



March 27, 2007

Financial Statements of Auriga Industries A/S for 2006

Figures in brackets are the figures for 2005

After a difficult year for Cheminova - especially in Brazil where the company realised an operating loss and also saw an extraordinary write-down of DKK 100 million - Auriga posted a loss before tax of DKK 92 million in 2006, which is not satisfactory. Hardi was also faced with difficult market conditions in 2006, while Skamol saw strong growth in both revenue and earnings.

Results in 2006

- Consolidated revenue was DKK 5,184 million (DKK 5,250 million) corresponding to a 1 per cent decline. The settlement rate for the group's main currency (USD) was DKK 6.14 against DKK 6.00 in 2005.
- Operating profit was DKK 22 million (DKK 482 million). Unfavourable climatic conditions, high energy prices, increased costs related to introduction of new generic products and a considerable decline in the Brazilian market were the primary reasons for the unsatisfactory developments in 2006.
- Auriga posted a loss before tax of DKK 92 million, which is unsatisfactory and considerably lower than expected both after the first half of the year and after the third quarter of 2006.
- In December 2006, Cheminova acquired the global rights to the insecticide acrinathrin from Bayer CropScience. Cheminova will continue to invest heavily in the development and introduction of new generic products, in line with its Business Plan 2010.
- Hardi's new self-propelled sprayer, the Alpha VariTrack, was successfully introduced. The Ranger trailed series, which represents the economy segment, was well received in North America and was also introduced in Europe towards the end of the year.
- High levels of economic activity and a strong increase in demand from the aluminium and high-temperature industries and from manufacturers of fireplaces and wood-burning stoves have resulted in a marked increase in revenue and earnings for Skamol.
- As stated in the stock exchange notification of October 25, 2006, Auriga has decided to investigate the possible divestment of Hardi and Skamol. The process has been initiated and is progressing according to plan.

Outlook 2007

- For 2007 as a whole, the Auriga group maintains the previously announced expectation of revenue of approx. DKK 5,550 million and a profit before tax of approx. DKK 200 million. At the same time, cash flow from operating activities is expected to improve relative to 2006.

General meeting

- The annual general meeting will be held at the company offices in Harboøre, Denmark, on April 24, 2007 at 2 pm. The Board of Directors will propose that a dividend of DKK 2.40 per share be paid.

Povl U. Skifter
Chairman of the Board of Directors

Bjørn Albinus
President and CEO

P.O. Box 9
7620 Lemvig, Denmark
Tel.: +45 7010 7030
Fax: +45 7010 7031
Email: investor@auriga.dk
Internet:
www.auriga-industries.com

Enquiries concerning this notification should be addressed to President Bjørn Albinus on tel. +45 7010 7030.



KEY FIGURES FOR 2002 TO 2006

Auriga Industries group

	EUR million					
DKK million	2002	2003	2004	2005	2006	2006
Revenue	4,268	4,471	5,304	5,250	5,184	695
Operating profit *)	302	286	689	482	22	3
Net financials etc.	(129)	(97)	(67)	(111)	(118)	(16)
Profit/loss before tax *)	168	182	630	376	(92)	(12)
Impairment loss relating to consolidated goodwill - Hardi	(125)	-	-	-	-	-
Net profit/loss after tax and minority interests	(43)	89	425	250	(171)	(23)
Balance sheet total	4,657	4,897	5,358	5,865	5,642	757
Share capital	255	255	255	255	255	34
Equity	2,163	2,156	2,370	2,587	2,304	309
Net assets	3,757	3,767	3,793	4,298	4,167	559
Net debt	1,333	1,444	1,143	1,565	1,757	236
Cash flows from operating activities	425	306	452	18	124	17
Cash flows from investing activities	(217)	(372)	(109)	(235)	(244)	(33)
- of which invested in property, plant and equipment	(211)	(162)	(112)	(119)	(134)	(18)
Available cash flow	208	(66)	343	(217)	(120)	(16)
Depreciation, amortisation and impairment losses	415	287	258	242	228	31
Research and development costs	188	174	165	171	175	24
Number of employees	3,027	2,996	3,000	2,933	2,842	2,842
Profit margin (EBITDA)	14%	13%	18%	14%	5%	5%
Profit margin (EBIT) *)	7%	6%	13%	9%	0.4%	0.4%
NOPLAT *)	157	149	474	332	16	2
ROIC (Return on invested capital) *)	4%	4%	12%	8%	0.4%	0.4%
Debt ratio	35%	38%	30%	36%	42%	42%
Return on equity *)	4%	4%	17%	10%	(7%)	(7%)
Profit in DKK per share of DKK 10 *)	3.3	3.6	17.3	10.1	(6.9)	(0.9)
Cash flows from operating activities in DKK per share of DKK 10	17.4	12.5	18.4	0.7	5.0	0.7
Equity value in DKK per share of DKK 10	88.4	88.1	96.6	105.1	93.4	12.5
Dividend in DKK per share of DKK 10	2.4	2.4	4.0	4.0	2.4	0.3
Quoted price, end of year	57	62	115	192	158	21
Price/earnings ratio *)	17	17	7	19	(23)	(23)
Quoted price/equity value	0.65	0.70	1.19	1.82	1.70	1.70
Market value, end of year	1,454	1,581	2,933	4,885	4,039	542

*) Stated prior to the one-off impairment loss relating to consolidated goodwill concerning Hardi in 2002.

Pursuant to the exemption in IFRS 1, comparative figures for 2001-2003 have not been restated.

Key figures in EUR are for the income statement translated at the average exchange rate (745.60), the balance sheets are translated at the ultimo exchange rate (745.91).

The financial ratios have been calculated in accordance with the recommendations of the Danish Society of Investment Professionals (*Den Danske Finansanalytikerforening*) from 2005.

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



REVIEW FOR AURIGA INDUSTRIES A/S

Objectives and strategy

It is the objective of Auriga to ensure long-term value creation for the benefit of shareholders, employees and other stakeholders. Whereas the value creation so far has taken place through the operation of three independent companies, the group has now – in accordance with its strategy announcement in October 2006 – decided to concentrate the resources on Cheminova, which represents the company's core activity. Consequently, a decision has been made to investigate the possible divestment of Hardi and Skamol. Danske Markets has been chosen as financial consultants for Hardi, while Atrium Partners is chosen for Skamol.

