Shareholder magazine 2014

schouw+co

Schouw & Co. held its first ever symposium in September 2014. Sixty senior managers from our portfolio companies across the world travelled to Aarhus to attend the event at ARoS, the Aarhus Art Museum.

schouw+co

As in previous years, Schouw & Co. will not be printing and distributing a conventional annual report.

We have published a shareholder magazine to accompany our full-length annual report and readers may benefit from reading the annual report in conjunction with the shareholder magazine. The shareholder magazine contains only very general financial information and management reporting. The annual report is available electronically at www.schouw.dk

Key figures and key ratios *(DKK million)*

INCOME STATEMENT AND BALANCE SHEET	**2014**	**2013**	**2012**	**2011**	**2010**
Revenue	11,784	11,645	12,478	11,929	9,451
Operating profit before depreciation (EBITDA)	1,070	1,039	1,163	1,049	753
Operating profit (EBIT)	708	685	772	646	369
Profit after tax in associates etc.	28	-21	-5	-26	-1
Value adjustment of financial investments	0	499	-68	-556	-518
Other net financials	-35	-53	-86	-107	-92
Profit before tax	701	1,109	613	-41	-241
Profit for the year from continuing operations	428	860	469	-72	-127
Profit for the year from discontinued operations	0	508	29	0	167
Profit for the year	428	1,368	498	-72	40
Total assets	9,882	9,696	10,381	9,901	8,900
Net interest bearing debt (NIBD)	44	-23	2,023	2,745	2,166
Total equity	6,074	5,746	4,627	4,230	4,395

FINANCIAL DATA	**2014**	**2013**	**2012**	**2011**	**2010**
EBITDA margin	9.1%	8.9%	9.3%	8.8%	8,0%
EBIT margin	6.0%	5.9%	6.2%	5.4%	3,9%
ROIC excluding goodwill	16.9%	16.1%	15.2%	13.8%	10,0%
ROIC including goodwill	14.0%	13.3%	12.9%	11.8%	8.3%
NIBD/EBITDA	0.0	0.0	1.7	2.6	2.9
Average number of employees during the year	2,139	2,052	2,873	3,287	3,166
Dividend per share (of DKK 10)	8	6	5	4	3
Net asset value per share (of DKK 10)	258.44	240.49	196.25	178.62	183.93
Share price at year-end (of DKK 10)	290.00	222.50	149.00	92.50	133.50
Price/net asset value	1.12	0.93	0.76	0.52	0.73

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Results are created by people

Schouw & Co. had a very good year in 2014. Our portfolio company operations developed well throughout the year and in fact better than we had originally expected. We grew our comparable operational EBIT by 12% relative to 2013, net of the non-recurring gain from the sale of property in that year. The improvement was rooted in a number of different factors, but I am absolutely certain that our many dedicated employees deserve most of the credit.

"Results are created by people" has been a Schouw & Co. mantra for decades. It is our managers' and employees' openness to change and ongoing alignment to changing business conditions that form the foundation for how Schouw & Co. has evolved and developed since the company was founded in 1878. We are confident that this situation will continue.

In this year's shareholder magazine, we profile the CEOs who head up our five major businesses. They have the overall management responsibility for strategy, operations and the more than 4,500 people employed by the five companies.

All five CEOs worked their way up through their respective organisations. On average, they have more than 20 years of seniority, and they have each played a key role in developing their company before being appointed CEO. In-depth business knowledge and reliability are characteristics our CEOs possess, and they all pursue long-term objectives and demand profitable growth, both of which are cornerstones of the Schouw & Co. philosophy. Each of the five are major contributors to value creation, and that is why we have decided to tell you a little bit more about them.

The new year, 2015, will not be without its challenges. Several of our markets are extremely competitive, and our companies are constantly experiencing changes in their value chains. However, I am confident that Schouw & Co. will once again obtain satisfactory results in 2015. We know we have the right people to deliver a strong performance.

Jens Bjerg Sørensen, President
Aarhus, March 6, 2015

A good, solid year for Schouw & Co.

Financial performance

The Schouw & Co. Group had a good year in 2014 despite moderate expectations at the beginning of the year. A large number of uncertainties raised prospects of a challenging year in 2014 compared with the highly successful 2013.

Fortunately, the portfolio businesses managed to navigate the volatile and competitive markets, enabling the Group to raise its consolidated EBIT guidance during the year.

The Group's companies improved overall revenue slightly from DKK 11,645 million in 2013 to DKK 11,784 million in 2014. The revenue performance was strongly affected by lower raw materials prices, especially in BioMar, which reported lower revenue despite an increase in overall business activity. The other consolidated businesses all reported revenue improvements.

EBIT for the year rose to DKK 708 million in 2014 from DKK 685 million in 2013, which figure included a DKK 54 million profit from the sale of a property. The 12% operational EBIT improvement was driven mainly by Biomar and Fibertex Nonwovens, but Hydra-Grene and, to a lesser extent, Fibertex Nonwovens also contributed. A drop in provisions for trade receivables in BioMar supported the profit for the year, in part because a specific payment received at the end of January 2015 reduced the estimated provisioning need by DKK 13 million.

As expected, Kramp, the large associate, reported revenue and EBIT improvements relative to the proforma figures for 2013. In the consolidated financial statements, Schouw & Co.'s 20% share of the profit in Kramp is recognised under profit after tax in associates. The recognised share of the profit in Kramp for the first four months of 2014 was DKK 36 million lower due to adjustments that mainly related to the purchase price allocation prepared in connection with the merger with Grene. In other words, the recognised share of profit amounted to DKK 22 million.

Xergi, which is recognised as a joint venture, achieved the expected revenue and earnings improvements, and a DKK 5 million share of the profit has been recognised under profit after tax in joint ventures for 2014.

Consolidated net financial items were an expense of DKK 35 million, compared with a comparable expense of DKK 53 million in 2013 net of value adjustments of financial investments that have since been divested.

To date, BioMar's subsidiary in Chile has been subject to corporate income tax for a total of 35% paid in two steps, with the first payment (of 17–20%) being paid in the tax year and the rest only being paid on the distribution of dividends. A tax reform was passed in Chile at the end of the third quarter 2014. As a result, BioMar has decided to distribute a large dividend from its Chilean subsidiary. A tax expense of DKK 116 million has been recognised in the 2014 financial statements and the amount is expected to be paid in 2015.

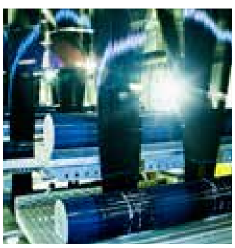
As a result, the total tax payable on the profit for the year was DKK 274 million, bringing the net profit for the year to DKK 428 million.

12%

↑ *Growth in operational EBIT*

"The Schouw & Co. Group had a good year in 2014 and our portfolio businesses fortunately managed to navigate the volatile and competitive markets."

JENS BJERG SØRENSEN, CEO, SCHOUW & CO.



Liquidity and capital resources

The notable key events of 2013, i.e. the merger of Grene and Kramp, the sale of Martin Professional and of securities and property, combined with the positive cash flow from operations meant that Schouw & Co.'s net interest-bearing debt at the end of 2013 was a DKK 23 million net deposit. Our net interest-bearing debt has grown during the year among other due to an increase in business activity including the acquisitions of two small companies and an increase in working capital, as well as acquisition of treasury shares but it remained at a modest DKK 44 million at the end of 2014.

Operating activities generated a cash inflow of DKK 628 million in 2014, compared with DKK 667 million in 2013. Net cash flows for investing activities amounted to DKK 355 million in 2014 against DKK 372 million in 2013, not including the sale of securities and property for DKK 894 million.

The Group's overall working capital increased from DKK 1,424 million at December 31, 2013, to DKK 1,775 million at December 31, 2014, mainly due to larger inventories at BioMar.

Group developments

Very mild climate conditions prevailed from the start of the year, supporting business activity in the early months and resulting in earlier revenue that would otherwise not have appeared until later in the year. For some products, the fluctuating weather conditions mainly result in timing differences, but normally, an early start to the season is generally good for the Group.

Our portfolio companies generally saw strong activity in most of their active markets, but they have all experienced mounting international competition. The battle for market share is intense everywhere, and customers are very determined to get prices and terms of business that are competitive. That forces our portfolio companies to constantly invest in safeguarding their competitive strength, and in some cases having to take strategic positions to secure necessary market share.

Our companies finished the year on a good note overall, as sound operating conditions and attractive raw materials prices contributed to the financial results, most of all in BioMar and Fibertex Personal Care.

The following is a brief review of individual company performances in 2014:

BioMar reported a slight increase in total volumes, but realised lower revenue due to lower raw materials prices. The drop related mainly to the North Sea and Continental Europe regions, whereas the Americas reported improvements. EBIT improved compared with last year.

