Report for the first quarter of 2007/08
(July 1 – September 30, 2007) of Satair A/S

This is a translation into English of the original release in Danish. In case of discrepancies between the two texts, the Danish text shall be considered final and conclusive.

Summary

Satair had a good start to fiscal 2007/08. The Group posted USD 100.4 million in first-quarter revenue, up 21% from last year and slightly above expectations. Among the main achievements of the *Aftermarket Division* was a strengthening of its position in the US market, where it made considerable progress, and fine results in Europe and Asia. The *OEM Division* attained strong growth in all markets, posting total revenue growth of 27% from the year-earlier level. The EBITDA margin before special items (costs of incentive program and profit on sale of property) came to 10.1%, up from 6.8% last year and reflecting forward sales of USD which contributed USD 2.2 million in net income in the period in review.

The outlook for the full year is unchanged. A somewhat higher gross margin is expected to compensate for the higher financial costs caused by the fair value adjustment of interest hedge contracts. These contracts have no cash flow effect.

1Q 2007/08 in brief

- The Group posted USD 100.4 million in consolidated revenue, up 21% from last year.
  - The Aftermarket Division: USD 67.9 million, up 19%
  - The OEM Division: USD 32.4 million USD, up 27%
- The gross margin came to 21.3, up from the year-earlier level of 20.4.
- The first-quarter EBITDA margin before special items came to 10.1% against 6.8% last year.
- EBITDA totaled USD 10.3 million – up 83%.
- Profit before tax came to USD 5.6 million – up 73%.
- Cash flows from operating activities were negative in an amount of USD 2.4 million against USD 5.3 million in negative cash flows in the same quarter last year.

The financial performance in 1Q reflects a significant impact of the declining USD rate. The USD/EUR rate declined 4.8% in the period in review, and as Satair had sold USD 49 million under contract in early 1Q, the figures for the period include a total of USD 2.2 million in unrealized profit on fair value adjustments of these contracts. The declining dollar rate had a positive effect on revenue corresponding to approx. 1.5 percentage points of revenue growth. On the other hand, the declining USD rate caused an increase in total costs in the range of 2% rated to revenue. Accordingly, the amount in first-quarter EBITDA reflects an overall effect upwards of USD 1.5 million in net income because of the decline of the USD.

Webcast

*On Friday, November 9 2007, at 10.30am a conference call and webcast will be arranged on the subject of this release. To attend, dial **+45 3271 4767** five minutes before the above time. The conference may be accessed via the link at http://webcast.zoomvision.se/denmark/clients/satair/071109/ or on Satair's website www.satair.com. The conference will subsequently be available on Satair's website.*

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***Satair** is among the world's leading distributors of aircraft parts for aircraft maintenance and hardware (bolts, rivets, etc.) for aircraft manufacturers. Headquartered in Copenhagen, the Group has subsidiaries in Denmark, France, USA, UAE, Singapore and China. Some 150 of the Group's total of around 500 employees work in Copenhagen, and together they generate annual revenues in the range of USD 400 million.*