Auriga's overall financial objective is a stable growth in revenue and an EBIT margin of 10 per cent.

Developments in subsidiaries

Cheminova

For the agrochemical industry, 2006 was a very difficult year with a decline in the global market of plant protection products of approx. 4 per cent to approx. USD 30 billion. Unfavourable climatic conditions, high energy prices and a considerable decline in the Brazilian market were the primary reasons for the unsatisfactory developments in 2006.

Despite a decline in sales in Brazil of more than DKK 200 million, Cheminova's revenue for 2006 totalled DKK 4,032 million, which is largely unchanged relative to 2005. In 2006, the average USD settlement rate was DKK 6.14.

Sales of organophosphorous insecticides declined as expected, partly due to low levels of insect infestation and partly on account of a continued decline in the use of malathion for the US programme for the eradication of boll weevils in cotton. Sales of new insecticides and the herbicide glyphosate saw a satisfactory increase, whereas sales of the fungicide flutriafol declined significantly as a result of the difficult market conditions in Brazil.

In connection with the closing of the year, an extraordinary item of DKK 100 million was expensed in respect of debtors and product liability claims in Brazil. Complaints and claims concerning the inefficacy of a fungicide used for the control of Asian rust are considered as being covered by Cheminova's product liability insurance. However, Cheminova's insurance company has not yet accepted covering.

An EBITDA of DKK 184 million was realised, corresponding to 4.6 per cent. After depreciation and amortisation of DKK 166 million, an operating profit of DKK 18 million was realised, corresponding to an EBIT margin of 0.4 per cent against 11 per cent in 2005.

In December 2006, Cheminova made an agreement with Bayer CropScience concerning the acquisition of the global rights of the insecticide acrinathrin. In 2002, Cheminova acquired the acrinathrin sales rights in Europe, and this acquisition opens up the prospect of sales to the rest of the world, including the important Japanese market. In the coming years, applications will be made for registering acrinathrin in a number of new markets.

Cheminova will continue to invest significantly in development and introduction of new products, in line with its Business Plan 2010. The implementation of this plan requires considerable investments in development, registrations and marketing, which will put earnings under pressure during the initial part of the period. Cheminova will pursue all attractive acquisition opportunities which may present themselves during the plan period.



Hardi

Because of unfavourable climatic conditions in 2006, harvest yields fell short of the normal averages worldwide. Thus, most major large agricultural countries have seen a declining market for agricultural machinery.

Hardi's revenue declined in 2006 by DKK 127 million to DKK 906 million. In North America, the season started late, and Hardi's revenue declined by 32 per cent relative to the year before. Australia saw the worst drought ever, and revenue declined by 26 per cent. The decline in revenue affected all product segments with the exception of self-propelled machinery. The new Alpha VariTrack was successfully introduced.

An EBITDA of DKK 45 million was realised, corresponding to 5 per cent. After depreciation and amortisation of DKK 42 million, an operating profit of DKK 3 million was realised, corresponding to an EBIT margin of 0.3 per cent against 4 per cent in 2005.

The production economy at Hardi's factory on Falster was affected by the decline in demand throughout the year. Production at the French factory and Pommier, which manufactures aluminium booms, has been satisfactory.

Hardi's high-technology trailed sprayer, New Commander, was successfully launched in both Australia and North America in 2006. Moreover, the Ranger trailed series, which represents the economy segment, was introduced in North America and towards the end of the year also in Europe.

Towards the end of the year, the outlook for the agricultural sector improved significantly as a result of increasing crop prices. This has had a positive impact on investments, and at the end of 2006 Hardi's order intake was up approx. 18 per cent relative to last year.

Skamol

Skamol generated revenue of DKK 246 million in 2006, corresponding to growth of more than 20 per cent relative to 2005.

Skamol's largest business area is the primary aluminium industry, which is currently undergoing growth. The demand for aluminium is increasing by approx. 5 per cent a year, and price levels are historically high. In 2006, Skamol's sales to the aluminium industry were up just under 30 per cent, primarily because of sales of new projects, but also for ongoing maintenance work. High levels of economic activity globally and high growth rates in the new economies have boosted demand for insulation products for new facilities for production of, e.g., steel, cement, paper and glass. Moreover, a considerable increase has been seen in deliveries to manufacturers of fireplaces and wood-burning stoves in Europe. The introduction of fire doors and panels progressed more slowly than expected.

Increasing sales have resulted in significant improvements in capacity utilisation at the company's factories, where production was satisfactory in 2006.

An EBITDA of DKK 29 million was realised, corresponding to 12 per cent. After depreciation and amortisation of DKK 18 million, an operating profit of DKK 11 million was realised, corresponding to an EBIT margin of 5 per cent. The associated company Damolin again achieved satisfactory results for 2006.

Corporate governance

Auriga is managed on the basis of corporate governance principles with focus on long-term value creation for the benefit of the company's shareholders and other stakeholders.



Auriga wants to contribute to promoting responsible conduct, and with Cheminova's plan for the phasing-out of Class I products and the preparation of the Corporate Social Responsibility report, the company has made an important contribution to ensuring this. The company complies with the most recent recommendations from the Copenhagen Stock Exchange concerning corporate governance, but has chosen a different practice in a few areas.

Foreign exchange

Auriga is an international company, which is why a considerable share of the group's transactions is settled in foreign currencies. Foreign exchange risks are countered by means of forward exchange and option contracts with terms of up to 2 years.

Following an increase of just over 15 per cent in 2005, the exchange rate of the main currency (USD) declined by just over 10 per cent in 2006, the year ending with an exchange rate of DKK 5.66. In 2006, Auriga realised an effective USD settlement rate of approx. DKK 6.14.

The budget rates for 2007 have to a very large extent been hedged in the form of hedging of the expected net positions in the most important currencies. Thus, just under 60 per cent of the group's net income in USD has been hedged at a rate of approx. DKK 6.00.

