen in Chile. Serious biological challenges, not least due to salmon infested with sea lice, have increased mortality rates and, in a number of cases, made fish farmers harvest early. In addition, the generally difficult financial situation Chilean fish farmers currently face and tightened legislation has significantly reduced the volume of fry released. Not least the biological challenges makes forecasting market developments difficult, but there is no doubt that the overall market in 2013 will not be as big as previously expected.

Although the reduced release of fry in Chile will have a short-term negative impact on feed sales, it is essential that the biological situation comes under control. From a greater perspective, of course, this is also in BioMar's best interest. We would like to emphasise that biological conditions for farming salmon in Chile are very attractive, so the forward-looking view of Chile as a very attractive market remains intact.

As salmon prices remained very high throughout the second quarter in both Europe and the USA, the financial situation for fish farmers generally strengthened. However, the cost of fighting diseases has increased in Chile, and given the generally weak balance sheets of fish farmers there, the general debtor risk in Chile remains relatively high. The situation in Continental Europe is largely unchanged. The constrained economic situation persisting in southern Europe makes risk management difficult, and business opportunities are constantly weighed against potential risks.

The mounting consolidation activity among fish farmers has resulted in a merger between two of BioMar's Chilean customers, Pacific Star and Trusal. As part of the merger, BioMar has agreed to convert a receivable with Trusal into a shareholding interest in the new company. The transaction did not influence the H1 2013 financial results and is not expected to have any material impact on the full-year results.

Outlook

A weak start to the year lasting for the first few months was built into the original full-year expectations, and even though the actual period of weak activity turned out to be longer than anticipated, the reported H1 2013 results were not far off from the forecast. However, recent developments have lowered the total feed consumption forecast for the rest of the year in the two major salmon markets. In addition, gross margins are expected to be impacted by changes to customer and product mixes.

Due to higher prices of raw materials and the resulting higher selling prices and despite the reduced volumes, BioMar expects to generate revenue of up to DKK 9 billion in 2013, which was the original revenue forecast. On the other hand, the company lowers its full-year EBIT forecast to the range of DKK 330-370 million from the previous forecast of DKK 380-420 million.

DKK million	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
Volume (1000 t)	206	237	380	432	980
Revenue	1,901	1,912	3,421	3,527	8,227
- of which North Sea	797	842	1,410	1,536	3,879
- of which Americas	573	591	1,201	1,274	2,483
- of which Cont. Europe	531	479	810	717	1,865
Direct production costs	(1,511)	(1,480)	(2,722)	(2,752)	(6,447)
Gross profit	390	432	699	775	1,780

Amounts in DKK million

January 1 – June 30

	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
INCOME STATEMENT					
Revenue	1,900.9	1,912.3	3,420.8	3,527.2	8,226.5
Gross profit	230.1	273.8	382.2	472.1	1,133.9
EBITDA	103.7	149.4	135.5	238.7	589.3
Depreciation	36.0	38.1	72.5	75.5	151.2
Operating profit (EBIT)	67.7	111.3	63.0	163.2	438.1
Value adjustment of shares in Lerøy	0.0	18.8	14.9	28.4	52.3
Financial items, net (ex. adj. of Lerøy)	(9.4)	(13.0)	(18.0)	(25.8)	(38.0)
Profit before tax	58.3	117.1	59.9	165.8	452.4
Tax on profit	(12.8)	(19.8)	(7.7)	(27.9)	(93.7)
Profit for the period	45.5	97.3	52.2	137.9	358.7
CASH FLOW					
Cash flows from operating activities	(8.7)	74.4	(170.6)	(11.2)	271.7
Cash flows from investing activities	(14.7)	(46.6)	107.4	(62.9)	(124.5)
Cash flows from financing activities	68.7	(79.5)	161.0	(3.0)	(277.2)
BALANCE SHEET					
Intangible assets *	324.3	339.0	324.3	339.0	324.4
Property, plant and equipment	1,014.9	1,096.2	1,014.9	1,096.2	1,088.3
Other non-current assets	56.5	47.0	56.5	47.0	73.8
Cash and cash equivalents	405.9	362.7	405.9	362.7	308.1
Other current assets	2,815.7	2,547.1	2,815.7	2,547.1	2,891.5
Total assets	4,617.3	4,392.0	4,617.3	4,392.0	4,686.1
Equity	1,612.0	1,587.3	1,612.0	1,587.3	1,777.0
Interest-bearing debt	1,254.0	1,139.1	1,254.0	1,139.1	891.6
Other creditors	1,751.3	1,665.6	1,751.3	1,665.6	2,017.5
Total liabilities and equity	4,617.3	4,392.0	4,617.3	4,392.0	4,686.1
Average number of employees	884	838	887	825	847
FINANCIAL KEY FIGURES					
EBITDA margin	5.5%	7.8%	4.0%	6.8%	7.2%
EBIT margin	3.6%	5.8%	1.8%	4.6%	5.3%
ROIC (annualised)	16.9%	26.0%	16.9%	26.0%	22.8%
Working capital	1,069.6	837.3	1,069.6	837.3	796.1
Net interest-bearing debt	833.0	776.4	833.0	776.4	583.6

* Excluding goodwill on consolidation in the parent company Schouw & Co. of DKK 430.2 million.

Fibertex Personal Care — Wholly owned

Fibertex Personal Care is among the world's five largest manufacturers of spunbond/spunmelt nonwovens for the personal care industry, manufacturing mainly nappies, sanitary towels and incontinence products. The company's activities are concentrated mainly in Europe and South East Asia.

Financial performance

Fibertex Personal Care generated revenue of DKK 803 million in H1 2013, compared with DKK 704 million in H1 2012. The revenue improvement was driven both by a year-on-year volume increase from the factory in Denmark and by higher volumes from the factory in Malaysia after a new production line launched late in 2011 increased production capacity.

H1 2013 EBIT was DKK 84 million as compared with DKK 55 million in H1 2012. The earnings improvement was mainly based on volume increases in Denmark and Malaysia that led to better capacity utilisation. At the same time, developments in prices of raw materials had relatively neutral effects in the first half of 2013.

Working capital at June 30, 2013 was DKK 9 million lower than at June 30, 2012, as the natural increase in working capital was more than offset by an accounting reclassification of certain spare parts from inventories to plant and machinery in accordance with IAS 16. After payment of intragroup dividends of DKK 75 million in the first quarter of 2013, net interest-bearing debt increased slightly from DKK 650 million at June 30, 2012 to DKK 659 million at June 30, 2013.

Business development

Fibertex Personal Care has production facilities in Denmark and Malaysia and is well-renowned in both Europe and Asia for its service, quality and innovation.

It is extremely important to the company's customers that they have very reliable supplies as well as sufficient flexibility in their sourcing of nonwovens, allowing them to respond to market fluctuations. The market is generally very demanding in terms of products and product performance, and product quality is a huge priority.

In the spring of 2012, Fibertex Personal Care announced plans for a further extension of the facility in Malaysia, which will increase plant capacity by about 30% in 2014. The project has commenced and is proceeding according to plan. The main parts of the construction work have now been completed and the production line is currently being installed. The new production line is expected to be run in by the end of the year.

The most recent extension of the existing plant at Nilai close to Kuala Lumpur included preparations for this upcoming extension, which is expected to help Fibertex Personal Care share in the expected growth of the Asian markets. The central location in Malaysia gives the facility a solid platform for making competitive shipments to all of South East Asia.

Increasing the share of speciality products is a constant priority for Fibertex Personal Care, including supersoft products, products with high performance leakage barriers, light-weight products as well as the print products that Fibertex can deliver through its partly-owned business Innowo Print in Germany.

Outlook

The global output capacity of spunbond/spunmelt nonwoven fabrics is growing constantly, leading to excess capacity in different regions from time to time. Fibertex Personal Care sees Europe as a market with limited growth potential and resulting strong price pressure. Asia is a growing market in which price competition is also a factor, but where growing demand absorbs the surging supply in the region.

In 2013, the operational focus of Fibertex Personal Care will be on maintaining earnings by optimising production line operations, maintaining its high operational efficiency and ensuring high-capacity utilisation. The market focus will be on growing sales in order to accommodate the planned increase in capacity.