At the end of the year, Carlos Diaz took over as CEO of BioMar in a well planned generational change, succeeding Torben Svejgård, who had resigned to pursue a career as a board member.

BioMar is working hard to expand its operations by developing feed for new fish species and establishing a presence in new geographical markets. The company is currently working to establish production in Turkey in association with local company Sagun Group, and a new Turkish factory is expected to be commissioned in 2016.

"There is an intense battle for market shares and we constantly invest in safeguarding our competitive strength."

JENS BJERG SØRENSEN, CEO, SCHOUW & CO.

Fibertex Personal Care reported a healthy revenue improvement driven mainly by higher volume sales from the factory in Malaysia. The company also improved its EBIT, partly due to a sharp drop in prices of raw materials towards the end of the year.

At the end of October 2014, Fibertex Personal Care acquired the remaining 85% of the shares in German company Innowo Print, in which it had previously held a 15% ownership interest since 2007.

Fibertex Nonwovens reported revenue improvements that were mainly attributable to healthy sales of products to the auto industry and other specialised products for industrial purposes. EBIT improved considerably compared with last year.

At the end of October 2014, Fibertex Nonwovens acquired a US-based company, establishing an attractive platform for growth in North America.

In addition, after the end of 2014, Fibertex Nonwovens has increased its ownership interest in Fibertex South Africa from 26% to 74%.

16.9%

↑ *Return on invested capital excluding goodwill*

DKK 8

↑ *Dividend up by DKK 2 per share to DKK 8*

Hydra-Grene reported a fair revenue improvement mainly driven by higher sales to the wind turbine industry. EBIT improved, driven by the greater volume of business activity.

Kramp, which is recognised as an associate, reported an increase in revenue and EBIT relative to the pro forma numbers for 2013 following the successful merger with Grene.

Xergi, which is recognised as a joint venture, has achieved a step change in its activity that follows from recent years' heavy investment in technology innovation and in building a substantial customer and project portfolio. The company lifted its revenue by more than 50% and also strongly improved its net profit.

Outlook

The companies of the Schouw & Co. Group are generally well-positioned to face strong international competition, and the Group has sufficient resources to meet the challenges that involves.

However, market conditions on the threshold of 2015 are characterised by several material sources of volatility. Europe remains mired in economic weakness and political tension. This is impacting the Group's operations, mainly in Fibertex Nonwovens, Hydra-Grene and Kramp, but potentially also in BioMar and Fibertex Personal Care.

All of the portfolio companies operate in competitive markets, but especially BioMar and Fibertex Personal Care expect a year with a fragile balance between supply and demand in their important markets, which are Norway and Chile, and South East Asia, respectively.

As a result, BioMar has moderate expectations for its core markets in Norway and Chile. On the other hand, the company expects to sustain revenue at the 2014 level, but with a lower EBIT.

Fibertex Personal Care expects revenue below the 2014 figure; revenue is expected to fall due to lower average prices of raw materials, but that effect will be partly offset by the consolidation of Innowo Print. EBIT will be supported by the effects of a plunge in raw materials prices in the early part of the year, but prices are expected to recover as the year wears on, which will likely eliminate the benefit to earnings.

This will be a year of transition for Fibertex Nonwovens, with several production lines scheduled for upgrading and therefore to be out of service for a period of time. The com-

Dividend

The Board of Directors recommend to the Annual General Meeting that the dividend for 2014 be raised by 33% to DKK 8.00 per share, for total dividend payments of DKK 204 million, equal to 2.8% of the market capitalisation at December 31, 2014 or 48% of the profit for the year.

There are 10 employees at the Schouw & Co. headquarter at Chr. Filtenborgs Plads in Aarhus, Denmark.

Jens Bjerg Sørensen has been President in Schouw & Co. since 2000.

pany continues to expect to improve revenue and EBIT, in part as a result of the acquisitions made.

Hydra-Grene expects a drop in revenue in 2015, mainly due to lower sales to the wind turbine industry. A similar drop in EBIT is expected.

The associate company Kramp projects continued revenue and EBIT improvements. Xergi, which is recognised as a joint venture, expects to keep up the high level of business activity.

Overall, Schouw & Co. expects to generate consolidated revenue in the vicinity of DKK 12 billion in 2015. However, for several of the companies, revenue depends very much on prices of raw materials, and any fluctuations can significantly change revenue without having any notable effect on earnings.

Schouw & Co. applies a profit forecast range for each individual business, and aggregating these ranges indicates consolidated EBIT guidance for 2015 within the range of DKK 610-700 million.

To this should be added profit after tax from associates and joint ventures, which is expected to improve to the range of DKK 60-70 million. However, a comparison with 2014 should take into account the fact that the recognised share of the profit in Kramp for 2014 was reduced by DKK 36 million in adjustments that were mainly the result of the purchase price allocation prepared in connection with the merger with Grene.

Net financials for 2015 are expected to be an expense of in the region of DKK 35 million.

REVENUE (DKK million)	**2015** forecast	**2014** actual	**2013** actual
BioMar	c. 8,500	8,451	8,702
Fibertex Personal Care	c. 1,700	1,787	1,554
Fibertex Nonwovens	c. 1,200	1,048	933
Hydra-Grene	above 500	566	480
Other/eliminations	-	-68	-24
Total revenue	**c. 12bn**	**11,784**	**11,645**
Kramp (100%)	c. 5,250	4,905	4,594

EBIT (DKK million)	**2015** forecast	**2014** actual	**2013** actual
BioMar	360-410	434	394
Fibertex Personal Care	160-180	171	164
Fibertex Nonwovens	65-75	62	37
Hydra-Grene	45-55	60	46
Other	c. -20	-20	43
Total EBIT	**610-700**	**708**	**685**
Associates etc.	60-70	28	-22
Financial investments	-	0	499
Other financial items	c. -35	-35	-53
Profit before tax	**635-735**	**701**	**1,109**
Kramp EBIT (100%)	425-450	405	349

30 %

↑ Increase in share price in 2014

Five years of solid progress

All companies of the Schouw & Co. Group have experienced considerably positive trends over the past five years. All our portfolio companies have reported average revenue growth in the vicinity of 10% while also substantially improving their earnings.

Our companies have expanded both in existing markets and into new ones, and we have continually primed our strategic platform for the future by investing in long-term profitable growth on the basis of innovation, quality management and organisational development, among other things.

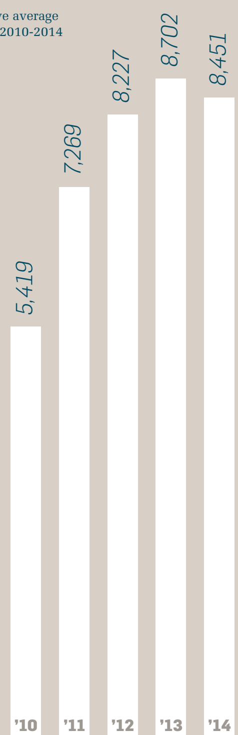
"All our businesses are strongly focused on costs in their day-to-day operations, but we have a long-term investment horizon as well. Looking at our performance over the past five years, I think I can safely say we have good reason to be pleased with what we have achieved."

JENS BJERG SØRENSEN, CEO, SCHOUW & CO.

BIOMAR

11.7%

Cummulative average growth rate 2010-2014



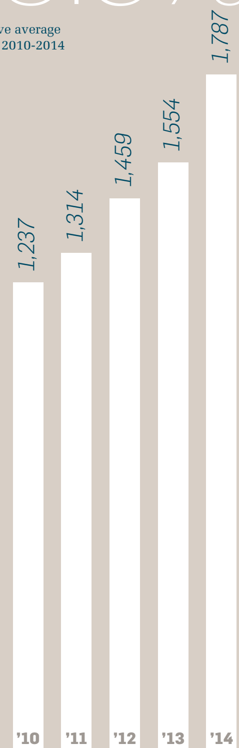
Revenue (DKK million)

DKK million	2014	2013
Revenue	8,451	8,702
Operating profit (EBIT)	434	394
EBIT margin	5.1%	4.5%
Profit before tax	398	372
Number of employees	904	885
Total assets	4,841	4,542
Equity	1,902	1,765
Net interest bearing debt	386	353
ROIC excl. goodwill	22.9%	20.1%