Income, balance sheet and cash flow

Figures in brackets are the figures for 2005

Auriga's revenue declined by 1 per cent to DKK 5,184 million (DKK 5,250 million), primarily as a result of unfavourable climatic conditions and the problems in Brazil.

In connection with the closing of the year, Cheminova expensed an extraordinary item of DKK 100 million in respect of debtors and product liability claims in Brazil. An EBITDA of DKK 250 million was realised (DKK 724 million). After depreciation and amortisation of DKK 228 million (DKK 242 million), operating profit totals DKK 22 million (DKK 482 million).

Financial expenses increased to DKK 118 million (DKK 111 million), while profit after tax from associates amounted to DKK 5 million (DKK 4 million.).

A loss before tax of DKK 92 million was realised (DKK 376 million). The result is unsatisfactory and considerably lower than expected both after the first half of the year and after the third quarter of 2006.

The loss after tax totalled DKK -163 million (DKK 258 million) and was negatively impacted by a calculated tax figure of DKK 71 million. This high tax figure is primarily attributable to the non-capitalisation of the tax value of a number of losses in foreign subsidiaries.

On December 31, 2006, the balance sheet totalled DKK 5,642 million (DKK 5,865 million). Net assets amounted to DKK 4,167 million (DKK 4,298 million), while net debt increased to DKK 1,757 million (DKK 1,565 million).

Cash flow from operating activities was DKK 124 million (DKK 18 million). After investments of DKK 244 million (DKK 235 million), available cash flow was DKK -120 million (DKK -217 million).

Outlook 2007

For Cheminova, the beginning of 2007 will be affected by the difficult situation in Brazil as well as by high inventory levels in the distribution systems in many markets. However, the global market for plant protection products is expected to be more positive than in 2006.

A considerable increase is expected in sales of Cheminova's new generic products, while sales of the fungicide flutriafol are also expected to develop positively.



In accordance with Cheminova's Business Plan, 2007 will also see an increase in costs related to development, registration and marketing of new generic products.

For 2007 as a whole, Cheminova expects an increase in revenue to approx. DKK 4.3 billion, an EBIT margin of 5-6 per cent and a profit before tax of approx. DKK 165 million.

For 2007 as a whole, Hardi expects an increase in revenue to approx. DKK 995 million, an EBIT margin of 5-6 per cent and a profit before tax of approx. DKK 30 million.

For 2007 as a whole, Skamol expects an increase in revenue to approx. DKK 260 million, an EBIT margin of approx. 8 per cent and a profit before tax of approx. DKK 20 million.

For 2007 as a whole, the Auriga group expects an increase in revenue to approx. DKK 5,550 million, an EBIT margin of 5-6 per cent and a profit before tax of approx. DKK 200 million.

Cash flow from operating activities is expected to improve relative to 2006.



REVIEW FOR CHEMINOVA A/S

DKK million	2006	2005
Revenue	4,032	4,017
Operating profit before depreciation and amortisation	184	639
Operating profit (EBIT)	18	458
Net financials	(89)	(88)
Profit before tax	(71)	369
Net profit for the year	(140)	262
Total assets	4,003	4,237
Non-current assets	1,062	1,043
Equity	1,608	1,914
Net liabilities	1,139	945
Cash flows from operating activities	30	83
Cash flows from investing activities	(206)	(211)
Available cash flow	(176)	(128)
Investments in long-term assets	205	123
Depreciation and amortisation	166	181
Profit margin (EBITDA)	5%	16%
Profit margin (EBIT)	0.4%	11%

Objectives and strategy

It is Cheminova's objective to be the best innovative global supplier of generic products within the agro-chemical industry.

It is Cheminova's strategy to optimise and develop the company's five core competences: to identify, develop, register, manufacture and market known plant protection products better and at lower costs than any other company in the industry.

Market development

2006 was an unusually difficult year for the plant protection industry. It is estimated that the global market for conventional plant protection products has declined by almost 4 per cent to approx. USD 30 billion against approx. USD 31.2 billion in 2005.

Many of the large markets were affected by unfavourable climatic conditions. Spring arrived late in Europe resulting in a weak demand. Spain was the only major European market with an increase in demand after the drought in 2005. The North American market was negatively impacted by lack of rain, low levels of insect infestation, the continued advances of GMO crops and high energy prices. In Australia and India, markets were equally affected by unfavourable climatic conditions.

However, a very important reason for the difficulties experienced by the industry in 2006 was Brazil. The Brazilian market for plant protection products grew strongly in the 2002-2004 period, but then declined by almost 10 per cent in 2005 on account of drought, low prices for major crops and the revaluation of the Brazilian currency against USD. In 2006, the situation got worse, and a crisis hit large parts of the Brazilian agricultural sector. It is estimated that the Brazilian market declined by approx. 15 per cent in 2006*.

* Philips McDougal



Sales and distribution

In 2006, Cheminova's sales were largely unchanged relative to 2005.

Sales of Cheminova's organophosphorous insecticides declined and accounted for approx. 24 per cent of total revenue against 26 per cent in 2005. The decline is attributable to generally low levels of insect infestation and to the continued decline in the demand for malathion for the US boll weevil eradication programme. The programme is coming to a successful completion and is expected to be scaled down to a maintenance project in a few years' time.

Sales of new insecticides showed satisfactory growth, even though sales of pyrethroids disappointed due to low levels of insect infestation in important markets. Sales of herbicides saw an increase thanks to glyphosate, which achieved satisfactory growth in the USA and Europe. However, glyphosate prices were under constant pressure throughout 2006. Sales of fungicides declined considerably due to the difficult market conditions in Brazil where Cheminova's fungicide flutriafol plays an important role in the control of the Asian rust fungal disease in soya. Sales of fine chemicals, intermediates and flotation agents accounted for 11 per cent of revenue in line with 2005.

Cheminova's sales of plant protection products through own subsidiaries accounted for 75 per cent of revenue in 2006. In 1996, the share was 47 per cent.