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SATAIR

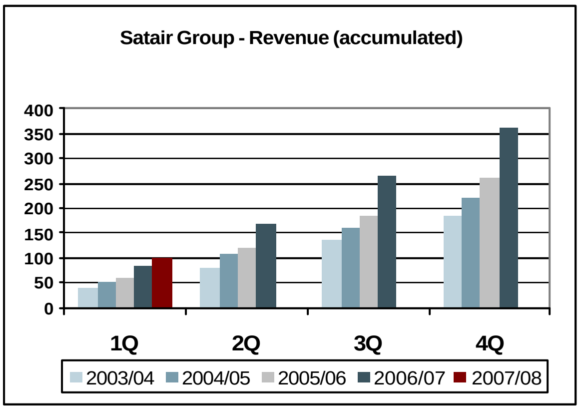
Financial highlights and key ratios

USDm	1Q 2007/08	1Q 2006/07	Full year 2006/07
Income statement			
Revenue	100.4	82.8	358.4
Gross profit	21.4	16.9	76.3
Staff costs and other costs	(11.2)	(11.3)	(48.9)
Profit before special items, depreciation and amortization (EBITDA before special items)	10.2	5.6	27.4
Profit before depreciation and amortization (EBITDA)	10.3	5.6	27.4
Profit on primary operations (EBIT)	9.2	4.6	22.6
Profit on financial items	(3.7)	(1.5)	(6.0)
Profit before tax	5.6	3.2	16.8
Profit for the period in review	3.9	2.4	13.7
Profit for the period in review attributable to Satair A/S	3.9	2.4	13.7
Balance sheet (end of period)			
Total assets	279.9	242.1	270.3
Shareholders' equity attributable to Satair A/S	107.7	94.3	103.1
Interest-bearing debt, net	88.1	78.3	83.7
Invested capital	191.3	169.2	181.2
Cash flow statement			
Cash flow from operating activities	(2.4)	(5.3)	(0.6)
Cash flow from investing activities	(0.4)	1.0	(1.9)
Cash flow from financing activities	0.0	(0.1)	(14.2)
Net cash flow for the period in review	(2.8)	(4.3)	(16.6)
Key ratios			
Gross profit, %	21.3	20.4	21.3
EBITDA margin before special items, %	10.1	6.8	7.6
EBITDA margin, %	10.3	6.8	7.6
EBIT margin, %	9.2	5.6	6.3
Return on equity, %	3.7	2.6	14.1
Equity ratio, %	38.6	39.0	38.1
Share-related key ratios			
No. of shares, end of period in review	4,262,267	4,262,267	4,262,267
Earnings per share, USD	0.92	0.56	3.22
Earnings per share – diluted, USD	0.92	0.56	3.21
Cash flow from operating activities per share, USD	(0.6)	(1.2)	(0.1)
Book value per share, USD	25.3	22.1	24.2
Listed share price, DKK	302	265	291
Market cap, USD million	244.5	191.7	224.8
Other indicators			
Average no. of employees	518	495	504

All key ratios are calculated on the basis of interim data and have not been annualized. The applied definitions of key ratios are in accordance with 'Recommendations and Key Ratios 2005' issued by the Danish Society of Financial Analysts. The definition of the applied key figures appears on p. 9 of the Annual Report 2006/07.

Developments in 1Q 2007/08

Satair's business areas benefited from sustained high growth rates in 1Q, and the Group posted revenue growth of 21% to USD 100.4 million, which was slightly above the forecast. All growth was organic, as the activities acquired in 2005/06 all contributed for the full fiscal 2006/07.



Global passenger volumes continue the upward trend, and both Airbus and Boeing report of rising production levels. This is reflected in sustained growth in demand in Satair's business areas.

Airbus delivered the first Airbus A380 to Singapore Airlines, and it made its maiden voyage on October 25, 2007. With the release of the A380 it has become necessary to stock more products in Singapore for the servicing of the new aircraft.

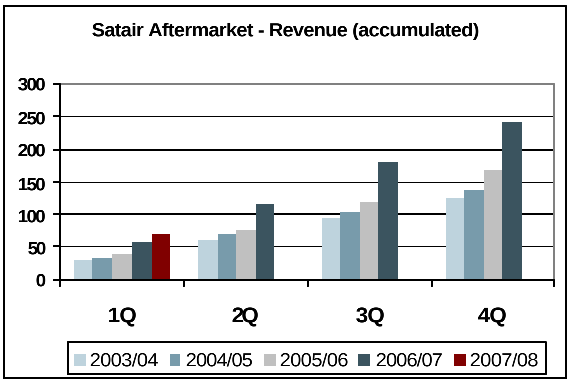
The implementation of SAP is on track. The final implementation is still scheduled for 2H 2007/08, and the total investment budget is unchanged at USD 5 million.