Considering the high level of activity in the first half year, Fibertex Personal Care upgrades its FY 2013 revenue forecast to DKK 1.6–1.7 billion from the previous guidance of about DKK 1.6 billion. The full-year EBIT will depend very much on how prices of raw materials develop during the rest of the year, but given the current outlook, the company raises its EBIT guidance to the DKK 170–180 million range from previously DKK 160–170 million.

DKK million	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
Revenue	392	349	803	704	1,459
- of which from Denmark	203	189	421	386	764
- of which from Malaysia	189	160	382	318	695

Fibertex Personal Care

Amounts in DKK million

January 1 – June 30

	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
INCOME STATEMENT					
Revenue	392.0	349.0	802.9	703.5	1,459.2
Gross profit	63.3	42.6	137.9	102.8	252.3
EBITDA	68.4	49.1	147.0	115.6	277.3
Depreciation	31.7	30.3	63.0	60.1	121.4
Operating profit (EBIT)	36.7	18.8	84.0	55.5	155.9
Financial items, net	(3.1)	(2.8)	(4.8)	(7.9)	(15.3)
Profit before tax	33.6	16.0	79.2	47.6	140.6
Tax on profit	(7.7)	(8.3)	(18.4)	(20.5)	(31.2)
Profit for the period	25.9	7.7	60.8	27.1	109.4
CASH FLOW					
Cash flows from operating activities	67.8	51.4	125.4	127.9	231.4
Cash flows from investing activities	(118.7)	(79.3)	(144.1)	(86.9)	(109.9)
Cash flows from financing activities	48.3	(4.7)	15.1	(39.1)	(115.6)
BALANCE SHEET					
Intangible assets *	24.8	25.7	24.8	25.7	25.3
Property, plant and equipment	1,042.1	988.4	1,042.1	988.4	946.5
Other non-current assets	66.9	120.1	66.9	120.1	111.1
Cash and cash equivalents	12.1	12.4	12.1	12.4	16.5
Other current assets	436.7	441.5	436.7	441.5	467.9
Total assets	1,582.6	1,588.1	1,582.6	1,588.1	1,567.3
Equity	602.6	577.2	602.6	577.2	653.3
Interest-bearing debt	675.7	662.7	675.7	662.7	588.8
Other creditors	304.3	348.2	304.3	348.2	325.2
Total liabilities and equity	1,582.6	1,588.1	1,582.6	1,588.1	1,567.3
Average number of employees	381	367	376	367	369
FINANCIAL KEY FIGURES					
EBITDA margin	17.4%	14.1%	18.3%	16.4%	19.0%
EBIT margin	9.4%	5.4%	10.5%	7.9%	10.7%
ROIC (annualised)	15.4%	13.0%	15.4%	13.0%	13.4%
Working capital	244.0	253.1	244.0	253.1	273.4
Net interest-bearing debt	658.8	650.3	658.8	650.3	567.5

* Excluding goodwill on consolidation in the parent company Schouw & Co. of DKK 48.1 million.

Fibertex Nonwovens

Wholly owned

Fibertex Nonwovens is among Europe's leading manufacturers of nonwovens, i.e. non-woven textiles used for a number of different industrial purposes.

Financial performance

Fibertex Nonwovens generated revenue of DKK 478 million in H1 2013, compared with DKK 493 million in H1 2012. The revenue decline derived exclusively from the first quarter and was mainly caused by a drop in activity in Europe, as demand has yet to recover following the downturn occurring in the second half of 2012. At DKK 246 million, Q2 2013 revenue was in line with Q2 2012, indicating that the market is beginning to stabilise.

H1 2013 EBIT was a DKK 20 million profit as compared with a DKK 22 million profit in H1 2012. The earnings performance in the first quarter of 2013 was the result of reduced demand from customer segments with exposure to the economic slump in Europe, while EBIT for Q2 2013 was in line with the figure for Q2 2012.

Working capital at June 30, 2013 was DKK 14 million lower than at June 30 2012, as an increase in working capital was more than offset by an accounting reclassification of certain spare parts from inventories to plant and machinery in accordance with IAS 16. During the same period, the net interest-bearing debt was reduced by DKK 40 million to DKK 481 million at June 30, 2013.

Business development

Developments in the first half of 2013 were driven by the general economic slump in Europe as sales for industrial and car manufacturing purposes fell relative to the first half of 2012, combined with relatively unfavourable weather conditions early in the year, which had a negative effect on construction activity. These effects have been partly offset by higher earnings on big volume contracts and increased sales of high-value products.

In the past year, Fibertex Nonwovens has strengthened its potential to become Europe's leading manufacturer of industrial nonwovens. A number of structural investments have been made and the business platform has been strengthened.

Fibertex Nonwovens' market approach has been to adapt to the competition and to continue strengthening its position in the European markets while also increasing growth outside Europe. At the same time, earnings on its high-volume business were optimised through product development and operational improvements, combined with increased sales of customised value-added products.

In the autumn months, Fibertex Nonwovens will expand its output capacity for processed products through a technology upgrade of several production lines as part of its strategy to increase sales of value-added products and to optimise capacity utilisation at all three factories. The company is expected to achieve additional improvements by gradually reducing waste from production and by optimising business and work processes in order to increase efficiency and take advantage of in-house synergies.

The company maintains its sales strategy of expanding sales in order to achieve high capacity utilisation and future earnings. In terms of development and innovation, the company has built a solid portfolio of new projects, including products for the automotive and composite industries, and for filtration and acoustic purposes as well as products that will be sold in new territories with shipments being gradually stepped up in 2013.

Fibertex Nonwovens is working to gradually align selling prices with developments in the prices of raw materials and the general competitive situation, in combination with achieving good capacity utilisation and high production efficiency.

Outlook

Fibertex Nonwovens anticipates a stable level of activity in the second half of 2013. Demand seems to have stabilised in most industrial markets, but the market uncertainty persists.

Fibertex Nonwowens stands to continue to capitalise on the efficiency-improving measures it has implemented and on increased sales of the new products it has launched in recent years.

Against this background, Fibertex Nonwovens expects to generate revenue of DKK 900–950 million. The FY EBIT forecast is unchanged and expected to be in the DKK 25-35 million range.

DKK million	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
Revenue	246	245	478	493	901
- of which from Denmark	56	63	111	132	226
- of which from Czech Rep.	74	70	141	135	257
- of which from France	116	112	226	226	418

Fibertex Nonwovens

Amounts in DKK million

January 1 – June 30

	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
INCOME STATEMENT					
Revenue	245.6	244.7	477.9	493.4	901.3
Gross profit	49.5	47.6	97.1	100.2	178.2
EBITDA	26.2	25.6	52.9	54.6	93.1
Depreciation	16.6	16.2	33.2	32.3	65.0
Operating profit (EBIT)	9.6	9.4	19.7	22.3	28.1
Profit from associates	(1.1)	(1.4)	(2.6)	(2.7)	(6.5)
Financial items, net	(4.6)	(5.7)	(7.8)	(9.5)	(18.7)
Profit before tax	3.9	2.3	9.3	10.1	2.9
Tax on profit	(1.9)	(1.2)	(3.9)	(3.7)	(2.7)
Profit for the period	2.0	1.1	5.4	6.4	0.2
CASH FLOW					
Cash flows from operating activities	16.5	25.1	12.9	19.0	79.7
Cash flows from investing activities	(11.1)	(38.3)	(17.7)	(43.5)	(59.3)
Cash flows from financing activities	(11.4)	22.0	1.5	43.8	(46.5)
BALANCE SHEET					
Intangible assets *	67.8	70.5	67.8	70.5	68.8
Property, plant and equipment	478.5	496.2	478.5	496.2	478.9
Other non-current assets	14.3	22.0	14.3	22.0	17.4
Cash and cash equivalents	30.7	79.2	30.7	79.2	34.0
Other current assets	403.2	428.7	403.2	428.7	387.3
Total assets	994.5	1,096.6	994.5	1,096.6	986.4
Equity	320.4	332.5	320.4	332.5	323.3
Interest-bearing debt	512.0	600.2	512.0	600.2	513.4
Other creditors	162.1	163.9	162.1	163.9	149.7
Total liabilities and equity	994.5	1,096.6	994.5	1,096.6	986.4
Average number of employees	513	518	511	509	508
FINANCIAL KEY FIGURES					
EBITDA margin	10.7%	10.5%	11.1%	11.1%	10.3%
EBIT margin	3.9%	3.8%	4.1%	4.5%	3.1%
ROIC (annualised)	3.6%	3.4%	3.6%	3.4%	3.8%
Working capital	282.6	296.3	282.6	296.3	274.3
Net interest-bearing debt	481.3	521.0	481.3	521.0	479.4

* Excluding goodwill on consolidation in the parent company Schouw & Co. of DKK 32.0 million.