FIBERTEX PERSONAL CARE

9.6%

Cummulative average growth rate 2010-2014



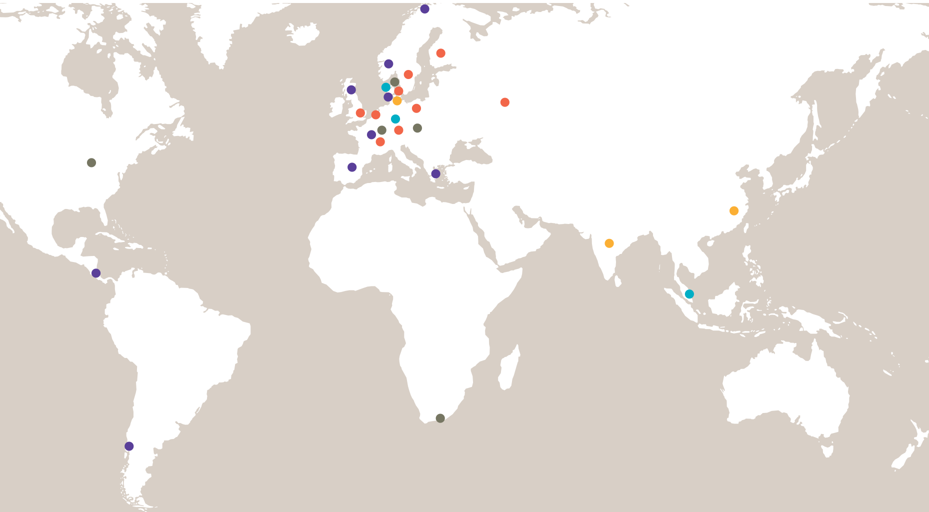
Revenue (DKK million)

DKK million	2014	2013
Revenue	1,787	1,554
Operating profit (EBIT)	171	164
EBIT-margin	9.6%	10.5%
Profit before tax	169	157
Number of employees	447	429
Total assets	1,882	1,630
Equity	730	635
Net interest bearing debt	688	644
ROIC excl. goodwill	14.4%	13.6%

Here we are

Major units with production or warehouse facilities

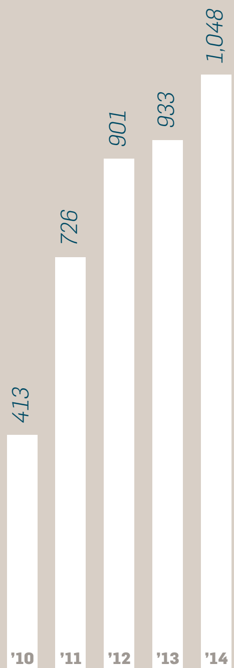
- **BioMar** — Denmark, Norway, Scotland, France, Spain, Greece, Chile, Costa Rica
- **Fibertex Personal Care** — Denmark, Malaysia, Germany
- **Fibertex Nonwovens** — Denmark, France, Czech Republic, South Africa, USA
- **Hydra-Grene** — Denmark, China, India
- **Kramp** — The Netherlands, Germany, France, United Kingdom, Denmark, Sweden, Finland, Poland, Russia



FIBERTEX NONWOVENS

26.2%

Cummulative average growth rate 2010-2014



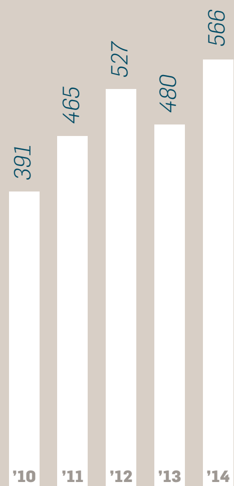
Revenue (DKK million)

DKK million	2014	2013
Revenue	1,048	933
Operating profit (EBIT)	62	37
EBIT-margin	5.9%	4.0%
Profit before tax	50	17
Number of employees	547	511
Total assets	1,178	970
Equity	385	314
Net interest bearing debt	522	452
ROIC excl. goodwill	8.4%	5.1%

HYDRA-GRENE

9.7%

Cummulative average growth rate 2010-2014



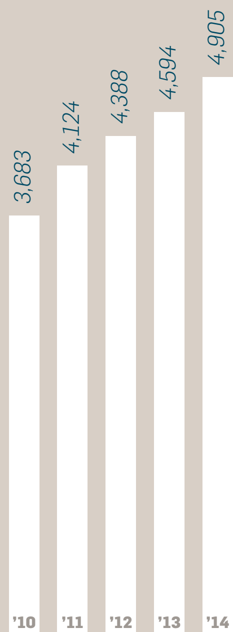
Revenue (DKK million)

DKK million	2014	2013
Revenue	566	480
Operating profit (EBIT)	60	46
EBIT-margin	10.6%	9.6%
Profit before tax	61	40
Number of employees	230	215
Total assets	391	403
Equity	188	167
Net interest bearing debt	96	127
ROIC excl. goodwill	22.6%	18.2%

KRAMP

7.4%

Cummulative average growth rate 2010-2014



Revenue (DKK million)

DKK million	2014	2013
Revenue	4,905	4,594
Operating profit (EBIT)	405	349
EBIT-margin	8.3%	7.6%
Profit before tax	346	310
Number of employees	2,604	2,486
Total assets	2,787	2,551
Equity	1,063	1,230
Net interest bearing debt	1,371	968

Consolidating

"Schouw & Co. holds a unique and strong position for future growth. We are virtually debt-free; we are planning for or have already made a number of large investments; we generate a substantial cash flow; and each of our businesses offers promising long-term perspectives," says President Jens Bjerg Sørensen as he describes the prospects for Schouw & Co. at the start of 2015.

After a number of significant changes in 2013, including the sale of non-strategic shareholdings in Vestas and fish farming company Lerøy and the merger of Grene and Kramp, 2014 saw Schouw & Co. continuing efforts to help its portfolio companies grow and become stronger. The main events of the year included the acquisition of two small companies and the decision to invest heavily in increasing capacity over the next few years.

the conglomerate

As president of Schouw & Co., a position he has held since 2000, Mr Bjerg Sørensen is in charge of structuring the portfolio and defining the strategic course for the portfolio businesses.

"By continuing our strategy of consolidating our conglomerate, we're clearly emphasising the fact that Schouw & Co. is a conglomerate whose businesses operate within different industries. We're confident that holding an attractive conglomerate portfolio creates value while also diversifying risk."

At Schouw & Co., we take a dual-level strategic approach. At the general level, we build a portfolio of leading companies with strong potential and, at the individual business level, the challenge is to exert active ownership and develop the portfolio businesses.

"At business level, we have two strategic objectives. The first one is operational streamlining: significant investments form the basis of solid organic growth, and an intensified focus on margin management is how we will grow earnings in both the short and long term. The second objective is to go global, because large international businesses are best positioned for the competitive situation in future. We need to make sure that our businesses expand in growth markets and, in doing that, acquiring other businesses will probably be an important factor."

Schouw & Co. exercises active ownership at more than one level. Each of the businesses have their own board of directors consisting of both independent members and members representing Schouw & Co., and, as owners, Schouw & Co. engage with each business through various kinds of follow-up, support, reporting and general dialogue. Mr Bjerg Sørensen explains:

"I generally speak with at least one company CEO every day, but it's important for me to emphasise that we run these businesses through and in collaboration with their own managements. We don't have the resources or the skills at parent company level to assume operational responsibility for these companies. That's why we appointed their CEOs. We make sure that each business has a clear-cut strategic direction, but we leave the day-to-day operations and operational decisions to the companies themselves."