The four new subsidiaries, CropTech in Colombia, Ospray in Australia, Cheminova Poland and Cheminova Bulgaria, were well integrated into the company structure and develop satisfactorily, although earnings have been modest. Sales in Australia have, however, disappointed due to the extreme drought which has hit the country for the past two years.

Sales in Europe started late due to the late arrival of spring. Nevertheless, Cheminova's subsidiaries in the UK, Russia and Spain succeeded in increasing sales and market share. On the other hand, sales in France and Italy were disappointing.

In North America, the USA and Canada, Cheminova achieved satisfactory sales of the herbicide glyphosate, while sales of insecticides disappointed due to low infestation levels.

Cheminova's Mexican subsidiary did well with a significant increase in revenue.

In Brazil, Cheminova's revenue declined by just under 30 per cent, corresponding to more than DKK 200 million. The decline in revenue is attributable both to a decline in sales volumes and declining prices and has affected all product groups, but especially fungicides.

Production and investments

Production at Cheminova's factories in Denmark and India was satisfactory throughout 2006. The high oil prices have resulted in increasing raw material and energy prices, which have not been matched by increasing market prices. The systematic optimisation of logistics has, however, to some extent compensated for the increases.

In 2006, investments in property, plant and equipment and intangible assets amounted to DKK 206 million against DKK 211 million in 2005.

Corporate Social Responsibility (CSR)

A number of environmental issues relating to Cheminova's business activities were debated in the Danish media in 2006, primarily sales of Class I (highly hazardous) products in India and Brazil. The main issue debated has been whether Cheminova displays sufficient corporate social responsibility in these areas.



Selling Class I products in developing countries involves weighing up the beneficial effects of the product in the form of protecting crops in these countries – where the ability to feed their people can by no means be taken for granted – against the risk of those handling the product being intoxicated. Cheminova has addressed these issues for many years and believes that the company meets the required levels of corporate social responsibility.

Accordingly, the share of Cheminova's sales of Class I products has been reduced from 30 per cent to 5 per cent over the past ten years. Towards 2010, marketing of Class I products in developing countries will be phased out in accordance with the plan announced by Cheminova.

The public debate in Denmark has called for more insight into Cheminova's activities within these areas. Hence, a decision has been made to prepare a detailed annual report on corporate social responsibility, also known as a CSR report. The report covers sales, production and the purchasing of goods and services. Each year, particular attention will be devoted to one or more topics. This year, the main topics are sales of toxic plant protection products in developing countries and the production facilities in India and Denmark. For further information, please see the report which will be published on the Cheminova website on April 12, 2007.

In December 2006, the EU adopted a new chemicals regulation known as REACH (Registration, Evaluation, and Authorisation of Chemicals). The fundamental principle behind the regulation is that manufacturers must verify that their chemicals can be marketed safely through a special registration system. Thus, the burden of proof now rests with the manufacturers. Approx. 90 per cent of Cheminova's revenue is generated from plant protection products which are already subject to a registration scheme, and the new system will have no bearing on such products. Approx. 10 per cent of revenue stems from intermediates and industrial chemicals (primarily flotation agents), which will be affected by the regulation. Registration in accordance with REACH will be introduced gradually over the next eleven years with chemicals sold in big volumes being registered first. In the period up until 2010 Cheminova's total expenses are expected to be in the range of DKK 5-10 million, to which should be added non-quantifiable expenses incidental to a number of raw materials.

Product development

In line with the Business Plan, Cheminova devoted considerable resources to the development of new generic products in 2006. The development projects, which typically involve cross-organisational activities, focus on more than 20 new active ingredients. To this should be added an even larger number of formulations of both new generic products as well as products in the existing portfolio.

Cheminova obtained several new registrations in 2006. A major achievement was a provisional approval in the USA of the fungicide flutriafol for the control of Asian rust fungal disease in soya. Cheminova's abamectin, an insecticide introduced in a number of markets over the past three years, was also approved in the USA at the beginning of 2007.

In December 2006, Cheminova signed an agreement with Bayer CropScience concerning the acquisition of the global rights of the insecticide acrinathrin. In 2002, Cheminova acquired the acrinathrin sales rights in Europe, and this acquisition opens up the prospect of sales to the rest of the world, including the important Japanese market. In the coming years, applications will be made for registration of acrinathrin in a number of new markets.

Income, balance sheet and cash flow

Figures in brackets are the figures for 2005

Despite unfavourable climatic conditions and a considerable decline in sales in Brazil, Cheminova's revenue of DKK 4,032 million (DKK 4,017 million) for 2006 was largely unchanged relative to 2005.



In connection with the closing of the year, an extraordinary item of DKK 100 million was expensed in respect of debtors and product liability claims in Brazil. Complaints and claims concerning instances of inefficacy of a fungicide used for the control of Asian rust are considered as being covered by Cheminova's product liability insurance. However, the company's insurance company has not yet accepted covering.

EBITDA was DKK 184 million (DKK 639 million) corresponding to 4.6 per cent (16 per cent) of revenue. After depreciation and amortisation of DKK 166 million (DKK 181 million), Cheminova's operating profit (EBIT) was DKK 18 million (DKK 458 million), corresponding to an EBIT margin of 0.4 per cent (11 per cent).

Disregarding the extraordinary expense of DKK 100 million, which corresponds to a reduction of the EBIT margin for 2006 by 2.5 per cent, Cheminova's Brazilian subsidiary reduced the consolidated EBIT by DKK 87 million, or just over 2 per cent.

Financial expenses was DKK 89 million (DKK 88 million) after increased financing costs in Brazil, and for the first time in several decades, the group returned a loss before tax of DKK -71 million (profit before tax of DKK 369 million).

The balance sheet total declined by 6 per cent to DKK 4,003 million (DKK 4,237 million), of which DKK 119 million was attributable to exchange rate adjustments. Working capital declined to 43 per cent (45 per cent) of revenue. Net interest-bearing debt was up DKK 194 million at DKK 1,139 million (DKK 945 million).

Cash flow from operating activities was DKK 30 million (DKK 83 million). Investments in property, plant and equipment and intangible assets amounted to DKK 206 million (DKK 211 million), with an available cash flow of DKK -176 million (DKK -128 million).