The Group's collaborative effort with Boeing in relation to Integrated Materials Management (IMM) is still in the implementation phase and, accordingly, makes only a modest contribution to consolidated revenue.

The Aftermarket Division

USDm	1Q 07/08	1Q 06/07	Growth
EMEA	26.2	22.7	15%
Asia Pacific	25.1	22.3	12%
North & South America	16.6	12.2	36%
Total	**67.9**	**57.2**	**19%**

The Aftermarket Division posted first-quarter revenue of USD 67.9 million, reflecting 19% in growth from the year-earlier level. As revenue in the Aftermarket Division is traditionally settled in USD, the declining USD rate had only a negligible effect on growth.



Europe, the Middle East and Africa (EMEA) posted first-quarter revenue at 15 per cent above the year-earlier level, which is quite satisfactory. The first quarter traditionally performs slightly below the other quarters as it includes the holiday season in Europe. The highest growth rates occurred in Germany, the UK and France, which reported strong growth in maintenance activities. Growth in the Middle East was lower than in Europe.

Asia Pacific posted first-quarter revenue on a par with expectations at 12 per cent above the year-earlier level, which included a major non-recurring project sale in Japan. Generally, developments in Asia Pacific are characterized by major projects and considerable outsourcing. Satair has responded to this by reorganizing its sales activities in the region, and the overall effect of this move has been positive. The effect of deliveries to Airbus A380 in the period in review was modest.

North and South America returned first-quarter revenue growth of an impressive 36%, reflecting a continuation of the high quarterly growth trend that characterized FY 2006/07. Thanks to more intensive focus on selected segments, sales activities generated higher revenue. The Group does not expect the quarterly growth rates to remain this high throughout fiscal 2007/08.

Revenue generated by special products and concepts

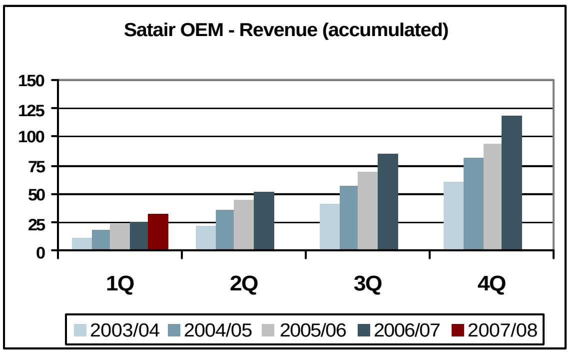
The *IPP concept* is achieving the expected revenue growth, which increased 26% from the year-earlier level.

Another important driver of revenue growth was *electrical products (EPG).* Sales of these products are handled by a newly-established office in Wichita, Kansas with a group of employees with considerable niche expertise. Wichita has one of the largest concentrations of aerospace companies in the world, and this offers some interesting perspectives.

The OEM Division

USDm	1Q 07/08	1Q 06/07	Growth
EMEA	27.2	21.9	25%
Asia Pacific	3.3	2.0	65%
North & South America	1.9	1.7	12%
Total	**32.4**	**25.6**	**27%**
GBP/USD	2.02	1.87	8%
EUR/USD	1.37	1.27	8%

The OEM Division posted USD 32.5 million in first-quarter revenue, up 27 per cent. As the Division settles approx. 50% of its revenue in EUR and GBP, the overall revenue reported in USD reflects a positive effect of the declining USD. First-quarter revenue reflects an estimated positive contribution to revenue growth of the declining USD rate of 5 percentage points above the year-earlier level.



Europe, the Middle East and Africa (EMEA) reported first-quarter revenue growth of 25% of which an estimated 6 percentage points are attributable to the effect of exchange rates. Revenue growth was driven mainly by a positive development in sales to the customers with whom Satair has signed service provider agreements. It applies to all these customers – primarily sub-suppliers to Airbus, Embraer, Bombardier and Hawker Beechcraft – that the rising production levels of aircraft cause an increase in Satair's sales, as the customers have outsourced the handling of an array of products to Satair. Several major non-recurring orders were received in 1Q.