Grene

Grene is a leading supplier of spare parts and accessories for the agricultural sector in the Nordic region, Poland and Russia. Grene is also a supplier of technical articles and other products for industry.

Financial performance

Grene generated revenue of DKK 672 million in H1 2013, compared with DKK 686 million in H1 2012. The decline occurred in the first quarter, as the long-lasting winter caused delays to the usual spring preparations in the agricultural sector. In fact, revenue improved in the second quarter, even with revenue from Grene Industri-service no longer being recognised as from the end of April 2013 due to the sale of that business activity.

EBIT fell from DKK 48 million in H1 2012 to DKK 32 million in H1 2013. Again, the decline was rooted in the first quarter. EBIT for Q2 2013 was in line with the year-earlier period, even though a DKK 4 million VAT receivable in Russia that had previously been written off was recognised in Q2 2012. In addition to the effects of the missing Q1 revenue and the subsequent shortened period of spring preparations in the agricultural sector, the H1 results were also affected by extraordinary costs of implementing a new ERP system in Grene Danmark.

Overall working capital at June 30, 2013 was at a level similar to that of a year earlier, but net interest-bearing debt was reduced from DKK 478 million at June 30, 2012 to DKK 469 million at June 30, 2013 following an intra-group dividend of DKK 15 million paid in the first half of 2013. The divestment of Grene Industri-service made a moderate, positive contribution to the change.

Business development

In the Agro business, the long period with snow and freezing temperatures had a significant, negative influence on the financial results for the first quarter, and in the second quarter, the late spring produced hectic activity, because spring preparations in the agricultural sector had to be carried out over a much shorter period of time than it normally is. Overall, Grene managed in the second quarter to make up for part of the lost first quarter revenue.

Grene's Danish operations implemented the new ERP system that the company has already implemented in Sweden and Norway. Naturally, the process took up a lot of the organisation's resources.

The merger of Grene Finland and its peer company Noramaa was completed effective June 30, 2013. The joint venture, in which Grene will have a 56% stake, will be named Grene Noramaa and is expected to have total revenue of about DKK 75 million. Until it takes possession of new premises towards the end of the year, the new company will operate from its two previous locations.

Also effective June 30, 2013, Grene took over the Briggs & Stratton agency in Norway, which has an expected annual revenue of around DKK 10 million.

Effective from April 30, 2013, Grene divested the activities of Grene Industri-service in order to focus more on Grene's core activities. Grene has retained the ownership of the two properties in Aarhus and Ringe, Denmark, where the activities are operated from.

Following the transaction, Grene's Industry segment in Denmark now consists of Grene Industri and Grene Wind Industry Supply, both of which are units under Grene Danmark. In other national markets, Grene serves its industry customers through local Grene companies.

Outlook

The European market is currently undergoing change, with international players in the agricultural industry consolidating their operations and new partnerships being formed. The changes being made are making the international markets even more competitive but Grene is well positioned for such market developments.

The more competitive situation in the agricultural industry, the generally subdued activity in the industry segment, as well as the increased resources allocated to system and market development are all reflected in the full-year guidance.

The divestment of Grene Industri-service will reduce revenue during the rest of the year, but earnings will not be affected to any great extent. On the other hand, the merger of Grene Finland and Noramaa and the takeover of the Briggs & Stratton agency in Norway will both contribute to second-half revenue, but with a limited effect on earnings.

The weak financial results of the first quarter and a second quarter that only made up for part of the lost revenue and earnings has made the task of meeting the announced guidance all the more challenging. However, based on the positive developments seen during the second quarter and the current outlook for the rest of the year, Grene still expects to generate full-year revenue of up to DKK 1.4 billion. The FY EBIT forecast is also unchanged at DKK 75-85 million.

DKK million	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
Revenue	374	358	672	686	1,353
- of whichDenmark	128	122	246	246	504
- of which Poland	130	127	235	242	477
- of which Sweden	46	42	81	79	158
- of which Norway	27	26	43	45	85
- of which Finland	10	10	16	16	37
- other markets	33	31	51	58	92

Amounts in DKK million

	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
INCOME STATEMENT					
Revenue	373.5	357.6	671.7	686.4	1,353.0
Gross profit	126.3	116.9	221.9	223.3	461.1
EBITDA	38.6	38.4	50.3	63.4	130.3
Depreciation	9.3	7.9	18.3	15.4	32.2
Impairment	0.0	0.0	0.0	0.0	4.6
Operating profit (EBIT)	29.3	30.5	32.0	48.0	93.5
Financial items, net	(10.7)	(8.1)	(13.8)	(7.0)	(12.7)
Profit before tax	18.6	22.4	18.2	41.0	80.8
Tax on profit	(4.3)	(5.8)	(4.9)	(10.3)	(18.0)
Profit for the period	14.3	16.6	13.3	30.7	62.8
CASH FLOW					
Cash flows from operating activities	17.1	11.8	(11.5)	6.1	93.3
Cash flows from investing activities	(7.4)	(16.8)	(19.7)	(39.1)	(72.0)
Cash flows from financing activities	3.1	9.8	38.3	40.6	(18.9)
BALANCE SHEET					
Intangible assets	57.0	48.6	57.0	48.6	54.6
Property, plant and equipment	324.5	312.7	324.5	312.7	334.1
Other non-current assets	10.6	11.7	10.6	11.7	7.6
Cash and cash equivalents	21.0	19.0	21.0	19.0	13.9
Other current assets	675.8	677.9	675.8	677.9	593.8
Total assets	1,088.9	1,069.9	1,088.9	1,069.9	1,004.0
Equity	349.4	317.4	349.4	317.4	359.4
Interest-bearing debt	511.0	517.3	511.0	517.3	457.8
Other creditors	228.5	235.2	228.5	235.2	186.8
Total liabilities and equity	1,088.9	1,069.9	1,088.9	1,069.9	1,004.0
Average number of employees	892	906	896	911	897
FINANCIAL KEY FIGURES					
EBITDA margin	10.3%	10.7%	7.5%	9.2%	9.6%
EBIT margin	7.8%	8.5%	4.8%	7.0%	6.9%
ROIC (annualised)	10.7%	12.8%	10.7%	12.8%	12.8%
Working capital	443.6	441.5	443.6	441.5	394.8
Net interest-bearing debt	469.1	477.5	469.1	477.5	424.8

Hydra-Grene

Wholly owned

Hydra-Grene is a specialised trading and engineering company whose core business is trading and producing hydraulic components and systems development for industry as well as providing related consulting services.

Financial performance

Hydra-Grene generated H1 2013 revenue of DKK 235 million compared with DKK 299 million in H1 2012. The decline was due to an expected sharp drop in sales to the wind turbine industry relative to H1 2012, which was a period of a very high level of activity. Sales to the rest of the OEM industry and to the aftermarket were slightly higher than in the same period of 2012.

H1 2013 EBIT was DKK 22 million as compared with DKK 42 million in H1 2012. The lower earnings were due to the drop in revenue, and for both revenue and earnings, the setback was mainly based on the first quarter and not so much on the second quarter of 2013.

The overall working capital was reduced from DKK 234 million at June 30, 2012 to DKK 180 million at June 30, 2013, due to a lower level of activity and reduced inventories. Net interest-bearing debt fell by DKK 21 million to DKK 152 million at June 30, 2013 following an intra-group dividend of DKK 50 million paid in the first quarter of 2013.

Business development

Hydra-Grene suffered a weak first half of 2013 because of weak activity in the wind turbine segment relative to the year-earlier period. Sales to the rest of the OEM industry and to the aftermarket were slightly higher than in the same period of 2012.