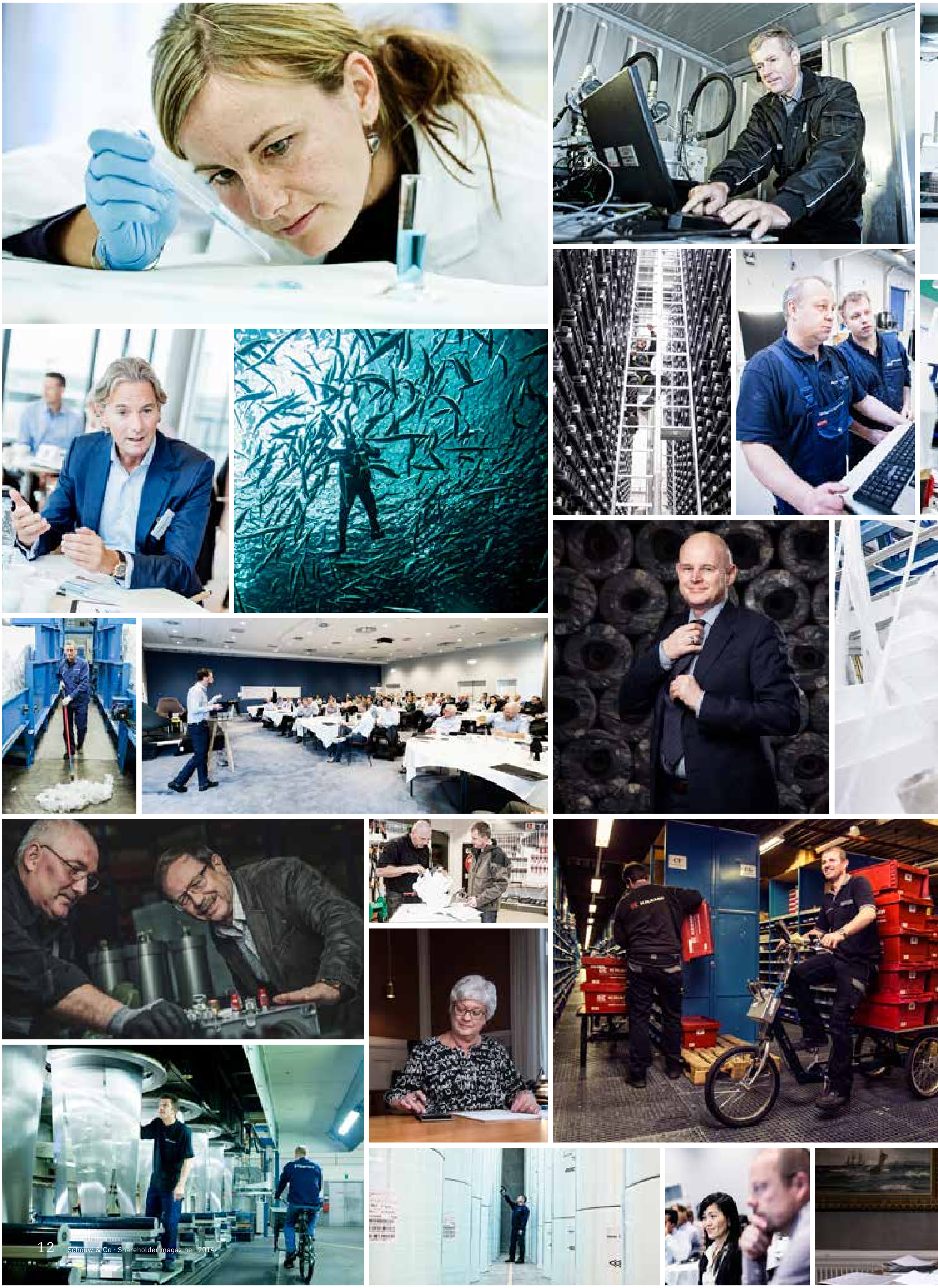
Mr Bjerg Sørensen explains that Schouw & Co. currently has the financial and management capacity to expand its portfolio, but he is very choosy, and it is not necessarily something that will happen in the short term:

"We don't plan to add a lot of new businesses to our portfolio. Maybe we only need one more, so it's extremely important that we find a perfect match. It's quite obvious that attractive companies are in very high demand these days, and it would be unrealistic to believe we would have the opportunity to buy at less than the market price. Our core focus is on long-term value creation, but even though we prefer having full ownership of our portfolio companies, we would not rule out alternative ownership structures."

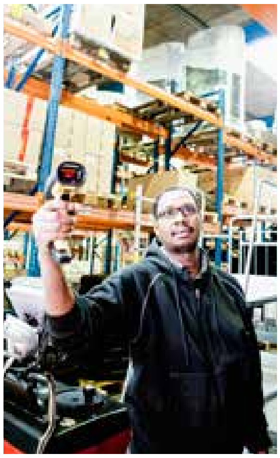
Whether or not to continue ownership of each of the portfolio companies is considered on a regular basis. At the present time, Schouw & Co. is the best owner of all five of its major companies, and the Group has special plans for continuing their strategic development. The assignments undertaken at group level are reviewed regularly, and the Group is also working to optimise its capital structure for the long term and to ensure that Schouw & Co. will continue to grow and develop in the future.

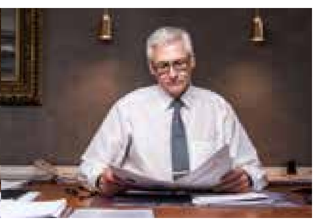
"Schouw & Co. has existed for 137 years, and I will keep on working hard and focusing on helping the company continue to create value over the next many years. The five major businesses in our portfolio form an attractive platform for continued growth and development, and we have sufficient financial and strategic resources to pursue our ambitious plans for the future."

The most recent addition of an independent company to the portfolio is BioMar, which was acquired almost a decade ago. Since then, Schouw & Co. has added various business activities to its portfolio of companies, but buying operations to be added to existing businesses continues to have a higher priority than acquiring a whole new business.



Results are created by people





Revenue	EBIT	Employees	Equity
-3%	+10%	+2%	+8%

BIOMAR

BioMar 2014 DKKm	
Revenue	8.451
EBIT	434
Profit before tax	398
Employees	904
Equity	1.902

BioMar is the world's third-largest manufacturer of quality feed for the fish farming industry. The core business areas are feed for salmon, trout, sea bass, sea bream and tilapia.

CEO **Carlos Diaz**

Agile multi-cultural approach the key to global growth

In 2014, Carlos Diaz was appointed CEO of BioMar, the world's third-largest manufacturer of quality feed for the fish farming industry. He has been with the company since 2000 and uniquely combines South American and Western European management skills.

BioMar has more than trebled its revenue in the past ten years, from DKK 2.6 billion in 2005 to DKK 8.5 billion in 2014, to become the third-largest player in its field. The company produces almost one million tonnes of fish feed annually, most of it feed for salmon, trout, sea bass, sea bream and tilapia. Norway is BioMar's largest market, but the company also has an extensive reach in both Europe and South America, with production facilities in Norway, Scotland, Denmark, France, Spain, Greece, Chile and Costa Rica. Turkey was added to the list of production countries in 2014, and this country will play an important role in BioMar's expansion plans for the Mediterranean region.

Searching for growth opportunities is part of the BioMar DNA. There are now more than seven billion people on the planet, and with the growing population comes a growing need for food. This is where fish has great potential, as aquaculture is one of the most efficient ways to produce food. Furthermore, fish is one of the most protein-rich and healthful foods of all. This is one of the main reasons why, for the past many years, the global aquaculture industry has grown by an average of 6% per year. According to Mr Diaz, BioMar is poised to take its share of the growth potential as a minimum:

Fish feed specialists

"BioMar is stronger than ever before. We've achieved a size and reach that enables us to lead the industry in the very crucial aspect of product and feed recipe optimisation, and we →

"BioMar is stronger than ever before. We are industry leaders when it comes to product and feed recipe optimisation."

CARLOS DIAZ, CEO, BIOMAR

Chilean national Carlos Diaz was appointed CEO of BioMar in late 2014. From his home in Madrid, he frequently travels BioMar's regional markets.

have an ambitious and dedicated commitment to growth that involves working closely with our customers and expanding to new markets."

BioMar is a specialist feed producer, delivering feed for more than 25 different species farmed in different parts of the world. For example, the crucial Norwegian and Chilean markets are dominated by cold-water species such as salmon and trout, while other markets prefer warm-water species such as sea bass, sea bream and tilapia. Yet, preferred fish species are not the only differentiating factors. BioMar also approaches customers differently from market to market and from country to country. Mastering this gives the company a very special advantage:

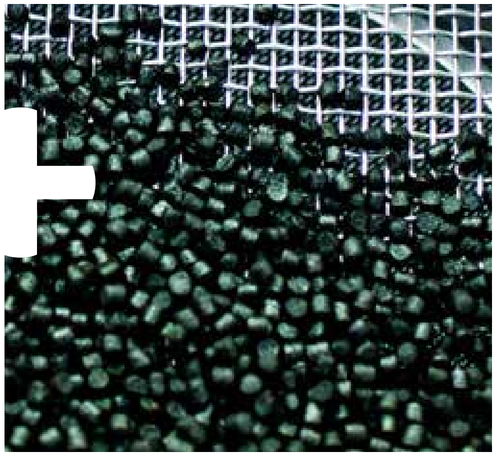
"Taking a differentiated approach to markets and customers is absolutely vital. This also applies to many other industries, but local traditions and local values are widespread in fish farming, and we master them all to perfection. We also specialise in optimising our feed recipes to global and local conditions. For example, because the price of raw materials varies from region to region, it is absolutely crucial for optimising our operations and earnings that we

"BioMar has a strong position in the salmon markets. We have what we need to expand to new markets, and it's up to us to do it."

CARLOS DIAZ, CEO, BIOMAR

Carlos Diaz has run several marathons in the last ten years. He's also great fan of seafood: it's on his plate several times a week.

Improving feed recipes is a continual process in BioMar's efforts to optimise fish nutrition. The picture shows employees at work at the feed trial unit in Hirtshals, Denmark.



BioMar makes feed that matches all the different phases of the life cycle of fish. Feed pills are between 1 mm and 12 mm in diameter.

are able to use our extensive recipe programme to substitute expensive components with alternatives without compromising on quality.