Revenue growth was highest in the UK, Germany, Italy and France, and growth is expected to continue, albeit possibly at a slightly lower level in coming months.

Asia Pacific posted revenues of USD 3.3 million, up 65% from the year-earlier level driven mainly by increased sales in China. Being a supplier to both local aircraft production, such as the ARJ21 program (regional jet), and to the Chinese sub-suppliers to Airbus and Boeing, Satair is doing an active effort to retain its supplier status under programs that are relocated from Europe to China – for instance parts of Airbus' wing production, which has been transferred from the Airbus factory at Filton to Xian. Satair is up against fierce competition from US suppliers in relation to the orders in China, and so it is positive that the Group's ability to win more market shares is intact.

North and South America posted revenue growth of 12%, to USD 1.9 million. This was slightly below expectations due to a more restrained purchasing policy on the part of Satair's biggest customer, which was recently taken over by a private equity fund.

Comments on the accounts for 1Q 2007/08

Revenue

The Group posted first-quarter revenue of USD 100.4 million, reflecting a growth rate of 21% which was entirely organic.

The Group posted USD 21.4 million in gross profit and a gross margin of 21.3, up from the year-earlier level of 20.4. The gross margin for the full fiscal 2006/07 was 21.3.

In the period in review the USD declined by approx. 4.8% against EUR, and that affected the Group's revenue and earnings.

The gross margin achieved in 1Q was on a par with expectations and was only moderately affected by the decline of the USD, the reason being that revenue and cost of sales mainly occur in the same currencies. Approx. 1.5 percentage points of revenue growth was attributable to the effect of exchange rates, while the effect on the gross margin was considerably less.

Satair is still under strong pressure from suppliers to reduce the gross margin without achieving any direct compensation. Satair is doing a continuous effort to accommodate the suppliers by pricing products and services in the most favorable way.

Operating costs

Operating costs (staff and other costs) aggregated USD 13.3 million against the year-earlier level of USD 10.9 million, up 22% of which an estimated 8 percentage points were attributable to the decline of the USD. Another driver in the cost increase was growing staff costs and other costs as a result of the higher activity levels.

EBITDA and the effect of exchange rates
The Group posted an EBITDA margin before special items of 10.1% against the year-earlier level of 6.8%. After allowing for the effect on operations of the recognized hedging contracts, the comparable margins come to 8.0% and 7.2%, respectively – an improvement of 0.8 percentage points.

Special items include the proportion of the costs of the incentive program assignable to 1Q, amounting to USD 0.3 million (stated under the Black & Scholes formula) and USD 0.4 million in profit on the sale of a domicile property in Singapore, resulting in USD 0.1 million in net income.

EBITDA came to USD 10.3 million, up 83% from the year-earlier level. Before the profit deriving from hedging instruments, EBITDA amounts to USD 8.1 million, and this is on a par with expectations.

The fair value adjustment of certain hedge instruments is recognized in the form of a profit of USD 2.2 million against a loss of USD 0.3 million in 1Q last year. At the opening of 1Q a total of USD 49 million had been sold under forward cover against DKK and EUR, and at the closing of 1Q sales under forward contracts was reduced to USD 42 million.

The declining USD caused an increase in total costs in the order of 2% rated to revenue. After allowing for the estimated 1.5 percentage points in positive exchange rate effect on first-quarter revenue and the USD 2.2 million in profit on hedge instruments, the first-quarter EBITDA reflects an overall impact upwards of USD 1.5 million in net income attributable to the decline of the USD.

Other income statement items
The amount in amortization includes amortization of acquired distribution rights and IT-software and is recognized in the income statement in accordance with the Group's accounting policies.

This brings the amount in profit on primary operations for 1Q (EBIT) to USD 9.2 million against the year-earlier level of USD 4.6 milion.

Interest expense, net amounted to USD 1.5 million against USD 1.2 million in the same quarter last year.