Outlook 2007

After a decline of just under 4 per cent in the global plant protection market in 2006, a more positive trend is expected in 2007, among other things because of increasing crop prices. The beginning of the year will, however, be affected by the difficult situation in Brazil and by large inventories in the distribution systems in many markets.

In 2007, Cheminova expects a continued decline in sales of malathion to the US programme for the eradication of boll weevils in cotton as well as continuing strong competition in all important markets. Global sales of flutriafol are expected to increase relative to 2006, partly following the normalisation of the situation in Brazil, and partly because the product has now also been approved for marketing in the US market. Sales of Cheminova's new generic products introduced within the past few years are expected to increase.

Cheminova expects to see an increase in revenue of 7 per cent in 2007 relative to the year before. About 60 per cent of the parent company's expected net position in USD has been hedged by means of forward exchange and option contracts at a price of about DKK 6.00. The average settlement price for USD in 2006 was DKK 6.14.

As assumed in the Business Plan, significant efforts within development, registration and marketing of new generic products are expected to intensify further in 2007.

For 2007 as a whole, Cheminova expects revenue of approx. DKK 4.3 billion, an EBIT margin of 5-6 per cent and a profit before tax of approx. DKK 165 million.



REVIEW FOR HARDI INTERNATIONAL A/S

DKK million	2006	2005
Revenue	906	1,033
Operating profit before depreciation and amortisation	45	81
Operating profit (EBIT)	3	38
Net financials	(32)	(22)
Profit before tax	(28)	16
Net profit for the year	(31)	5
Total assets	1,038	1,265
Non-current assets	294	441
Equity	312	346
Net liabilities	489	646
Cash flows from operating activities	62	(22)
Cash flows from investing activities	96	(17)
Available cash flow	158	(39)
Investments in long-term assets	50	30
Depreciation and amortisation	42	43
Profit margin (EBITDA)	5%	8%
Profit margin (EBIT)	0.3%	4%

Objectives and strategy

It is Hardi's objective to be the professional farmer's preferred supplier of sprayers globally. Hardi's core competences are development, application know-how, marketing and assembly. Strategically, Hardi will develop and market products which create considerable added value for end-users.

Market development

2006 was an unusual year for farmers in general. In many of the large agricultural countries the season was characterised by unfavourable climatic conditions, and as prices of several major crops were at the same time low and did not improve until the second half of the year, investments in agricultural machinery were generally low.

Throughout the year, Europe and CIS (Russia, the Ukraine and Belarus) were affected by a very cold spring, a dry and extremely hot summer and a rainy harvest period. The season started late in the USA, resulting in considerable nervousness about harvest yields, and Australia experienced the worst drought ever.

These factors meant that harvest yields were much below average worldwide. However, the economic outlook improved significantly towards the end of the year thanks to the increasing crop prices. Growing optimism in the agricultural sector thus resulted in normalised levels of investment in the fourth quarter.

It is estimated that the market for agricultural machinery in Europe has declined by 6 per cent and in the USA by 10-12 per cent (sales to dealers were down 25-30 per cent), and in Australia sales have declined by more than 25 per cent. The only growth market was CIS, which saw significant increases in sales.



Sales and distribution

For Hardi, the very difficult year for the agricultural machinery industry meant that sales in the large markets in Europe, the USA and Australia did not live up to expectations. With revenue of DKK 906 million, sales were DKK 127 million lower than in 2005, primarily due to a decline in sales in North America of 32 per cent and in Australia of 26 per cent.

The lower revenue affects all product segments with the exception of self-propelled sprayers where the introduction of the new Alpha VariTrack boosted the growth in sales to this segment. The contribution ratio increased in 2006 relative to the year before, but the decline in revenue reduced Hardi's contribution margin by DKK 49 million.

Towards the end of the year, the outlook for the agricultural sector improved considerably as a result of increasing crop prices. This has had a positive effect on investments, and in the fourth quarter Hardi's order intake was up more than 20 per cent relative to last year. At the end of December, the order volume was up 18 per cent on the order volume at the end of last year.

Product development and production

In the trailed segment, New Commander was launched in both Australia and North America. In the light of the difficult market situation in both markets, the launch was satisfactory and has further boosted Hardi's image in these markets. A limited number of the intelligent Commander "i" sprayers were introduced in Europe and Australia for test purposes. The tests went well, and commercial sales can start at the beginning of 2007.

May 2006 saw the introduction of the Ranger trailed product line in North America. Ranger represents the economy trailed segment with a design which follows naturally from the New Commander family. Ranger was introduced on the European continent at the end of 2006 and replaces the TR 2000 trailed line.

The production economy at Hardi's Danish factory on the island of Falster was negatively affected by the decline in demand.

Production at the French factory in Beaurainville was satisfactory. Production was also satisfactory for Pommier, which manufactures aluminium booms.

The assembly factory in Canada (London, Ontario) closed down at the end of 2006, and all activities relating to the production of field sprayers for both the USA and Canada have now been moved to the factory in Davenport, Iowa. The regional centralisation of the assembly activities entails improvements in production economy, while at the same time increasing the reliability of deliveries.

A number of projects have been launched with a view to reducing break-even revenue. These projects will cut capacity costs, while outsourcing will convert fixed costs into variable costs. In this context, a decision has been made to outsource the injection-moulding of plastic components and the turning and milling of metal components. At the same time, investments are being made in robot welding systems for chassis and other central components at the Danish factory on Falster.

Environment

The Danish factory on Falster underwent a comprehensive environmental approval procedure in 2005/2006. Environmental approval of the entire factory was obtained in the second half of 2006.



Income, balance sheet and cash flow

Figures in brackets are the figures for 2005

Revenue declined in 2006 by 12 per cent to DKK 906 million (DKK 1,033 million). EBITDA was DKK 45 million (DKK 81 million) corresponding to 5 per cent (8 per cent) of revenue. In 2006, depreciation and amortisation amounted to DKK 42 million (DKK 43 million). EBIT was then DKK 3 million (DKK 38 million) corresponding to an EBIT margin of 0.3 per cent (4 per cent).