BioMar was founded in 1962 by a group of Danish fish farmers under the name of Dansk Ørredfoder. In 1988, the company was taken over by Korn- og Foderstof Kompagniet (KFK), then a subsidiary of the Norsk Hydro Group. The company then began to expand internationally, setting up in Scotland, Greece and Chile and acquiring companies in Norway and France. Expansion really took off after Schouw & Co. took over this promising company in 2005, and in less than ten years it has doubled production and more than trebled revenue.

Carlos Diaz appointed CEO in 2014

Mr Diaz joined the BioMar organisation in 2000 when the Chilean company Ecofeed, with him as sales and marketing director, established a joint venture with BioMar. In 2003, Ecofeed became a wholly owned subsidiary of BioMar and Mr Diaz was appointed head of BioMar's activities in Chile. Later, he was named vice president and head of first the Americas region and later on Continental Europe, and of global business development. His results were highly impressive, so it came as no surprise when the Board of Directors unanimously appointed Mr Diaz CEO.

"I've spent almost my entire professional life at BioMar, so my experience and management style is a good fit with the company. I have both South American and European values, and I'm very much aware of the cultural differences that we must navigate as a global business. In South America, for example, we are very categorical and action-driven, but in Europe, and in Scandinavia in particular, we have a more democratic, innovative and efficient approach. At BioMar, we strive to combine the best of all cultures. Despite the size of our organisation, that makes us very agile, unbureaucratic and uncomplicated, all of which benefits our customers.

Mr Diaz lives with his wife and four children in Madrid, but the world is his office. During his travels, he manages to pursue his passion for running marathons, skiing and cycling, preferably in mountainous areas.

"One of the most important things for me to pack are my running shoes. No matter where I travel, going for a run is the perfect way to unwind. Ten years ago, I ran my first marathon in New York together with my wife. We hope to find the time to mark our tenth jubilee and run it again in 2015.

"At Fibertex Personal Care, we all share a passion for what we do. Our commitment to quality goes all the way down to the tiniest detail, and we have a unique corporate culture."

MIKAEL STAAL AXELSEN, CEO, FIBERTEX PERSONAL CARE

Strong corporate culture creating profitable growth

For the past seven years, Mikael Staal Axelsen has headed up Fibertex Personal Care, the world's fifth-largest manufacturer of non-woven textiles for the hygiene industry. He has a passion for the product, the business and the quite unique Fibertex culture that has shaped his professional life and which he now is responsible for on a daily basis.

Fibertex Personal Care is one of the world's largest manufacturers of spunmelt fabrics. Its total annual output of 110,000 tonnes, manufactured in Denmark and Malaysia, equals about 10% of global consumption. The fabrics are used in nappies and in incontinence and femcare products, and part of the customer base consists of a handful of the world's largest companies, including Procter & Gamble, Kimberly Clark and SCA.

Fibertex Personal Care has enjoyed great success in catering to this particular group of very big customers, and in Mr Axelsen's mind there is a very good explanation for the company's international success:

"We have a unique corporate culture, and maybe that's what really allows us to stand out from the rest. When everyone pulls in the same direction and shares the same passion, it's extremely powerful. Nothing in this world can

Mikael Staal Axelsen (right) has been with Fibertex since 1997, since 2008 as the company's CEO.

FIBERTEX PERSONAL CARE

Revenue	EBIT	Employees	Equity
+15%	+5%	+4%	+15%

Fibertex Personal Care 2014 DKKm	
Revenue	1.787
EBIT	171
Profit before tax	169
Employees	447
Equity	730

Fibertex Personal Care is among the world's largest manufacturers of spunbond/spunmelt nonwovens for the personal care industry, manufacturing mainly nappies, sanitary towels and incontinence products.
CEO **Mikael Staal Axelsen**

match it, and that's one of the main reasons for our huge success."

Customer satisfaction a top priority

Mr Axelsen joined Fibertex in 1997 as R&D project manager, and he soon became fascinated by the strong corporate spirit in the organisation: "I felt at home in the organisation right away, and the high degree of openness here and freedom to take responsibility suited me very well."

Fibertex was founded in 1968, when Mr Axelsen was only three years old, as a subsidiary of Danish conglomerate the East Asiatic Company. Born into a tradesman's family, Mr Axelsen learned to trust and have great confidence in people; he also learned that a certain degree of humility does not have to block the route to success. Perhaps that is one of the reasons he manages to balance his busy schedule of travel to all parts of the world with ➔

his personal life at home in North Jutland with his wife and three children:

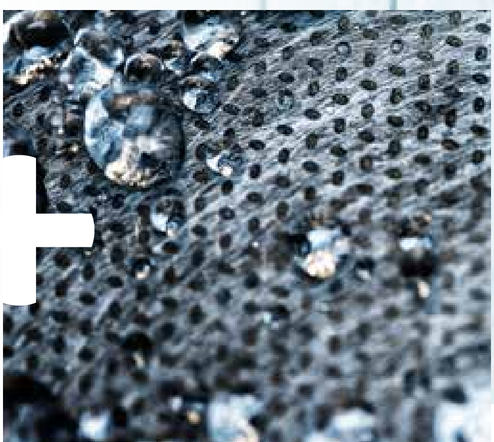
“My home base is important to me and so is being open to the world. I use my background to analyse any given situation in my day-to-day work and to make decisions, but I also make sure I always meet people with an open mind. Being in charge of an international organisation such as ours, I feel it’s my duty to take the best of all the different cultures that we’re a part of or that we meet.”

Mr Axelsen is not alone in having that view. To a very great extent, everyone at Fibertex Personal Care is self-managed, and the organisation has a great deal of confidence in people’s judgement. Management’s primary job is to support a self-propelled organisation rather than construct systems and procedures that control and constrain creativity. The high degree of ownership helps start a chain reaction of employee satisfaction and stability, which in turn leads to satisfied customers.

“More than anything, we’re a market and customer-driven business. Everyone here feels humble about our company being a supplier to some of the world’s largest companies and

”We are mainly suppliers of materials for nappies for babies, but Japan in particular has a large market for adult nappies. Nonwovens for incontinence products account for an increasing part of our sales”

MIKAEL STAAL AXELSEN, CEO, FIBERTEX PERSONAL CARE



Nonwovens are designed for different purposes, e.g. to absorb liquid or, as in this case, to be water repellent.

Mikael Staal Axelsen is an able road cyclist, riding more than 5,000 kilometres each year in Denmark and abroad.

realises that we cannot afford to lose even one customer. That's why everyone in the organisation, from top to bottom, is prepared to tackle any challenge that might arise and solve it to the customer's full satisfaction."

Long-term profitable growth

Mr Axelsen also emphasises ongoing product development as crucial for sustaining growth. The organisation uses an in-house R&D programme to remain at the forefront of changes in the industry and to be able to respond quickly and effectively to customer demand for new products. For example, in preparation for an anticipated hike in market demand, Fibertex Personal Care recently took full ownership of Innowo Print, a German company with unique skills in direct printing on nonwovens.

"We're privileged to have owners who support our long-term objectives. Our goal is to have long-term profitable growth, and it's important that we have the courage to invest in people and machinery in order to achieve high, stable earnings. This is precisely where our strong corporate culture comes to the fore."

The extensive use of self-management means that the organisation does not rely on the CEO always being present. As a result, Mr Axelsen feels he has every opportunity to be a whole person and prioritise his family and leisure activities just like most other people:

"Obviously, I have busy periods, and I reckon I have about 100 travel days per year. Still, the reason I never feel stressed is that I also find time to travel with my family and to pursue my two leisure time passions: road cycling and photography."

Mr Axelsen clocks up 5-6,000 kilometres each year on his road racer bike, and on most of his travels he packs his old-fashioned-looking but state-of-the-art Leica camera.

Development-driven culture driving solid growth

Jørgen Bech Madsen has been with the Fibertex group since 1989 and in charge of Fibertex Nonwovens since 2003. The company surpassed DKK 1 billion in revenue in 2014 and is today among the largest in the world in its field.

When Jørgen Bech Madsen joined Fibertex as a chemical engineer in 1989, he set a five-year time horizon for his new job. Then it would be time to move on to something else, he thought. Obviously, it didn't work out that way. Instead, he celebrated his 25th anniversary at the company last year, and, more than anyone else, Mr Madsen has become Mr Fibertex.

Fibertex Nonwovens is stronger than ever before. In 1989, Fibertex generated revenue of DKK 250 million, whereas in 2014, the Fibertex companies combined reported revenue of more than ten times that amount, on the other side of DKK 2.8 billion.