Hydra-Grene is still involved in several large development projects for the wind turbine industry that longer term are expected to be positive contributors to revenue. A majority of these projects are not expected to be ready for actual serial production until in 2014–2015.

In China, the wind segment is generally experiencing subdued activity. In the current market, many of the wind turbines already delivered in China must first become fully operational before new orders are released. In addition to its sales operations, Hydra-Grene also manufactures a number of relatively simple components in China, while the more complex systems are manufactured in Denmark.

Sales to the wind turbine industry in India have developed favourably, but Hydra-Grene still has only moderate sales in this market, mainly directed at local Indian manufacturers.

Sales to the US market took a negative turn in H1 2013 relative to the first half of last year, because of the reduced order inflow in the wind segment during the period until the Production Tax Credit (“PTC”) for renewable energy was extended. The current PTC expires at the end of the year, and the wind turbine industry is hoping that a future extension will be of a longer duration, because that would help create more market stability in the USA.

Outlook

Hydra-Grene continues to expect substantial fluctuations in sales to the wind turbine industry during 2013. More specifically, activity is expected to be high in the next few months and to level out towards the end of the year.

The company expects a stable level of activity from its other OEM customers over the next few months. The distribution agreement with Sauer-Danfoss and Hydra-Grene's role as a sales and service partner for Sauer-Danfoss hydraulics components in Denmark is expected to support business activity with OEM customers. The company also expects after-market sales to pick up and e-trading to become an increasingly important revenue driver.

Sales to the wind turbine industry as well as to other industry customers are marked by fierce price competition which, combined with the strongly fluctuating demand during the year, makes it difficult to optimise costs. In addition, Hydra-Grene will be implementing a new ERP system towards the end of the year. Naturally, the project will cause a strain on the company's resources in the second half of 2013.

The relatively weak business activity in the first few months of the year was reflected in the original guidance, but the weakness lasted longer than anticipated at the start of the year, making it more important for Hydra-Grene that the activity forecast for the wind segment in the second half of the year crystallises.

Due to the weak level of activity in the first half of 2013, Hydra-Grene lowers its FY 2013 revenue forecast to slightly less than the previous guidance of up to DKK 500 million. The full-year EBIT forecast is also lowered, to the range of DKK 40-50 million from the previous forecast of DKK 50-60 million.

Hydra-Grene

Amounts in DKK million

January 1 – June 30

	Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 total
INCOME STATEMENT					
Revenue	123.8	145.2	235.4	298.5	526.9
Gross profit	40.1	44.5	71.7	92.9	163.3
EBITDA	18.0	21.9	28.8	48.1	80.2
Depreciation	3.3	3.7	6.6	6.3	13.4
Operating profit (EBIT)	14.7	18.2	22.2	41.8	66.8
Profit from associates	0.0	0.0	0.0	0.0	0.2
Financial items, net	(2.4)	0.1	(2.4)	(1.7)	(4.7)
Profit before tax	12.3	18.3	19.8	40.1	62.3
Tax on profit	(3.1)	(4.6)	(4.9)	(10.0)	(15.8)
Profit for the period	9.2	13.7	14.9	30.1	46.5
CASH FLOW					
Cash flows from operating activities	11.9	0.3	27.7	9.2	68.9
Cash flows from investing activities	(5.6)	(5.2)	(7.2)	(12.7)	(21.8)
Cash flows from financing activities	(2.2)	3.1	(17.2)	3.7	(44.8)
BALANCE SHEET					
Intangible assets	16.1	12.1	16.1	12.1	11.8
Property, plant and equipment	103.9	105.3	103.9	105.3	107.6
Other non-current assets	1.9	1.8	1.9	1.8	1.9
Cash and cash equivalents	11.0	5.6	11.0	5.6	7.7
Other current assets	245.2	302.5	245.2	302.5	244.2
Total assets	378.1	427.3	378.1	427.3	373.2
Equity	147.9	166.5	147.9	166.5	182.2
Interest-bearing debt	163.4	179.0	163.4	179.0	130.5
Other creditors	66.8	81.8	66.8	81.8	60.5
Total liabilities and equity	378.1	427.3	378.1	427.3	373.2
Average number of employees	208	221	212	219	217
FINANCIAL KEY FIGURES					
EBITDA margin	14.6%	15.1%	12.2%	16.1%	15.2%
EBIT margin	11.9%	12.5%	9.4%	14.0%	12.7%
ROIC (annualised)	16.5%	26.1%	16.5%	26.1%	21.3%
Working capital	179.8	233.7	179.8	233.7	185.6
Net interest-bearing debt	152.4	173.4	152.4	173.4	122.8

Income and comprehensive income statement

Amounts in DKK million

January 1 – June 30

Note		Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 TOTAL
1	Revenue	3,040.5	3,009.4	5,618.5	5,704.8	12,477.8
	Cost of sales	(2,502.5)	(2,480.6)	(4,695.3)	(4,705.7)	(10,271.4)
	Gross profit	538.0	528.8	923.2	999.1	2,206.4
	Other operating income	2.1	7.5	4.2	10.8	18.4
	Distribution costs	(272.1)	(249.0)	(492.7)	(481.1)	(1,006.5)
2	Administrative expenses	(110.7)	(103.1)	(219.9)	(207.3)	(442.6)
	Goodwill impairment	0.0	0.0	0.0	0.0	(2.7)
	Other operation expenses	(0.3)	0.0	(0.9)	(0.3)	(0.8)
	Operating profit (EBIT)	157.0	184.2	213.9	321.2	772.2
	Profit from associates	(0.8)	(0.1)	(2.0)	(1.4)	(4.7)
	Financial income	147.9	26.2	228.0	43.2	90.6
	Financial expenses	(34.8)	(132.6)	(56.7)	(183.6)	(244.8)
	Profit before tax	269.3	77.7	383.2	179.4	613.3
	Tax on profit	(50.5)	(15.6)	(66.8)	(42.3)	(144.5)
	Profit for the period from continuing operations	218.8	62.1	316.4	137.1	468.8
7	Profit for the period from discontinued operations	0.2	(0.6)	270.4	2.7	28.9
	Profit for the period	219.0	61.5	586.8	139.8	497.7
	Attributable to:					
	Shareholders of Schouw & Co.	219.0	61.5	586.9	139.0	496.4
	Minority interests	0.0	0.0	(0.1)	0.8	1.3
	Profit for the period	219.0	61.5	586.8	139.8	497.7
3	Earnings per share (DKK)	9.19	2.61	24.73	5.91	21.09
3	Diluted earnings per share (DKK)	9.16	2.61	24.67	5.90	21.07
3	Earnings per share from continuing operations (DKK)	9.18	2.64	13.34	5.79	19.86
3	Diluted earnings per share from continuing operations (DKK)	9.15	2.63	13.31	5.79	19.84
	Comprehensive income					
	Items that can be reclassified to the profit and loss statement:					
	Exchange rate adjustment of foreign subsidiaries etc.	(75.5)	61.1	(85.3)	53.7	36.8
	Value adjustment of hedging instruments recognised during the period	14.5	(6.3)	16.9	(6.5)	(31.3)
	Value adjustment of hedging instruments transferred to cost of sales	0.0	0.0	2.0	(5.4)	(5.4)
	Value adjustment of hedging instruments transferred to financials	2.4	1.5	4.5	3.1	12.7
	Other comprehensive income from associates	0.3	(0.3)	0.4	(0.2)	(0.5)
	Tax on other comprehensive income	(4.5)	1.2	(6.1)	2.4	6.2
	Other comprehensive income after tax	(62.8)	57.2	(67.6)	47.1	18.5
	Profit for the period	219.0	61.5	586.8	139.8	497.7
	Total recognised comprehensive income	156.2	118.7	519.2	186.9	516.2
	Attributable to:					
	Shareholders of Schouw & Co.	156.3	118.7	519.5	186.1	514.8
	Minority interests	(0.1)	0.0	(0.3)	0.8	1.4
	Total recognised comprehensive income	156.2	118.7	519.2	186.9	516.2