The fair value adjustment of interest hedge contracts in 1Q had an overall effect on financials of USD 1.6 million due to the financial turbulence, including the declining interest rate levels. The outlook for fiscal 2007/08 announced in the Annual Report 2006/07 does not take account of fair value adjustments of interest hedge contracts. This entry does not affect the cash flow and changes from one quarter to the next.

Lastly, foreign exchange adjustments of monetary items and bank debt in currencies other than the functional currency affected the first-quarter profit in a total amount of USD 0.5 million.

Against this background the amount in first-quarter profit before tax came to USD 5.6 million against the year-earlier level of USD 3.2 million, and this was basically on a par with expectations.

Corporation tax is calculated at an overall rate of approx. 29%.

Balance sheet and cash flows
At the closing of 1Q, the balance sheet total came to USD 279.9 million against USD 270.3 million at the closing of the previous quarter.

At the closing of 1Q the total amount in invested capital including goodwill came to USD 191.3 million against USD 181.2 million at the closing of the previous quarter, up just under 6%. The increase should be considered against the high growth rate and relates to investments in inventories and other movements in working capital. The total turnover ratio of the Group's inventories in 1Q came to 2.0, unchanged from last year.

Total cash flows from operating activities in 1Q were negative in an amount of USD 2.4 million due to investments in working capital. The growth achieved by the Group involves an increase in tied-up capital.

Outlook for fiscal 2007/08

The consolidated revenue forecast for 2007/08 is unchanged at around USD 400-410 million, corresponding to an increase of approx. 13% from the year-earlier level.

The Aftermarket Division is forecast to post revenue in the range of USD 270-275 million, while the OEM Division is forecast to post revenue in the range of USD 130-135 million.

The gross margin is expected to move slightly above the level attained in fiscal 2006/07.

The outlook for 2007/08 announced in the Annual Report 2006/07 was based upon a budget rate of exchange (DKK/USD) of 550. If the DKK/USD rate remains at the level of 525 for the remaining part of fiscal 2007/08, it will have an adverse effect on EBITDA in the range of USD 2.5 million. This effect basically corresponds to the profit on hedge instruments recognized in 1Q. Against this background the EBITDA margin before special items is expected to remain unchanged at around 8%.

As previously reported EBITDA will be affected in 2007/08 of the following special items:

- The approved share option program, which will result in total annual additional costs of around USD 1.2 million over the next three years if the stipulated objectives are met.
- The planned employee share program which will have an estimated earnings impact in 2007/08 of USD 1.1 million, depending upon the listed price at the time of subscription and the number of employees taking up shares.

Against this background the Group expects an EBITDA of around USD 30-32 million and an EBITDA margin after special items unchanged from the level attained in fiscal 2006/07.

Depreciation and amortization are forecast at just under USD 5 million.

Financial income and expense are forecast at around USD 8.0 million before further fair value adjustments of interest hedge contracts and translation adjustments of monetary items beyond those recognized in 1Q.

Against this background the Group still expects a profit before tax in 2007/08 in the range of USD 19-21 million.

The outlook for 2007/08 now assumes a rate of exchange DKK/USD of 525 and an unchanged level of interest rates.

The effective tax rate in 2007/08 is forecast at just under 30%.

Forward-looking statements

The above forward-looking statements, in particular those that relate to future sales and operating profit, are subject to risks and uncertainties as various factors, many of which are outside Satair's control, may cause the actual development to differ materially from the expectations contained in this report. Factors that might affect such expectations include, among others, major changes in the market environment, the product portfolio, the customer portfolio, exchange rates or company acquisitions or divestments.

Financial diary

February 6, 2008	Report for 2Q 2007/08.
May 14, 2008	Report for 3Q 2007/08.
June 30, 2008	Closing of fiscal 2007/08.

Accounting policies

Basis of accounting
The interim report contains a summary of the consolidated financial statements of Satair A/S.