Success did not come out of the blue when, in 2003, Fibertex' CEO asked Mr Madsen to bring the company's industrial nonwovens division back on track. For several years, Fibertex had been concentrating on developing certain more-promising products for the hygiene industry, and Mr Madsen soon realised that what was needed for Nonwovens was an actual turnaround.

"To be honest, we didn't know whether there was a future for Nonwovens. The production facilities in Denmark were run down, and we had much higher costs per manufactured tonne than our peers. However, after consulting with Schouw & Co., who had acquired Fibertex in 2002, we felt the project had a chance of success. In 2004, we launched an investment programme involving the acquisition of two factories in the Czech Republic."

That move has since proved to be a brilliant idea. Mr Madsen decided to take the best from the two new units, consolidate all of it into one of the factories and then close down the other. His ambition was to turn the production facilities in the Czech Republic into the best in the world and thus create a platform for growth in the European market. The method would be to automate production guided by a Danish management philosophy.

A constant development process

In the time that followed, a whole range of successive development projects became an essential driver in the development of Fibertex Nonwovens. If you draw up a time chart of how the company has evolved over the past ten years, it will reveal how development projects each year have triggered giant leaps in revenue and market share. In 2014, revenue surpassed the DKK 1 billion mark, and the company has much going for it:

"Some people might say that I'm restless, and I'll grant you that the corporate culture we have today is one that includes a strong intention of taking our evolution a step further each year. When we complete a project and all open ends have been resolved, we move our focus to a new ground-breaking project that we believe can take us to the next level. We also

Jørgen Bech Madsen had a busy year in 2014, among other things acquiring a company in the USA.

FIBERTEX NONWOVENS

Revenue	EBIT	Employees	Equity
+12%	+67%	+7%	+23%

Fibertex Nonwovens 2014 DKKm	
Revenue	1.048
EBIT	62
Profit before tax	50
Employees	547
Equity	385

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

CEO **Jørgen Bech Madsen**

"We've come a long way in the transformation of Fibertex Nonwovens, and our value-creating specialised products make up a steadily increasing percentage of our sales."

JØRGEN BECH MADSEN, CEO, FIBERTEX NONWOVENS

Our primary raw materials are polyester and polypropylene fibre. The company manufactures some of this fibre at the factory in Aalborg, Denmark.

use a highly advanced management information system to make sure on a daily basis that everything is running smoothly."

Among recent years' development projects, Mr Madsen highlights nanotechnology in 2009, setting up operations in South Africa in 2010, acquiring a French business in 2011 and, most recently, a recent acquisition in the USA in 2014.

Some ten years ago, another development project gave Fibertex Nonwovens a presence in the European automotive industry. Today, that business accounts for 35% of revenue and has the potential to grow even further. At the time, automakers were demanding strong lightweight materials with sound insulation properties, and Fibertex Nonwovens quickly and successfully redeveloped its high-volume products into high-end products perfectly suited for a range of applications in automotive production.

"We grew our sales to the auto industry substantially in 2014. Demand is growing, and almost 30 square metres of nonwoven fabrics are used in today's modern cars."

JØRGEN BECH MADSEN, CEO, FIBERTEX NONWOVENS

Nonwovens used more and more in cars

Today, some 28 m^2 of advanced nonwoven fabrics are used in the average car. Uses include interior covers and lining for the roof, seats and parcel shelf; exterior uses include wheel housings, engine compartment, underbody, and more. And the potential for growth is huge: Fibertex Nonwovens works closely with the automotive industry to find new applications; the number of cars being produced is rising sharply; and US and Asian automakers are increasingly adopting European methods for manufacturing cars:

"Previously, we based production on only a few product categories such as geotextiles for the construction industry and nonwovens for the furniture industry, but now we have close to 15 segments, and that enables us to optimise our products and make them more complex, build customer loyalty and thus enhance our competitive strength and earnings. We've succeeded in doing this in several fields, and today this is an essential part of our corporate DNA: Develop-

Fibertex Nonwovens has production facilities in Denmark, France, the Czech Republic, the USA and South Africa.

ment projects should give our company a more unique position in the market and transform us from a high-volume to a high-end specialist manufacturer. Our overall objective is to be world class in everything we do.".

That said, however, Mr Madsen emphasises that growth certainly does not come easy. The market is fiercely competitive, and, on the demand side, everyone wants suppliers that offer cheaper and better solutions. That is why technology leadership, business excellence and cost efficiency go hand in hand:

"This is not something that is unique to Fibertex. Many manufacturers are contemplating whether to relocate production to low-wage countries like Bangladesh or Vietnam or whether they can generate growth by doing things in a smarter way. We firmly believe the latter is the best solution. That's why our next step will rather be to centralise our European operations in order to make use of our unique ability to develop and innovate."

The company manufactures industrial nonwoven fabrics in a range of different thicknesses and qualities. The products weigh from 50g/m^2 to more than 1 kg/m^2.

An open and democratic corporate culture

As always, the company follows up on such an objective by launching specific development projects: In 2015, it is adding a new production line in the Czech Republic, acting on best practice advice from its Group Technology unit. Mr Madsen will follow the recommendation as long as it is in keeping with the company's overall strategy:

"Our highly democratic and open corporate culture encourages people to take responsibility and voice their opinion. That's also how I was trained, and that's the way it should be if you want your company to lead the industry, be it in technology innovation or in terms of corporate culture," he says.

Revenue	EBIT	Employees	Equity
+18%	+30%	+7%	+12%

Hydra-Grene 2014 DKKm	
Revenue	566
EBIT	60
Profit before tax	61
Employees	230
Equity	188

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 related services.
CEO **Erik Lodberg**

HYDRA-GRENE

Adaptability the key to growth and consolidation

Erik Lodberg has been with Hydra-Grene, Denmark's leading hydraulics company, for more than 40 years and served as CEO for the past 17. Not that it makes any huge difference, because the customer is king to everyone in the company. That mantra is an integral part of the Hydra-Grene DNA.

Hydra-Grene stocks 40,000 different components at its central warehouse in Skjern, Denmark. They have every hydraulic item you can think of: right from fittings and hoses to valves, pumps and even large hydraulic motors weighing hundreds of kilos. Hydra-Grene is more than just a stockist warehouse. The company also manufactures many different hydraulics components, complete units and hydraulic systems, and it can provide advice on hydraulic solutions down to the minutest detail. In this, Hydra-Grene is unique in Denmark and perhaps also globally, and it is one of the main reasons why this more than 40-year-old company has such a strong position.

Three business areas

Hydra-Grene provides hydraulics to industry and to the wind and offshore sectors. Hydraulics are used more and more in all three of the company's business segments. Automation, performance and uptime are becoming increasingly important: Hydra-Grene is widely recognised for its advanced production methods and tests in all three of these areas.

> *"The wind power segment was extremely busy in 2014, and Hydra-Grene is part of several major development projects with great potential."*
>
> **ERIK LODBERG, CEO, HYDRA-GRENE**

Erik Lodberg celebrated his 40th anniversary with Hydra-Grene in 2014. The company has gone through an amazing evolution during his time there.

However, the accelerating pace of innovation in the field also requires companies to acquire new knowledge and to be innovative, adaptable and ready to change. According to Mr Lodberg, this is exactly what the Hydra-Grene corporate culture is good at:

"Over the past 40 years, we've built a very consistent and highly dedicated culture that makes our company very special. Our staff are our culture-bearers and ambassadors, whether they've been with us for many years or they've joined us more recently, as we've grown bigger. Working for Hydra-Grene is something our →

A large group of engineers and technicians design and customise advanced hydraulics solutions and hydraulic systems.

Valve blocks cut from large blocks of aluminium are among the products used in the wind turbine industry.

employees choose to do. The working environment is a big part of that, because everyone is heard, and everyone pulls in the same direction to meet and exceed customer expectations."