Statements of cash flows

Amounts in DKK million

January 1 – June 30

Note		Q2 2013	Q2 2012	YTD 2013	YTD 2012	2012 TOTAL
	Profit before tax	269.3	77.7	383.2	179.4	613.3
	Adjustment for operating items of a non-cash nature, etc.					
	Depreciation and impairment losses	98.2	96.8	195.9	191.0	390.4
	Other operating items, net	0.6	19.2	5.8	(2.4)	11.7
	Provisions	0.5	0.6	0.7	(0.2)	(1.9)
	Income from investments in associates after tax	0.8	0.1	2.0	1.4	4.7
	Financial income	(147.9)	(26.2)	(228.0)	(43.2)	(90.6)
	Financial expenses	34.8	132.6	56.7	183.6	244.8
	Cash flows from operating activities bef. chg. in working capital	256.3	300.8	416.3	509.6	1,172.4
	Changes in working capital	(111.7)	(79.1)	(356.5)	(256.5)	(110.9)
	Cash flows from operating activities	144.6	221.7	59.8	253.1	1,061.5
	Interest income received	3.3	12.1	12.1	24.2	39.7
	Interest expenses paid	(30.8)	(35.4)	(56.7)	(69.3)	(121.8)
	Cash flows from ordinary activities	117.1	198.4	15.2	208.0	979.4
	Income tax paid	(20.3)	(23.7)	(65.2)	(27.0)	(117.6)
	Cash flows from operating activities	96.8	174.7	(50.0)	181.0	861.8
	Purchase of intangible assets	(8.0)	(7.4)	(12.9)	(11.5)	(23.5)
	Purchase of property, plant and equipment	(149.5)	(152.7)	(211.9)	(218.3)	(341.9)
	Sale of property, plant and equipment	0.0	0.0	0.0	0.1	4.8
	Acquisition of minority interests in subsidiaries	0.0	(30.9)	0.0	(30.9)	0.0
	Acquisition of associates	0.0	(1.7)	(2.1)	(1.7)	(4.7)
	Divestment of subsidiaries	1.1	0.0	1.1	0.0	0.0
	Loan to associates	1.3	(0.1)	1.2	(0.8)	0.6
	Purchase of securities	(1.8)	0.0	(2.0)	(0.1)	(7.3)
	Sale of securities	0.2	1.6	145.8	5.0	7.0
	Cash flows from investing activities	(156.7)	(191.2)	(80.8)	(258.2)	(365.0)
	Debt financing:					
	Repayment of non-current liabilities	(185.9)	(78.8)	(254.0)	(100.6)	(264.6)
	Proceeds from incurring non current financial liabilities	505.3	8.6	517.6	15.2	198.2
	Increase (repayment) of bank overdrafts	(186.2)	76.9	(233.2)	172.4	(468.7)
	Shareholders:					
	Additional minority shareholders, net	0.0	0.5	0.0	0.5	(36.1)
	Dividend paid	(119.2)	(94.2)	(119.2)	(94.2)	(94.2)
	Purchase / sale of treasury shares, net	7.9	0.0	33.2	4.1	5.6
	Cash flows from financing activities	21.9	(87.0)	(55.6)	(2.6)	(659.8)
7	**Cash flows from discontinued operations**	(12.1)	28.6	500.1	37.0	29.7
	Cash flows for the period	(50.1)	(74.9)	313.7	(42.8)	(133.3)
	Cash and cash equivalents at January 1	771.0	573.5	406.8	541.3	541.3
	Value adjustment of cash and cash equivalents	(1.3)	0.2	(0.9)	0.3	(1.2)
	Cash and cash equivalents at June 30	719.6	498.8	719.6	498.8	406.8

Balance sheet

Amounts in DKK million

Note		AT JUN. 30, 2013	AT DEC. 31, 2012	AT JUN. 30, 2012	AT DEC. 31, 2011
	Goodwill	896.8	895.0	954.7	948.2
	Completed development projects	43.6	25.5	79.3	73.7
	Development projects in progress	24.0	34.7	42.4	49.1
	Other intangible assets	51.2	55.9	76.3	71.0
	Intangible assets	1,015.6	1,011.1	1,152.7	1,142.0
	Land and buildings	1,441.4	1,516.7	1,473.2	1,460.9
	Leasehold improvements	4.9	5.6	6.5	6.7
	Plant and machinery	1,251.1	1,334.9	1,394.1	1,470.0
	Other fixtures, tools and equipment	102.8	115.7	119.9	125.7
	Assets under construction, etc.	338.4	178.4	235.0	89.9
	Property, plant and equipment	3,138.6	3,151.3	3,228.7	3,153.2
	Equity investments in associates	48.2	50.1	62.3	62.7
4	Securities	335.7	154.9	152.1	274.7
	Deferred tax	215.3	192.7	212.9	217.1
	Receivables	71.1	116.1	137.8	159.6
	Other non-current assets	670.3	513.8	565.1	714.1
	Total non-current assets	4,824.5	4,676.2	4,946.5	5,009.3
	Inventories	1,787.5	1,773.1	1,951.4	1,855.9
5	Receivables	2,746.5	2,656.1	2,775.5	2,365.1
	Income tax receivable	8.6	6.5	28.5	17.5
	Construction contracts	2.6	1.4	2.4	4.1
	Accruals and deferred income	15.6	13.5	22.1	26.4
4	Securities	0.4	132.2	104.9	80.9
	Cash and cash equivalents	719.6	392.7	498.8	541.3
	Total current assets	5,280.8	4,975.5	5,383.6	4,891.2
7	Assets held for sale	0.0	729.6	0.0	0.0
	Total assets	10,105.3	10,381.3	10,330.1	9,900.5

Balance sheet

Amounts in DKK million

Note		AT JUN. 30, 2013	AT DEC. 31, 2012	AT JUN. 30, 2012	AT DEC. 31, 2011
6	Share capital	255.0	255.0	255.0	255.0
	Hedge transaction reserve	(24.9)	(42.6)	(35.1)	(28.5)
	Exchange adjustment reserve	74.8	159.9	181.1	127.4
	Retained earnings	4,755.2	4,124.1	3,893.9	3,740.2
	Proposed dividend	0.0	127.5	0.0	102.0
	Share of equity attributable to the parent company	5,060.1	4,623.9	4,294.9	4,196.1
	Minority interests	3.1	3.4	6.6	33.9
	Total equity	5,063.2	4,627.3	4,301.5	4,230.0
	Deferred tax	118.8	125.6	125.3	127.6
	Pensions and similar liabilities	30.7	26.0	40.6	37.3
8	Credit institutions	1,268.3	874.3	882.0	1,021.7
	Other liabilities	42.7	79.8	81.0	87.7
	Non-current liabilities	1,460.5	1,105.7	1,128.9	1,274.3
8	Current portion of non-current debt	150.9	278.7	269.4	282.7
8	Credit institutions	1,049.1	1,280.7	2,236.7	2,004.3
	Construction contracts	9.1	16.7	10.4	10.4
	Trade payables and other payables	2,277.9	2,483.5	2,304.0	2,037.0
	Income tax	63.7	45.2	43.7	34.9
	Provisions	15.6	1.2	8.2	8.2
	Accruals and deferred income	15.3	17.9	27.3	18.7
	Current liabilities	3,581.6	4,123.9	4,899.7	4,396.2
	Total liabilities	5,042.1	5,229.6	6,028.6	5,670.5
7	Liabilities associated with assets held for sale	0.0	524.4	0.0	0.0
	Total liabilities and equity	10,105.3	10,381.3	10,330.1	9,900.5