The interim report has been prepared in accordance with the EU-approved International Financial Reporting Standards (IFRS), including IAS 34 on the presentation of interim reports, and other Danish disclosure requirements for listed companies.

The presentation currency is USD.

Accounting policies
The interim report is presented under the same accounting policies as the Annual Report 2006/07.

Change in presentation
The value of the incentive program as calculated under the Black & Scholes formula is recognized in the income statement for the vesting period and is included as a cost item in 'Special items'. This item also includes profits on sales of properties. As no similar items have been realized during the period covered by the chart of financial highlights and key ratios, no restatement of comparative figures is required.

Financial reporting standards for subsequent implementation
The EU has approved the following new accounting standards and interpretation contributions which take effect as of September 30, 2007 or later and which are deemed to be of relevance to the Satair Group:

- IAS 1 on presentation. Changes concerning capital disclosures applying to fiscal years commencing on January 1, 2007 or later.
- IFRS 7 on financial instruments disclosures. Changes concerning financial instruments disclosures, including financial risks, applying to fiscal years commencing on January 1, 2007 or later.

IASB has adopted the following new accounting standards and interpretation contributions that have not yet been approved by the EU, but which are deemed to be of relevance to the Satair Group or the parent company:

- IFRS 8 which requires the determination of segments and segment information under the internal management reporting approach, which represents a change from the risk and return-based approach contained in the current IAS 14 and the requirement for disclosure of business areas and geographical segments.
- IAS 23 has been changed to the effect that borrowing costs will now be treated as part of the cost of assets with a long production time.
- IAS 1 on presentation has been changed to the effect that the balance sheet must now show three years of comparative figures in case of changes in policies, and the calculation of total income contained in the statement of changes in equity must be included with the income statement or appear as a separate statement.

The new accounting policies and interpretation contributions that have not yet been implemented are currently being closely scrutinized. At present they are not expected to have any major impact on future earnings or shareholders' equity, or to result in a considerably higher level of disclosure.

Important accounting assessments and estimates
The estimate used by Satair A/S when calculating the carrying amount of assets and liabilities builds upon assumptions that depend upon future events. This includes, among other things, assessments of the need for inventory write-downs. A description of these risks is available on pp. 43-45 of the Annual Report 2006/07.

Statement by Board of Directors and Executive Committee

The Board of Directors and the Executive Committee today discussed and approved the report for the period July 1 - September 30, 2007 of Satair A/S.

The interim report, which contains a summary of the consolidated financial statements of Satair A/S, has been presented in accordance with IAS 34 on the presentation of interim reports and other Danish disclosure requirements for listed companies. The interim report has been presented in accordance with the same accounting policies as the Annual Report 2006/07, including the EU-approved International Financial Reporting Standards.

We consider the chosen accounting policies to be appropriate, the accounting estimates to be reasonable and the overall presentation of the interim report to be adequate. In our opinion the interim report gives a true and fair picture of the Group's assets, liabilities and financial position at September 30, 2007 and of the result of the Group's activities and cash flows for the period July 1 – September 30, 2007.

The interim report is unaudited.

Kastrup, November 9, 2007

Executive Committee

John Stær *CEO*	Morten Olsen *COO*	Michael Højgaard *CFO*

Board of Directors

N.E. Nielsen, *(chairman)*	Dorte Sonne Ekner	Nicolas Howley
Per Iversen	Anja Kongsted	Yves Liénart
Chan Nyuk Lin	Finn Rasmussen	Carsten L. Sørensen