With the company from its inception

The company dates back to 1966, when the Grene group opened a hydraulics department. This proved to be a very sensible move, and in 1974 Hydra-Grene was hived off as an independent company. Soon after, Mr Lodberg joined the company, which back then consisted of the management and a handful of employees. This team created and fostered the special entrepreneurial spirit that, combined with the powerful Grene spirit, remains a company hallmark to this day:

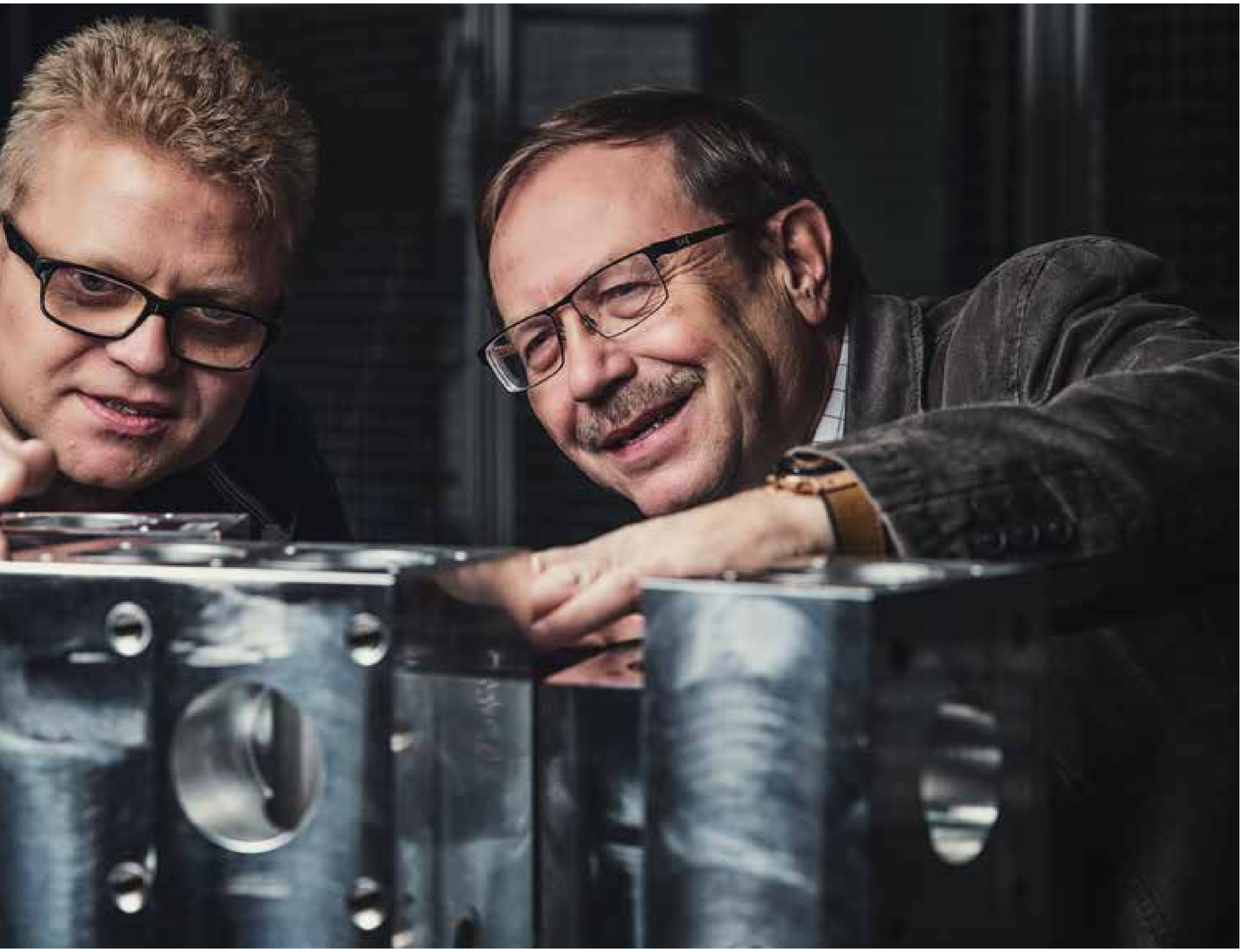
"Of course, I think it's very special to have been with the company almost from the very beginning. I feel very privileged to have been part of the Hydra-Grene journey. I can honestly say that I run it as though it was my own business and that I personally share the values of Hydra-Grene."

Today, Hydra-Grene has more than 200 employees working at locations in North America, South-east Asia and Europe. Hydra-Grene has relied a great deal on wind for its worldwide expansion. In fact, wind is Hydra-Grene's largest single business area. With its Danish origins, the specialist knowledge it has accumulated and its first mover status, Hydra-Grene has built its position as a global leader, having followed large Danish and international wind turbine manufacturers to countries like China, India and the USA. Today, Hydra-Grene is working with the world's largest manufacturers on several major development projects to develop the wind turbines of the future. Its knowledge of hydraulic systems, which form a key part of any wind turbine, makes Hydra-Grene a highly attractive collaborative partner.

"Wind has become very important to us, and we continue to have great expectations for how this sector will evolve. However, we also know very well that this is a highly volatile field and

"The offshore industry is one of the areas where we expect to see growth over the next few years. We have the platform to deliver safe and stable solutions to our customers."

ERIK LODBERG, CEO, HYDRA-GRENE



that the situation can change overnight, so it's absolutely essential that we also have our two other business areas."

Long-term investments

Industry and offshore are also evolving nicely for Hydra-Grene. Industry is the more stable and mature business area of the two, whereas offshore is a relatively new field for Hydra-Grene and offers the greatest growth potential. The common denominator for these three business areas is the demand for reliable, top-quality products and ongoing innovation and product development. Meeting that demand is something the company's owners strongly support:

"We came under Schouw & Co.'s ownership in 1988, and I often think how privileged we are to have their backing so we can take a long-term approach." Having that support gives us the stability to stay on target and to make the right investments.

Hydra-Grene has a large capital expenditure budget. In addition to state-of-the-art production equipment using industrial robots, the company has implemented a new ERP system to help optimise its internal business processes, and it has a new webshop that is open 24/7 and allows customers to learn about the company's latest advances as well as order from Hydra-Grene's vast catalogue of products. These investments will soon be recovered, thanks to the change-ready and agile staff.

In recent years, Hydra-Grene has invested considerable resources in upgrading its quality assurance systems and certifications.

"A merger of Grene and Kramp had been on our wish list for quite a number of years. The two companies are a perfect match."

EDDIE PERDOK, CEO, KRAMP

Eddie Perdok is the third generation of the Perdok family to sell spare parts to the agricultural industry.

KRAMP

Revenue	EBIT	Employees	Equity
+7%	+16%	+5%	-14%

Kramp 2014 DKKm	
Revenue	4.905
EBIT	405
Profit before tax	346
Employees	2.604
Equity	1.063

Kramp is Europe's leading trading and logistics company operating in the sale of spare parts and accessories for agriculture and industry.

CEO **Eddie Perdok**

When two plus two equals five

Eddie Perdok has been CEO of Europe's largest agricultural wholesaler since 2009, and, as such, he has been in charge of the far-reaching merger of Dutch company Kramp and its Danish peer Grene, which now, almost 18 months later, looks to become a success.

Kramp is Europe's largest distributor of spare parts and accessories to the agricultural sector, holding about 10% of this EUR 7 billion a year market following the Grene-Kramp merger. The group has 2,600 employees and sales offices in more than 22 countries in Europe; it has market leadership in the Nordic region, Germany, the Netherlands, Belgium and Poland and is among the top three in most of its other markets.

Kramp has 600,000 product items and an average daily flow of 13,000 orders, and it has a customer base of almost 60,000 who mainly buy through its huge webshop. More than 90% of the business is being done online. E-business is very important for its future growth. Kramp is aiming for a revenue target of EUR 1 billion within the next few years.

"We're a major supplier to a sector that has suffered immensely during the financial crisis, but, unlike what many people may think, our market is not all that volatile. We don't sell new machinery like tractors or harvesters which banks often will only provide financing for if the farmer can show an operating profit. Farmers will always need spare parts and accessories, no matter whether the economy is booming or in a slump," explains Mr Perdok.

Kramp's unique culture dates back to the Netherlands of the 1950s. Johan Kramp founded his business in Varsseveld in 1951, and Eddie Perdok's father and grandfather established →

"Our ambition is to make everything easier for our customers. We want our customers to concentrate on their core business, not on spare parts. We sum it all up in our mission statement: 'It's that easy'."

EDDIE PERDOK, CEO, KRAMP

E. J. Perdok in Groningen in 1955. Both were strong suppliers to the agricultural sector, and in 1969 they formed a close partnership before eventually merging. Grene dates back to 1915 and so will be celebrating its 100th anniversary this year. Over the years, Grene has been a close and trusted partner to Kramp, and the idea of the Dutch and Danish operations joining forces goes all the way back to the 1990s.

"Working more closely together and even merging has been discussed several times, both at board meetings and on other occasions. I remember that Schouw & Co.'s former CEO Erling Lindahl called Kramp and Grene 'the perfect match' as early as 1998."