Financial expenses amounted to DKK 32 million (DKK 22 million). Whereas exchange rate adjustments were positive in 2005, the opposite was the case in 2006.

Loss before tax was DKK -28 million (DKK 16 million), which is considerably lower than expected at the beginning of the year and after the first six months. The decline is primarily attributable to the decrease in revenue.

Balance sheet total was reduced by 18 per cent to DKK 1,038 million (DKK 1,265 million). The reduction is attributable to a reduction in property, plant and equipment in connection with the sale of the Danish property in Taastrup to Auriga as well as a reduction in both inventories and debtors.

On account of a reduction in working capital, cash flow from operating activities amounted to DKK 62 million (DKK -22 million). Disposal of property, plant and equipment less acquisitions totalled DKK 96 million (DKK -17 million), available cash flow being DKK 158 million (DKK -39 million).

Outlook 2007

The outlook for 2007 for the agricultural sector is characterised by optimism in many markets due to increasing crop prices.

Assuming normal climatic conditions, Hardi expects to see an increase in revenue of 10 per cent relative to 2006.

With the outsourcing measures introduced and continued improvements of the operating economy, an EBIT margin of 5-6 per cent is expected.

For 2007 as a whole, revenue of approx. DKK 995 million and a profit before tax of approx. DKK 30 million is expected. Cash flow is also expected to be positive in 2007.



REVIEW FOR SKAMOL A/S

DKK million	2006	2005
Revenue	246	201
Operating profit before depreciation and amortisation	29	16
Operating profit (EBIT)	11	(1)
Share of profit or loss in associates	5	4
Net financials	1	(5)
Profit before tax	17	(2)
Net profit for the year	16	(4)
Total assets	267	244
Non-current assets	135	136
Equity	95	82
Net liabilities	98	109
Cash flows from operating activities	23	(3)
Cash flows from investing activities	(7)	(7)
Available cash flow	15	(9)
Investments in long-term assets	10	13
Depreciation and amortisation	18	17
Profit margin (EBITDA)	12%	8%
Profit margin (EBIT)	5%	Neg.

Objectives and strategy

It is Skamol's objective to increase revenue considerably within existing business areas in the coming years. The company will defend its position as the leading supplier of insulation products for the primary aluminium industry and expand its position within insulation for other high-temperature industries, fire-places and wood-burning stoves as well as within the fire protection business area.

Skamol's strategy is to develop, manufacture and market differentiated value-added products based on existing, own materials and through the marketing of complementary products. The continued growth in sales of new products and developments in the markets for existing products will form the basis of continued and considerable organic growth in the coming years, which will help to improve the company's results further.

Market trends and sales

Skamol's revenue for 2006 amounted to DKK 246 million against DKK 201 million in 2005. With a growth rate of more than 20 per cent, capacity utilisation at Skamol's factories has improved substantially.

Skamol's largest business area is the aluminium industry, which is undergoing growth. The demand for aluminium is increasing by approx. 5 per cent per year, and prices are at a historically high level. Due to developments in demand, the global aluminium industry is planning the construction of a number of new works in the coming years. Skamol's sales consist partly of supplies for ongoing maintenance and partly of supplies for the construction of new aluminium works. In 2006, sales of Skamol's products to the aluminium industry increased by almost 30 per cent, primarily as a result of larger deliveries for new projects. The introduction of complementary third-party products is progressing according to plan, and the products have now been introduced to all important customers.



High levels of economic activity worldwide and high growth rates in the new economies have boosted demand for insulation products for, e.g., steel, glass, paper and cement production facilities. Skamol has introduced new products for use in the steel and cement industries and sees considerable potential for increasing sales of these products in the coming years.

Manufacturers of wood-burning stoves and fireplaces in Europe are seeing a very significant increase in demand. The demand is driven by high energy prices and high levels of residential construction. Skamol sells inserts based on vermiculite for insulating the combustion chamber in fireplaces and wood-burning stoves, and in 2006 saw a considerable increase in demand within this business area. Developments in the construction industry and a stronger position in the markets in Europe also brought an increase in sales of calcium silicate slabs, improving sales within this business area. Skamol is now actively cultivating the US market and introducing new surface-treated products which will contribute to further growth in the coming years.

The introduction of fire doors and panels is still progressing much more slowly than expected. More efforts are going into developing the relevant product portfolio, and market development activities have been launched in a number of markets.

Production and product development

Production at Skamol's factories was satisfactory in 2006. Production capacity at the Danish moler brick factory on the island of Fur and at the Danish calcium silicate factory in Salling was fully utilised, while production at both the vermiculate factory on the Danish island of Mors and the perlite brick factory in France increased during the year. 2007 will see a 20 per cent expansion of capacity at the Danish calcium silicate factory, primarily through the removal of bottlenecks in the current production set-up.

In 2006, capacity utilisation at Skamol's two factories manufacturing fire doors and panels was unsatisfactorily low, leading to negative results.

The production facilities are energy-intensive, and in 2006 the production economy was affected by the high prices of natural gas and power.

In 2006, Skamol's development department initiated the development of an injection-moulding material based on a mix of vermiculite and calcium silicate. The product was introduced in the first markets during 2006.

Environment

Skamol's environmental impacts are primarily in the form of emissions of substances, the consumption of energy, the extraction of moler and materials waste.

Systems for reducing environmental impact through dust filtration systems and sludge treatment plants are integrated parts of production. The principle is that as many as possible of the defiltrated materials are used again, while waste which cannot be used again is deposited at controlled waste disposal sites, while moler is deposited at the Skamol's approved site.

Skamol engages in the extraction of moler on the Danish island of Fur, and the subsequent filling of the pits is continuous and governed by plans prepared in cooperation with the authorities.

Income, balance sheet and cash flow

Figures in brackets are the figures for 2005

Revenue increased in 2006 by 22 per cent to DKK 246 million (DKK 201 million). EBITDA was DKK 29 million (DKK 16 million) corresponding to 12 per cent (8 per cent) of revenue. Depreciation and amortisation amounted to DKK 18 million (DKK 17 million). EBIT amounted to DKK 11 million (DKK -1 million), corresponding to an EBIT margin of 5 per cent.