9-10 Notes without reference

Statement of equity

Amounts in DKK million

	Share capital	Hedge transaction reserve	Exchange adjustment reserve	Retained earnings	Dividend	Total	Minority interests	Total equity
Equity at January 1, 2013	255.0	(42.6)	159.9	4,124.1	127.5	4,623.9	3.4	4,627.3
Other comprehensive income for the period								
Exchange rate adjustment of foreign subsidiaries	-	-	(85.1)	-	-	(85.1)	(0.2)	(85.3)
Value adjustment of hedging instruments recognised during the period	-	16.9	-	-	-	16.9	0.0	16.9
Value adjustment of hedging instruments transferred to cost of sales	-	2.0	-	-	-	2.0	0.0	2.0
Value adjustment of hedging instruments transferred to financials	-	4.5	-	-	-	4.5	0.0	4.5
Other comprehensive income from associates	-	0.4	-	0.0	-	0.4	0.0	0.4
Tax on other comprehensive income	-	(6.1)	-	0.0	-	(6.1)	0.0	(6.1)
Profit for the period	-	-	-	586.9	-	586.9	(0.1)	586.8
Total recognised comprehensive income	-	17.7	(85.1)	586.9	-	519.5	(0.3)	519.2
Transactions with the owners:								
Share-based payment, net	-	-	-	2.7	-	2.7	0.0	2.7
Dividend distributed	-	-	-	8.3	(127.5)	(119.2)	0.0	(119.2)
Treasury shares bought/sold	-	-	-	33.2	-	33.2	-	33.2
Transactions with the owners for the period	0.0	0.0	0.0	44.2	(127.5)	(83.3)	0.0	(83.3)
Equity at June 30, 2013	255.0	(24.9)	74.8	4,755.2	0.0	5,060.1	3.1	5,063.2

	Share capital	Hedge transaction reserve	Exchange adjustment reserve	Retained earnings	Dividend	Total	Minority interests	Total equity
Equity at January 1, 2012	255.0	(28.5)	127.4	3,740.2	102.0	4,196.1	33.9	4,230.0
Other comprehensive income for the period								
Exchange rate adjustment of foreign subsidiaries	-	-	53.7	-	-	53.7	0.0	53.7
Value adjustment of hedging instruments recognised during the period	-	(6.5)	-	-	-	(6.5)	0.0	(6.5)
Value adjustment of hedging instruments transferred to cost of sales	-	(5.4)	-	-	-	(5.4)	-	(5.4)
Value adjustment of hedging instruments transferred to financials	-	3.1	-	-	-	3.1	-	3.1
Other comprehensive income from associates	-	(0.2)	-	0.0	-	(0.2)	0.0	(0.2)
Tax on other comprehensive income	-	2.4	-	0.0	-	2.4	0.0	2.4
Profit for the period	-	-	-	139.0	-	139.0	0.8	139.8
Total recognised comprehensive income	-	(6.6)	53.7	139.0	-	186.1	0.8	186.9
Transactions with the owners:								
Share-based payment, net	-	-	-	2.8	-	2.8	0.0	2.8
Dividend distributed	-	-	-	7.8	(102.0)	(94.2)	0.0	(94.2)
Addition/disposal of minority interests	-	-	-	-	-	0.0	(28.1)	(28.1)
Treasury shares bought/sold	-	-	-	4.1	-	4.1	-	4.1
Transactions with the owners for the period	0.0	0.0	0.0	14.7	(102.0)	(87.3)	(28.1)	(115.4)
Equity at June 30, 2012	255.0	(35.1)	181.1	3,893.9	0.0	4,294.9	6.6	4,301.5

Notes

Amounts in DKK million

NOTE 1 - Segment reporting

Schouw is an industrial conglomerate consisting of a number of sub-groups operating in various industries and independently of the other sub-groups. The group management monitors the financial developments of all material sub-groups on a regular basis. Based on management control and financial management, Schouw has identified six reporting segments, which are BioMar, Fibertex Personal Care, Fibertex Nonwovens, Grene, Hydra-Grene and Martin. Martin is divested in the first quarter of 2013, as announced in company announcement 2/2013 of February 28, 2013. Accordingly, Martin has been classified under discontinued operations.

Included in the reporting segments are revaluations of assets and liabilities made in connection with Schouw & Co.'s acquisition of the segment in question and consolidated goodwill arising as a result of the acquisition. The operational impact of depreciation/amortisation and write-downs on the above revaluations or goodwill is also included in the profit presented for the reporting segment.

All transactions between segments were made on an arm’s length basis.

Total reportable segments YTD 2013	**BioMar**	**Fibertex Personal Care**	**Fibertex Nonwovens**	**Grene**	**Hydra-Grene**	**Martin (discontinued operations)**	**Total**
External revenue	3,420.8	784.3	473.6	668.7	222.1	131.2	5,700.7
Intra-group revenue	0.0	18.6	4.3	3.0	13.3	0.0	39.2
Segment revenue	3,420.8	802.9	477.9	671.7	235.4	131.2	5,739.9
Depreciation	72.5	63.0	33.2	18.3	6.6	0.0	193.6
EBIT	63.0	84.0	19.7	32.0	22.2	5.2	226.1
Segment assets	5,047.4	1,630.7	1,026.5	1,088.9	378.1	0.0	9,171.6
of which goodwill	738.0	72.4	77.6	8.8	0.0	0.0	896.8
Equity investments in associates	0.0	0.0	13.0	0.0	1.9	0.0	14.9
Segment liabilities	3,005.3	980.0	674.1	739.5	230.2	0.0	5,629.1
Cash flows from operating activities	(170.6)	125.4	12.9	(11.5)	27.7	23.9	7.8
Cash flows from investing activities	107.4	(144.1)	(17.7)	(19.7)	(7.2)	89.6	8.3
Cash flows from financing activities	161.0	15.1	1.5	38.3	(17.2)	(114.2)	84.5
Capital expenditure	(36.3)	(144.1)	(15.6)	(20.8)	(7.2)	(7.4)	(231.4)
Average number of employees	887	376	511	896	212	534	3,416

Total reportable segments YTD 2012	**BioMar**	**Fibertex Personal Care**	**Fibertex Nonwovens**	**Grene**	**Hydra-Grene**	**Martin (discontinued operations)**	**Total**
External revenue	3,527.2	691.3	489.9	682.7	282.6	425.6	6,099.3
Intra-group revenue	0.0	12.2	3.5	3.7	15.9	0.1	35.4
Segment revenue	3,527.2	703.5	493.4	686.4	298.5	425.7	6,134.7
Depreciation	75.5	60.1	32.3	15.4	6.3	28.9	218.5
Impairment	0.0	0.0	0.0	0.0	0.0	0.6	0.6
EBIT	163.2	55.5	22.3	48.0	41.8	12.8	343.6
Segment assets	4,822.2	1,636.2	1,128.6	1,069.9	427.3	696.0	9,780.2
of which goodwill	746.3	72.4	77.6	11.5	0.0	47.0	954.8
Equity investments in associates	0.0	0.0	18.2	0.0	1.7	10.1	30.0
Segment liabilities	2,804.7	1,010.9	764.1	752.5	260.8	601.0	6,194.0
Cash flows from operating activities	(11.2)	127.9	19.0	6.1	9.2	70.4	221.4
Cash flows from investing activities	(62.9)	(86.9)	(43.5)	(39.1)	(12.7)	(22.4)	(267.5)
Cash flows from financing activities	(3.0)	(39.1)	43.8	40.6	3.7	(35.8)	10.2
Capital expenditure	(67.7)	(87.0)	(11.1)	(39.1)	(12.7)	(22.8)	(240.4)
Average number of employees	825	367	509	911	219	498	3,329

NOTE 1 - Segment reporting (continued)

Reconciliation of revenue, profit before tax, assets and liabilities	YTD 2013	YTD 2012
Reconciliation of segment revenue:		
Revenue from reporting segments	5,739.9	6,134.7
Revenue from non-reporting segments	40.7	23.6
Revenue from the parent company	10.5	10.0
Revenue from discontinued operations	(131.2)	(425.7)
Group elimination	(41.3)	(37.8)
Group revenue	5,618.5	5,704.8
Reconciliation of EBIT:		
EBIT from reporting segments	226.1	343.6
Revenue from non-reporting segments	(23.9)	(4.8)
EBIT from the parent company	(5.9)	(5.9)
EBIT from discontinued operations	(5.2)	(12.8)
Group elimination	22.8	1.1
EBIT	213.9	321.2
Reconciliation of segment assets:		
Assets from reporting segments	9,171.6	9,780.2
Revenue from non-reporting segments	727.5	581.6
Assets from the parent company	4,010.5	3,381.1
Group elimination	(3,804.3)	(3,412.8)
Assets	10,105.3	10,330.1
Reconciliation of segment liabilities:		
Liabilities from reporting segments	5,629.1	6,194.0
Revenue from non-reporting segments	71.2	36.0
Liabilities from the parent company	290.4	302.0
Group elimination	(948.6)	(503.4)
Liabilities	5,042.1	6,028.6

NOTE 2 - Share based payment

Share option programme

The company has an incentive programme for the Management and senior managers, including the executive management of subsidiaries. The programme entitles participants to acquire shares in Schouw & Co. at a price based on the officially quoted price at around the time of grant plus a calculated rate of interest (4% p.a.) from the date of grant until the date of exercise.