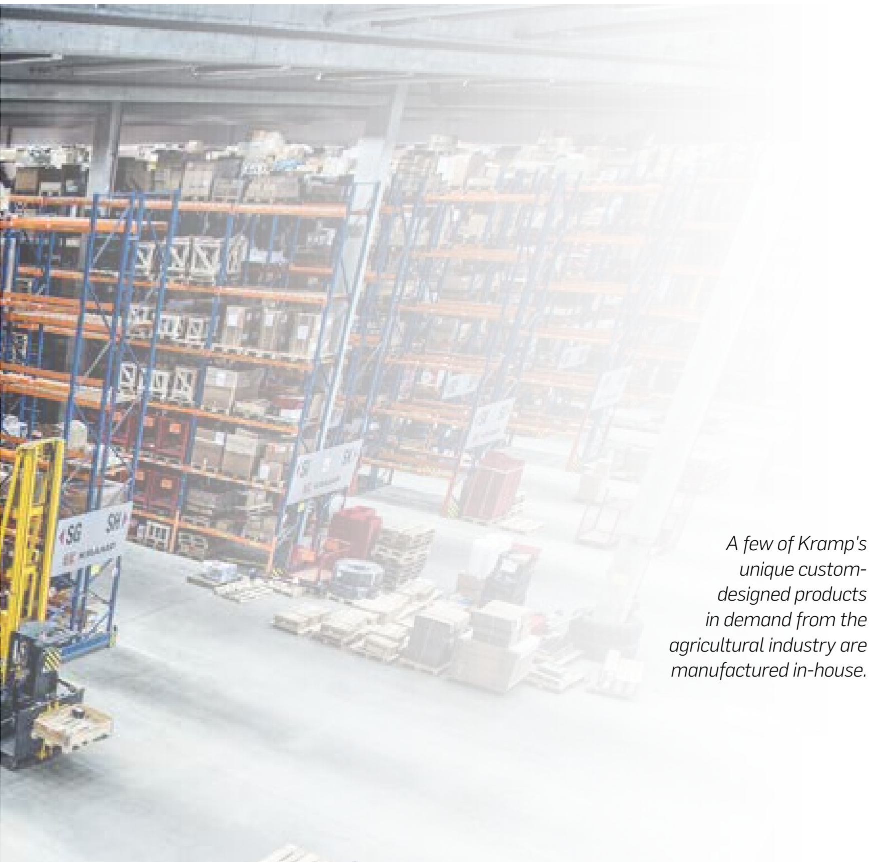
And a perfect match they were. Today, some 18 months after the merger, the synergies already harvested have provided some pleasant surprises.

"I'm very grateful for the opportunity and for the results we've already achieved together. The perfect match extends beyond business models and geographical footprint. Our corporate culture and customer approach also help make us stronger than ever today, with a huge growth potential," Mr Perdok continued.

Substantial progress in 2014

And the results confirm the potential. All Kramp markets reported improvements for 2014, with countries like Poland and France growing by more than 20%. In Russia, a market with a very strong and locally anchored Kramp

A few of Kramp's unique custom-designed products in demand from the agricultural industry are manufactured in-house.



Kramp has a total of nine central warehouses across Europe. This picture is from the Varsseveld warehouse in the Netherlands.

organisation, the group has boosted its sales by 30% in just one year.

To Mr Perdok, what it is all about can be summed up in a strong family culture and in four values: entrepreneurship, engaged, together and putting the customer first.

"These four key values are what glue our organisation together, and after the merger with Grene they are more important than ever. Employees at all levels of our organisation have ambition and are engaged and committed to working together to create value for our customers. This might sound like a cliché, but it truly is part of our DNA, and it's something our customers see everyday. There's no doubt that it gives us a strong competitive edge," Mr Perdok emphasised and continues: We sum it all up in our mission statement "It's that easy". Our ambition is that everything we do is to make it easy for our customers. We want our customers to concentrate on their core business, and to not worry about parts. If our customers are successful, so are we.

It's that easy

More than anyone else, Mr Perdok lives the company's values. Both his father and grandfather before him had the same values, so it comes natural to him to 'walk the talk', so to speak. And yet, he has never felt any pressure to become a part of the family business.

"My father never asked me to join the company, and I think that was probably the right way to go about it. That way, it would be my decision and mine alone. So, when I graduated from university, I asked my dad if I could get a job with E.J. Perdok, but first he turned me down. He told me I should begin my career with Kramp. Learning the trade and making all the mistakes there would be better for me, and then maybe I would eventually be allowed to join the family business. I've given my three sons that same advice. It's up to them to determine their own future," he points out.

In fact, the future looks bright for Eddie Perdok and Kramp Groep. It has its long-term strategy on track and is achieving its short-term interim goals by continually making investments and improvements. In 2015 alone, Kramp intends to increase its capex budget by DKK 75 million, to about a quarter of a billion, and everyone in the owners' circle shares the long-term objective.

Xergi boosted its revenue by more than 50% in 2014, contributing DKK 5 million to Schouw & Co.'s consolidated profit.

Other investments

Xergi

Schouw & Co. has been involved in the biogas field since 2001, and today co-owns Xergi on a fifty/fifty basis together with Dalgasgroup (Hedeselskabet).

Xergi is one of Europe's leading suppliers of turnkey biogas systems. Its core business consists of technology development, system design and installation as well as turnkey system operation and maintenance. The company's head office is in Støvring near Aalborg, Denmark and it operates mainly on the European and US markets. Xergi is recognised as a joint venture in the Schouw & Co. consolidated financial statements.

Xergi reported a 52% revenue improvement to DKK 311 million and a profit for 2014. DKK 5 million of the profit after tax has been recognised in Schouw & Co.'s consolidated financial statements. The company expects to sustain a similar level of activity in 2015.

Incuba Invest

Schouw & Co. holds a 49% stake in INCUBA Invest, a development and venture operation supporting entrepreneurial environments and investing actively in new companies. Incuba Invest is a co-owner of Incuba, a company owning a number of properties and running three science parks in Aarhus, Denmark, the most recent of which, Navitas Park in the Port of Aarhus, opened in the third quarter of 2014.

In addition, Incuba Invest has an ownership interest in Capnova, a government-approved innovation environment, and Scandinavian Micro Biodevices, a company developing and producing point-of-care veterinary diagnostic products. Incuba Invest is recognised as an associate in the Schouw & Co. consolidated financial statements and reported a break-even result for 2014.

Property

In addition to operational properties of the portfolio companies, Schouw & Co., has ownership of four properties. They are the parent company's offices in Aarhus, Denmark, a minor property relating to the former Grene Industri-service, also in Aarhus, and two properties in Frederikshavn that Schouw & Co. took over in February 2013 in connection with the divestment of Martin. One of the latter two properties is still used by Martin while the other has been put up for sale.

Schouw & Co.'s web site contains press releases and company announcements, as well as more detailed information on the Group. Interested parties are also invited to subscribe to the company's news service.

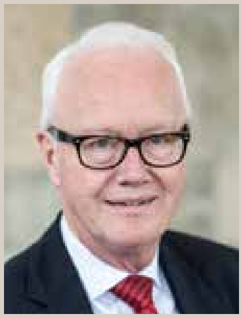
WWW.SCHOUW.DK

Financial calender

April 9, 2015	Annual General Meeting
April 14, 2015	Expected payment of dividend for 2014
May 7, 2015	Release of Q1 2015 interim report
August 13, 2015	Release of H1 2015 interim report
November 5, 2015	Release of Q3 2015 interim report

This is a translation of the Danish Shareholder Magazine 2014. The original Danish text shall be controlling for all purposes, and in cases of discrepancy, the Danish wording shall be applicable.

Published in March 2015 by Aktieselskabet Schouw & Co.
Photos: Morten Fauerby, Montgomery ApS
Design and production: Datagraf Communications
Translation: Fokus Translatørerne



Jørn Ankær Thomsen, Chairman

Jens Bjerg Sørensen, President

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

Executive Management

Jens Bjerg Sørensen, *President*
Peter Kjær, *Vice President*

Schouw & Co. shares

Schouw & Co.'s 25.5 million issued shares are listed on Nasdaq Copenhagen under the short name SCHO.

At the end of 2014, the company held 2,009,933 treasury shares, equal to 7.88% of the share capital. The market value of the holding of treasury shares was DKK 583 million at December 31, 2014. The portfolio of treasury shares is recognised at DKK 0.

The official price of Schouw & Co. shares at December 31, 2014 was DKK 290.00 (closing price), and the total market capitalisation of the company's listed share capital amounted to DKK 7,395 million. Adjusted for the holding of treasury shares, the company's market capitalisation was DKK 6,812 million.

Shareholder structure

Schouw & Co. has some 7,600 registered shareholders. Schouw & Co. has registered the following shareholders as holding 5% or more of the share capital:

Givesco A/S	28.09%
Direktør Svend Hornsylds Legat	14.82%
Aktieselskabet Schouw & Co.	7.88%

Pursuant to the provisions of Section 31 of the Danish Securities Trading Act, the three shareholders Givesco A/S, Direktør Svend Hornsylds Legat and Erling Eskildsen, who holds 3.94%, are considered as a single shareholder of Schouw & Co. The three shareholders hold in aggregate 46.85% of the shares in the company.

Aktieselskabet Schouw & Co.

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