Net financials amounted to DKK 0.3 million (DKK -5 million). The associate Damolin A/S again returned satisfactory results in 2006, and Skamol's share after tax amounted to DKK 5 million (DKK 4 million).

Profit before tax was DKK 17 million (DKK -2 million). Balance sheet total was up DKK 23 million at DKK 267 million (DKK 244 million). With a view to being able to meet the expected increase in demand in 2007 and in the coming years, inventories were increased by DKK 4 million in 2006. Cash flow from operating activities was DKK 23 million (DKK -3 million) in 2006. After investments of DKK 10 million (DKK 13 million) and dividend from Damolin A/S of DKK 3 million (DKK 6 million), available cash flow was DKK 15 million (DKK -9 million).

Outlook 2007

Skamol expects to see continued increases in revenue in 2007, driven by higher sales for ongoing maintenance in the aluminium industry and sales of fire-protection products. Moreover, high growth rates will be generated by the new products which have been introduced in the first markets.

Skamol is expecting a further improvement in results for 2007 relative to 2006 and an EBIT margin of 8 per cent. At the same time, the associate Damolin A/S is expecting to return satisfactory results again for 2007.

For 2007 as a whole, Skamol expects revenue of approx. DKK 260 million and a profit before tax of approx. DKK 20 million. Cash flow is also expected to be positive in 2007.

Financial calendar for 2007

Annual Report, printed version	April 18, 2007
Interim financial report, 1st quarter 2007	April 24, 2007
Annual general meeting	April 24, 2007
Interim financial report, 1st half 2007	August 23, 2007
Interim financial report, 3rd quarter 2007	November 8, 2007



INCOME STATEMENT 2006

DKK '000	Note	Group		Parent	
		2006	2005	2006	2005
Revenue	1	5,183,500	5,250,348	-	-
Cost of sales	2	3,839,823	3,615,775	-	-
Gross margin		1,343,677	1,634,573	-	-
Other operating income	5	31,172	21,533	3,413	1,569
Sales and distribution costs	2	774,891	686,743	-	-
Administrative expenses	2 + 3	403,014	316,181	15,930	16,139
Research and development costs	2	175,351	170,821	-	-
Operating profit/loss		21,593	482,361	(12,517)	(14,570)
Share of profit/loss in subsidiaries	6	-	-	150,000	150,000
Share of profit/loss in associates after tax	13	4,891	4,403	-	-
Financial income	7	139,740	152,872	6,482	6,010
Financial expenses	7	258,048	263,895	3,197	1,883
Profit/loss before tax		(91,824)	375,741	140,768	139,557
Tax on profit/loss for the year	8	70,956	117,397	(2,225)	(3,117)
Consolidated profit/loss		(162,780)	258,344	142,993	142,674
Attributable to:					
To the shareholders of Auriga Industries A/S		(170,887)	249,856		
Minority interests		8,107	8,488		
		(162,780)	258,344		
Earnings per share					
Earnings per share	9	(6.93)	10.15		
Diluted earnings per share	9	(6.93)	10.13		
Proposed appropriation of profits					
Dividend for the financial year				61,200	102,000
Retained earnings				81,793	40,674
				142,993	142,674

The Board of Directors recommends to the general meeting that dividend of DKK 2.40 per share (2005: DKK 4.00 per share) be paid for the year.



BALANCE SHEET AS AT DECEMBER 31, 2006

ASSETS

DKK '000	Note	Group		Parent	
		2006	2005	2006	2005
Non-current assets					
Intangible assets					
	10				
Goodwill		413,088	410,822	-	-
Sales and registration rights		209,558	100,638	-	-
Know-how		123,537	143,647	-	-
Total intangible assets		746,183	655,107	-	-
Property, plant and equipment					
	11+12				
Land and buildings		429,126	452,576	2,008	2,244
Technical plant and machinery		368,157	433,570	-	-
Fixtures and fittings, tools and equipment		62,123	53,869	345	288
Plant under construction		34,194	26,342	-	-
Total property, plant and equipment		893,600	966,357	2,353	2,532
Financial assets					
Investments in subsidiaries	14	-	-	1,329,434	1,298,462
Investments in associates	13	41,027	37,953	-	-
Other financial assets	13	1,835	6,829	-	-
Deferred tax asset	19	126,978	146,823	466	-
Total financial assets		169,840	191,605	1,329,900	1,298,462
Total non-current assets		1,809,623	1,813,069	1,332,253	1,300,994
Current assets					
Inventories					
	15	1,602,632	1,595,591	-	-
Receivables					
	16				
Trade receivables		1,594,627	1,802,408	-	-
Receivables from subsidiaries		-	-	135,903	130,000
Income taxes receivable		82,043	60,134	1,639	39,935
Other receivables		288,878	225,984	1,112	7,350
Total receivables		1,965,548	2,088,526	138,654	177,285
Securities	17	5,518	8,434	5,296	8,212
Cash and cash equivalents		249,829	359,167	-	504
Non-current assets intended for sale		8,901	-	-	-
Total current assets		3,832,428	4,051,718	143,950	186,001
Total assets		5,642,051	5,864,787	1,476,203	1,486,995