Consolidated income statement

USD '000	1Q 2007/08	1Q 2006/07	Full year 2006/07
Revenue	100,358	82,815	358,427
Cost of goods sold	(79,007)	(65,942)	(282,114)
Gross profit	**21,351**	**16,873**	**76,313**
Staff costs	(9,203)	(7,190)	(33,321)
Other costs	(4,142)	(3,742)	(17,570)
Fair value adjustments of certain hedging instruments	2,168	(306)	1,987
Profit before special items, depreciation and amortization (EBITDA before special items)	**10,174**	**5,635**	**27,409**
Special items	132	-	-
Profit before depreciation and amortization (EBITDA)	**10,306**	**5,635**	**27,409**
Amortization	(755)	(681)	(2,927)
Depreciation	(355)	(305)	(1,928)
Profit on primary operations (EBIT)	**9,196**	**4,649**	**22,554**
Financial income	86	81	1,128
Financial expenses	(3,811)	(1,564)	(7,152)
Share of profit of associates	84	51	302
Profit before tax	**5,555**	**3,217**	**16,832**
Income tax expense	(1,614)	(814)	(3,131)
Profit for the period in review	**3,941**	**2,403**	**13,701**
Attributable to:			
Equity holders of the parent company	3,941	2,403	13,736
Minority interest	**-**	-	(35)
Profit for the period in review	**3,941**	**2,403**	**13,701**
Earnings per share			
Earnings per share	0.92	0.56	3.22
Earnings per share, diluted	0.92	0.56	3.21

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Consolidated balance sheet – assets

USD '000	**30/9 2007**	30/9 2006	30/6 2007
Non-current assets			
Intangible assets	**47,480**	48,769	47,701
Property, plant and equipment	**8,281**	8,796	8,782
Investments in associates	**1,336**	958	1,252
Deferred tax	**5,597**	5,156	5,812
Total non-current assets	**62,694**	**63,679**	**63,547**
Current assets			
Inventories	**118,483**	98,606	113,431
Receivables from sales and services	**70,953**	59,927	72,445
Receivable in corporate tax	**334**	24	368
Other receivables and prepayments	**5,740**	2,375	3,801
Cash and cash equivalents	**21,662**	17,463	16,683
Total current assets	**217,172**	**178,395**	**206,728**
Total assets	**279,866**	**242,074**	**270,275**

Consolidated balance sheet – equity and liabilities

USD '000	**30/9 2007**	30/9 2006	30/6 2007
Shareholders' equity			
Share capital	**12,668**	12,668	12,668
Reserves and retained earnings	**94,989**	81,640	90,400
Shareholders' equity belonging to the parent company's shareholders	**107,657**	**94,308**	**103,068**
Minorities	**241**	241	79
Total shareholders' equity	**107,898**	**94,549**	**103,147**
Non-current liabilities			
Pension liabilities, etc.	**396**	352	501
Credit institutions, etc.	**49,770**	28,325	49,888
Total non-current liabilities	**50,166**	**28,677**	**50,389**
Current liabilities			
Credit institutions	**59,971**	67,394	50,524
Payable to suppliers	**50,759**	41,553	56,181
Current tax payable	**2,575**	2,496	1,801
Other current liabilities and prepayments	**8,497**	7,405	8,233
Total current liabilities	**121,802**	**118,848**	**116,739**
Total liabilities	**171,968**	**147,525**	**167,128**
Total equity and liabilities	**279,866**	**242,074**	**270,275**

Consolidated statement of cash flows

USD '000	1Q 2007/08	1Q 2006/07	Full year 2006/07
Profit before depreciation and amortization (EBITDA)	10,306	5,635	27,409
Non-cash items	(3,129)	(917)	4,271
Interest received	84	137	717
Interest paid	(1,346)	(875)	(6,045)
Paid in corporate tax	(497)	(322)	(3,893)
Change in working capital	(7,843)	(8,910)	(23,015)
Cash flow from operating activities	**(2,425)**	**(5,252)**	**(556)**
Acquisition of intangible assets	(539)	(31)	(1,363)
Acquisition of tangible assets	(131)	(241)	(1,766)
Acquisition of companies	-	1,300	1,085
Disposals of property, plant and equipment	300	18	147
Cash flow from investing activities	**(370)**	**1,046**	**(1,897)**
Dividend paid to the shareholders of Satair A/S	**-**	-	(3,539)
Proceeds from long-term borrowings	**-**	-	25,392
Repayment of borrowings	**-**	(61)	(36,049)
Cash flow from financing activities	**-**	**(61)**	**(14,196)**
Net cash flow for the period	**(2,795)**	**(4,267)**	**(16,649)**
Cash and cash equivalents less current bank debt at end of the period in review	(12,045)	5,324	5,324
Foreign exchange adjustment of cash and cash equivalents	(769)	38	(722)
Cash and cash equivalents less bank debt at end of the period in review	**(15,609)**	**(1,095)**	**(12,047)**