Outstanding options	Management	Other	Total	Strike price in DKK (1)	Fair value in DKK per option (2)	Fair value in total in DKK millions (2)	Can be exercised from	Can be exercised to
Granted in 2009	24,000	36,000	60,000	78.61	21.27	4.7	March 2011	April 2013
Granted in 2010	34,000	139,250	173,250	125.53	24.38	4.4	March 2012	March 2014
Granted in 2011	55,000	184,000	239,000	151.61	25.80	6.2	March 2013	March 2015
Granted in 2012	55,000	184,000	239,000	155.83	24.24	5.8	March 2014	March 2016
Outstanding options at December 31, 2012	168,000	543,250	711,250					
Granted in 2013	55,000	164,000	219,000	211.63	20.19	4.4	March 2015	March 2017
Exercised (from the share options granted in 2009)	-24,000	-36,000	-60,000					
Exercised (from the share options granted in 2010)		-115,250	-115,250					
Exercised (from the share options granted in 2011)		-106,000	-106,000					
Lapsed (from 2012 grant)		-18,000	-18,000					
Outstanding options at June 30, 2013	199,000	432,000	631,000					

1) At exercise after four years (at the latest possible moment)
2) At the date of grant

A total of 60,000 options relating to the 2009 grant were exercised in H1 2013. Options were exercised at an average exercise price of DKK 77.53 per share, producing cash proceeds to the Group of DKK 4.7 million. The average market price on the dates the options were exercised was DKK 174.60 per share.

A total of 115,250 options relating to the 2010 grant were exercised in H1 2013. Options were exercised at an average exercise price of DKK 119.65 per share, producing cash proceeds to the Group of DKK 13.8 million. The average market price on the dates the options were exercised was DKK 184.04 per share.

A total of 106,000 options relating to the 2011 grant were exercised in H1 2013. Options were exercised at an average exercise price of DKK 139.19 per share, producing cash proceeds to the Group of DKK 14.7 million. The average market price on the dates the options were exercised was DKK 186.00 per share.

A total of 18,000 options relating to the 2012 grant lapsed in the first half of 2013

The following assumptions were applied in calculating the fair value of outstanding share options at the date of grant:

	2013 grant	2012 grant	2011 grant	2010 grant	2009 grant
Expected volatility	26.36%	34.48%	33.75%	37.41%	56.54%
Expected term	48 mths	48 mths	48 mths	48 mths	48 mths
Expected dividend per share	DKK 4	DKK 3	DKK 3	DKK 3	DKK 3
Risk-free interest rate	0.62%	1.04%	3.00%	4.00%	4.00%

The expected volatility is calculated on the basis of 12 months historical volatility based on average prices. If the optionholders have not excercised their share options within the period specified, the share options will lapse without any compensation to the holders. Exercise of the share options is subject to the holders being in continuing employment during the above-mentioned periods. If the share option holder leaves the company's employ before the date of acquiring the right, the holder may in some cases have a right to exercise the share options early during a four-week period following Schouw & Co.'s next following profit announcement. In the event of early exercise, the number of share options will be reduced proportionately.

Notes

Amounts in DKK million

NOTE 3 - Earnings per share (DKK)	Q2 2013	Q2 2012	YTD 2013	YTD 2012
Share of the profit for the period attributable to shareholders of Schouw & Co.	219.0	61.5	586.9	139.0
Of which profit for the period from continuing operations	218.8	62.1	316.5	136.3
Of which profit for the period from discontinued operations	0.2	(0.6)	270.4	2.7
Average number of shares	25,500,000	25,500,000	25,500,000	25,500,000
Average number of treasury shares	(1,659,970)	(1,954,363)	(1,772,124)	(1,977,319)
Average number of outstanding shares	23,840,030	23,545,637	23,727,876	23,522,681
Average dilutive effect of outstanding share options	70,997	24,541	58,120	24,202
Diluted average number of outstanding shares	23,911,027	23,570,178	23,785,996	23,546,883
Earnings in Danish kroner per share of DKK 10	9.19	2.61	24.73	5.91
Diluted earnings in Danish kroner per share of DKK 10	9.16	2.61	24.67	5.90
Earnings per share in Danish kroner of DKK 10 from continuing operations	9.18	2.64	13.34	5.79
Diluted earnings per share in Danish kroner of DKK 10 from continuing operations	9.15	2.63	13.31	5.79
Earnings per share from discontinued operations (DKK)	0.01	(0.03)	11.39	0.12
Diluted earnings per share from discontinued operations (DKK)	0.01	(0.02)	11.36	0.11

NOTE 4 - Securities

	AT JUN. 30, 2013	AT DEC. 31, 2012	AT JUN. 30, 2012	AT DEC. 31, 2011
Financial investments				
Shares in Vestas (non-current securities)	325.6	127.4	129.7	248.0
Shares in Lerøy (current securities) (1)	-	131.7	104.6	80.5
Financial investments in total	325.6	259.1	234.3	328.5
Other securities	10.5	28.0	22.7	27.1
Securities in total	336.1	287.1	257.0	355.6

1) The Group's holding of shares in Lerøy was divested in the first quarter of 2013.

Securities measured at fair value:

	AT JUN. 30, 2013	AT DEC. 31, 2012	AT JUN. 30, 2012	AT DEC. 31, 2011
Non-current assets				
Cost at January 1	347.6	347.3	347.3	353.2
Reclassification	(24.9)	(1.5)	0.0	0.0
Foreign exchange adjustment	(0.8)	1.5	0.8	0.0
Additions	2.0	7.3	0.1	5.5
Disposals	(0.9)	(7.0)	(5.0)	(11.4)
Cost at end period	323.0	347.6	343.2	347.3
Adjustments at January 1	(192.7)	(72.6)	(72.6)	383.7
Reclassification	6.8	1.0	0.0	0.0
Foreign exchange adjustment	0.4	(0.5)	(0.1)	0.1
Disposals on divestment	0.0	0.0	0.0	0.3
Adjustments recognised in the income statement for the period	198.2	(120.6)	(118.4)	(456.7)
Adjustments at end period	12.7	(192.7)	(191.1)	(72.6)
Carrying amount of non-current assets at end period	335.7	154.9	152.1	274.7
Current assets				
Cost at January 1	170.0	160.7	160.7	159.8
Foreign exchange adjustment	(2.0)	9.3	4.5	0.9
Additions	0.0	0.0	0.0	0.0
Disposals	(161.1)	0.0	0.0	0.0
Cost at end period	6.9	170.0	165.2	160.7
Adjustments at January 1	(37.8)	(79.8)	(79.8)	30.2
Foreign exchange adjustment	0.4	(3.4)	(1.9)	(0.1)
Disposals on divestment	16.2	0.0	0.0	0.0
Dividend	0.0	(6.9)	(6.9)	(9.6)
Adjustments recognised in the income statement for the period	14.7	52.3	28.3	(100.3)
Adjustments at end period	(6.5)	(37.8)	(60.3)	(79.8)
Carrying amount of current assets at end period	0.4	132.2	104.9	80.9
Carrying amount at end period	336.1	287.1	257.0	355.6

At june 30, 2013, the company held 4,000,000 shares in Vestas recognised at a price of DKK 81.40 per share. At DKK 325.6 million, the fair value of the holding corresponded to the market price at june 30, 2013. The original acquisition cost of the shares in Vestas is DKK 313.4 million. Management regularly monitors changes in the fair value of the company's financial investments. Holdings are recognised at fair value and value adjustments are recognised in the income statement as a financial income or expense. The same method of recognition was applied for the 2012 financial year.