Consolidated statement of shareholders' equity

2006/07

USD '000	Share capital	Reserves: Cash flow hedge	Reserves: Foreign exchange adjustments	Retained earnings	Minorities	Total
Shareholders' equity at July 1, 2006	**12,668**	**(101)**	**153**	**79,009**	**211**	**91,940**
Revaluation of financial contracts before tax	-	51	-	-		51
Foreign exchange adjustments of foreign subsidiaries	-	-	155	-		155
Profit for the period in review	-	-	-	2,384	19	2,403
Total income	**-**	**51**	**155**	**2,384**	**19**	**2,609**
Shareholders' equity at Sept. 30, 2006	**12,668**	**(50)**	**308**	**81,393**	**230**	**94,549**

2007/08

USD '000	Share capital	Reserves: Cash flow hedge	Reserves: Foreign exchange adjustments	Retained earnings	Minorities	Total
Shareholders' equity at July 1, 2007	**12,668**	**-**	**1,260**	**89,140**	**79**	**103,147**
Revaluation of financial contracts before tax	-	-	505	-		505
Incentive program	-	-	-	305		305
Profit for the period in review	-	-	-	3,952	(11)	3,941
Total income	**-**	**-**	**505**	**4,246**	**(11)**	**4,751**
Shareholders' equity at Sept. 30, 2007	**12,668**	**-**	**1,765**	**93,465**	**68**	**107,898**

Quarterly performance of the Satair Group in 2007/08 and 2006/07

	2007/08	2006/07			
USD '000	1Q	4Q	3Q	2Q	1Q
Revenue	100,358	94,443	96,866	84,303	82,815
Aftermarket Division	67,914	62,184	64,065	57,715	57,225
OEM Division	32,444	32,259	32,801	26,588	25,590
Cost of goods sold	(79,007)	(72,958)	(76,127)	(67,087)	(65,942)
Gross profit	**21,351**	**21,485**	**20,739**	**17,216**	**16,873**
Gross margin	21.3%	22.7%	21.4%	20.4%	20.4%
Staff costs	(9,203)	(9,537)	(8,458)	(8,136)	(7,190)
Other costs	(4,142)	(5,560)	(4,024)	(4,244)	(3,742)
Fair value adjustments of certain hedging instruments	2,168	804	133	1,356	(306)
EBITDA before special items	**10,174**	**7,192**	**8,390**	**6,192**	**5,635**
EBITDA margin before special items	10.1%	7.6%	8.7%	7.3%	6.8%
Special items	132	-	-	-	-
EBITDA	**10,306**	**7,192**	**8,390**	**6,192**	**5,635**
Amortization	(755)	(787)	(760)	(699)	(681)
Depreciation	(355)	(377)	(934)	(312)	(305)
EBIT	**9,196**	**6,028**	**6,696**	**5,181**	**4,649**
EBIT margin	9.2%	6.4%	6.9%	6.1%	5.6%
Financial income	86	722	116	209	81
Financial expenses	(3,811)	(1,259)	(2,601)	(1,728)	(1,564)
Share of profits of associates	84	122	74	55	51
Profit before tax	**5,555**	**5,266**	**4,285**	**4,064**	**3,217**
Income tax expenses	(1,614)	454	(1,574)	(1,197)	(814)
Profit for the period in review	**3,941**	**5,720**	**2,711**	**2,867**	**2,403**