Notes

Amounts in DKK million

NOTE 5 - Receivables

Trade receivables

At June 30, 2013	Not due	Due between 1-30 days	Due between 31-90 days	Due between >91 days	Total
Trade receivables not considered to be impaired	2,114.2	251.3	56.0	21.4	2,442.9
Trade receivables individually assessed to be impaired	165.9	24.6	26.2	199.4	416.1
Trade receivables in total	2,280.1	275.9	82.2	220.8	2,859.0
Impairment losses on trade receivables	(67.5)	(5.7)	(4.6)	(167.5)	(245.3)
Trade receivables net	2,212.6	270.2	77.6	53.3	2,613.7
Proportion of the total receivables which is expected to be settled					91.4%
Impairment percentage	3.0%	2.1%	5.6%	75.9%	8.6%
Reconciliation to the balance					
Trade receivables - net					2,613.7
Other receivables - current					132.8
Total current receivables					2,746.5

At June 30, 2012	Not due	Due between 1-30 days	Due between 31-90 days	Due between >91 days	Total
Trade receivables not considered to be impaired	2,223.7	217.8	68.6	57.5	2,567.6
Trade receivables individually assessed to be impaired	21.6	11.9	8.2	217.4	259.1
Trade receivables in total	2,245.3	229.7	76.8	274.9	2,826.7
Impairment losses on trade receivables	(0.7)	(3.8)	(2.8)	(224.5)	(231.8)
Trade receivables net	2,244.6	225.9	74.0	50.4	2,594.9
Proportion of the total receivables which is expected to be settled					91.8%
Impairment percentage	0.0%	1.7%	3.6%	81.7%	8.2%
Reconciliation to the balance					
Trade receivables - net					2,594.9
Other receivables - current					180.6
Total current receivables					2,775.5

NOTE 6 - Share capital

At June 30, 2013, the share capital consisted of 25,500,000 shares with a nominal value of DKK 10 each. All shares rank equally.

Treasury shares	Number of shares	Nominal value	Cost	Percentage of share capital
January 1, 2012	2,008,363	20,083,630	246.2	7.88%
Movements in H1 2012				
Share option programme	(54,000)	(540,000)	(5.4)	-0.22%
June 30, 2012	1,954,363	19,543,630	240.8	7.66%
Movements in H2 2012				
Share option programme	(16,000)	(160,000)	(1.6)	-0.06%
December 31, 2012	1,938,363	19,383,630	239.2	7.60%
Movements in H1 2013				
Share option programme	(281,250)	(2,812,500)	(28.8)	-1.10%
June 30, 2013	1,657,113	16,571,130	210.4	6.50%

Schouw & Co. has been authorised by the shareholders in general meeting to acquire up to 5,100,000 treasury shares, equal to 20.0% of the share capital. The authorisation is valid until April 1, 2017.

Notes

Amounts in DKK million

NOTE 7 - Discontinued operations and assets held for sale	YTD 2013	YTD 2012
Profit from discontinued operations		
Revenue	131.2	425.8
Cost of sales	(89.1)	(305.2)
Gross profit	42.1	120.6
Distribution costs	(25.8)	(80.9)
Administrative expenses	(12.4)	(26.5)
Other operating income/expenses, net	1.3	0.1
Operating profit (EBIT)	5.2	13.3
Financial items, net	(1.9)	(4.6)
Profit before tax	3.3	8.7
Tax on profit for the year	(1.2)	(4.5)
Profit after tax	2.1	4.2
Gains from the sale of business activities including costs	268.3	(1.5)
Tax on divestment	0.0	0.0
Profit for the period from discontinued operations	270.4	2.7
Earnings per share from discontinued operations (DKK)	11.39	0.12
Diluted earnings per share from discontinued operations (DKK)	11.36	0.11
Cash flows from operating activities	26.6	71.7
Cash flows from investing activities	(7.4)	(22.4)
Cash flows from financing activities	(19.8)	(10.8)
Cash proportion of proceeds from divestment	500.7	(1.5)
Cash flows from discontinued operations	500.1	37.0
Assets held for sale		
Intangible assets	0.0	130.5
Property, plant and equipment	0.0	33.0
Other non-current assets	0.0	44.5
Cash and cash equivalents	0.0	18.9
Other current assets	0.0	469.1
Assets held for sale - total	0.0	696.0
Presented under the line item Assets held for sale in the consolidated balance sheet	-	-
Liabilities associated with assets classified as held for sale		
Interest-bearing debt	0.0	399.7
Other creditors	0.0	151.6
Liabilities associated with assets classified as held for sale - total	0.0	551.3
Presented under the line item Liabilities relating to assets held for sale in the consolidated balance sheet	-	-

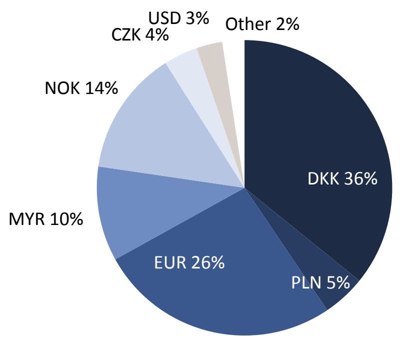
Profit from discontinued operations includes operations in Martin until the end of February (two months) in year to date 2013 and for the period January 1 to June 30, 2012. The gain from the sale of Martin has been calculated at DKK 268 million.

Amounts in DKK million

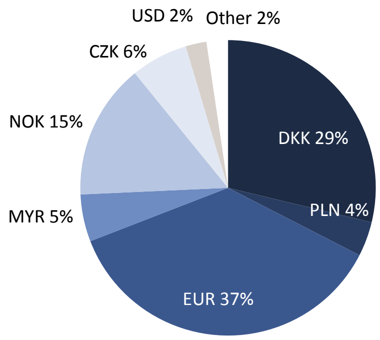
NOTE 8 - Interest-bearing debt

At the end of the first half of 2013 and 2012 the Group's debt divided by currency was as shown below:

June 30, 2013



June 30, 2012



The average effective rate of interest was 3.1% at June 30, 2013 (June 30, 2012: 3.1%).

Note 9 - Fair values of categories of financial assets and liabilities	**YTD 2013**
Financial assets	
Securities measured at fair value through profit or loss – level 1	325.6
Derivative financial instruments to hedge future cash flows – level 2	0.5
Securities measured at fair value through other comprehensive income – level 3	10.5
Financial liabilities	
Derivative financial instruments to hedge future cash flows – level 2	50.5

Securities measured at fair value through other comprehensive income – level 3 amounted to DKK 28.0 million at the beginning of the year. The change in the period of DKK 17.5 million breaks down into additions of DKK 2.0 million, disposals of DKK 0.9 million, reclassifications of DKK 18.0 million, impairment loss of DKK 0.2 million and foreign exchange adjustments of DKK 0.4 million.

The Group uses interest rate swaps and forward currency contracts to hedge fluctuations in the level of interest rates and foreign exchange rates. Forward exchange contracts and interest rate swaps are valued using generally accepted valuation techniques based on relevant observable swap curves and exchange rates. The fair values applied are calculated mainly by external sources on the basis of discounted future cash flows.

The fair value of derivative financial instruments is calculated by way of valuation models such as discounted cash flow models. Anticipated cash flows for individual contracts are based on observable market data such as yield curves and exchange rates. In addition, fair values are based on non-observable market data, including exchange rate volatilities, or correlations between yield curve, exchange rates and credit risks. Non-observable market data account for an insignificant part of the fair value of the derivative financial instruments at the end of the reporting period.

NOTE 10 - Related party transactions

Under Danish legislation, Givesco A/S, Svinget 24, DK-7323 Give, members of the Board of Directors, the Management Board and senior management as well as their family members are considered to be related parties. Related parties also comprise companies in which the individuals mentioned above have material interests. Related parties also comprise subsidiaries and associates, in which Schouw & Co. has a controlling influence, as well as members of the Board of Directors, Management Board and senior management in our subsidiaries and associates.

The management share option programmes are described in note 2.

The Group has at June 30, 2013 a receivable from Incuba Invest A/S of DKK 8.8 million (2012: DKK 11.4 million). The Group has received management fee from Incuba Invest A/S of DKK 31 thousand (2012: DKK 30 thousand) and received interests of DKK 398 thousand (2012: DKK 456 thousand).

Other than that there were no other related party transactions.