BALANCE SHEET AS AT DECEMBER 31, 2006

EQUITY AND LIABILITIES

DKK '000	Note	Group		Parent	
		2006	2005	2006	2005
Equity					
Share capital	18	255,000	255,000	255,000	255,000
Retained earnings		1,892,333	2,103,661	1,082,958	995,595
Accumulated exchange rate adjustments		50,288	82,125	-	-
Proposed dividend for the financial year		61,200	102,000	61,200	102,000
Auriga shareholders' share of equity		2,258,821	2,542,786	1,399,158	1,352,595
Minority interests		45,064	44,554	-	-
Total equity		2,303,885	2,587,340	1,399,158	1,352,595
Non-current liabilities					
Mortgage debt	21	99,388	112,215	1,331	1,472
Employee bonds		14,801	16,874	-	-
Lease obligations	22	3,862	5,144	-	-
Credit institutions	21	896,149	776,011	-	-
Deferred tax	19	80,926	74,295	-	-
Retirement benefit obligations	20	8,623	9,470	1,056	1,058
Other provisions	20	27,655	48,953	-	-
Total non-current liabilities		1,131,404	1,042,962	2,387	2,530
Current liabilities					
Long-term debt falling due within one year	21	169,946	173,289	141	136
Credit institutions	21	826,399	847,253	73,306	-
Lease obligations	22	2,262	2,231	-	-
Trade payables		569,200	550,611	-	-
Payables to subsidiaries		-	-	-	129,170
Payables to associates		432	5	-	-
Income taxes payable		24,665	37,002	-	-
Other payables		568,528	588,593	1,017	2,372
Other provisions	20	31,581	17,772	194	192
Profit-sharing for the financial year		13,749	17,729	-	-
Total current liabilities		2,206,762	2,234,485	74,658	131,870
Total liabilities		3,338,166	3,277,447	77,045	134,400
Total equity and liabilities		5,642,051	5,864,787	1,476,203	1,486,995
Supplementary notes					
Incentive schemes	3				
Currency and interest rate risks	23				
Collateral	27				
Contingent liabilities	28				
Contractual liabilities	29				
Operating leases	30				
Related parties	31				
Events occurring after the balance sheet date	32				



CASH FLOW STATEMENT 2006

DKK '000	Note	Group		Parent	
		2006	2005	2006	2005
Net profit/loss for the year		(162,780)	258,344	(7,007)	(7,326)
Depreciation, amortisation and impairment losses, assets		227,930	242,024	396	344
Other adjustments	24	180,008	209,935	(5,647)	(7,110)
Change in receivables		133,329	(266,057)	6,239	(1,427)
Change in inventories		(43,223)	(96,385)	-	-
Change in trade payables etc.		38,363	33,747	(1,355)	(778)
Cash flows from operating activities before net financials		373,627	381,608	(7,374)	(16,297)
Received net financials		139,740	152,872	6,482	6,010
Paid net financials		(257,921)	(264,588)	(3,197)	(1,884)
Cash flows from ordinary activities		255,446	269,892	(4,089)	(12,171)
Income taxes paid		(131,225)	(251,624)	3,305	(28,129)
Cash flows from operating activities		124,221	18,268	(784)	(40,300)
Acquisition of subsidiaries	25	-	(111,589)	(30,972)	-
Acquisition of intangible assets		(143,982)	(47,682)	-	-
Sale of intangible assets		-	7,589	-	-
Acquisition of property, plant and equipment		(134,095)	(118,619)	(430)	(406)
Sale of property, plant and equipment		33,335	19,909	213	10
Dividend received from associates		2,556	6,237	-	-
Change in minority interests		(2,154)	9,005	-	-
Cash flows from investing activities		(244,340)	(235,150)	(31,189)	(396)
Available cash flow		(120,119)	(216,882)	(31,973)	(40,696)
Repayment of long-term debt		(113,718)	(91,514)	(136)	(106)
Raising of long-term loan		229,162	138,736	-	-
Issue of employee bonds		3,240	5,735	-	-
Dividend paid		(103,198)	(104,145)	51,263	51,429
Sale of treasury shares		2,434	6,486	2,434	6,486
Cash flows from financing activities		17,920	(44,702)	53,561	57,809
Change in cash and cash equivalents		(102,199)	(261,584)	21,588	17,113
Cash and cash equivalents as at January 1	26	(468,853)	(218,068)	46,305	29,192
Cash and cash equivalents as at December 31	26	(571,052)	(479,652)	67,893	46,305



STATEMENT OF CHANGES IN EQUITY

Group

DKK '000	Share capital	Retained earnings	Accumulated exchange rate adjustments	Proposed dividend for the financial year	Total	Minority interests	Total
Equity as at January 1, 2005	255,000	1,999,337	(18,622)	102,000	2,337,715	32,487	2,370,202
Cash flow hedge:							
-Value adjustment recognised in equity	-	(37,689)	-	-	(37,689)	-	(37,689)
-Transferred to the income statement for the period	-	(29,902)	-	-	(29,902)	-	(29,902)
Foreign exchange rate adjustment for foreign activities	-	-	100,747	-	100,747	608	101,355
Other changes in equity	-	(6,676)	-	-	(6,676)	8,545	1,869
Tax on changes in equity	-	20,704	-	-	20,704	-	20,704
Net gains recognised directly in equity	-	(53,563)	100,747	-	47,184	9,153	56,337
Net profit/loss for the year	-	147,856	-	102,000	249,856	8,488	258,344
Comprehensive income	-	94,293	100,747	102,000	297,040	17,641	314,681
Dividend paid in respect of 2004	-	-	-	(102,000)	(102,000)	(5,574)	(107,574)
Share-based payments	-	116	-	-	116	-	116
Acquisition/disposal, treasury shares	-	6,486	-	-	6,486	-	6,486
Dividend, treasury shares	-	3,429	-	-	3,429	-	3,429
Total changes in equity in 2005	-	104,324	100,747	-	205,071	12,067	217,138
Equity as at December 31, 2005	255,000	2,103,661	82,125	102,000	2,542,786	44,554	2,587,340
Cash flow hedge:							
-Value adjustment recognised in equity	-	45,426	-	-	45,426	(9)	45,417
-Transferred to the income statement for the period	-	112	-	-	112	-	112
Foreign exchange rate adjustment for foreign activities	-	(3,637)	(31,837)	-	(35,474)	(435)	(35,909)
Other changes in equity	-	836	-	-	836	(2,694)	(1,858)
Tax on changes in equity	-	(27,674)	-	-	(27,674)	-	(27,674)
Net gains recognised directly in equity	-	15,063	(31,837)	-	(16,774)	(3,138)	(19,912)
Net profit/loss for the year	-	(232,087)	-	61,200	(170,887)	8,107	(162,780)
Comprehensive income	-	(217,024)	(31,837)	61,200	(187,661)	4,969	(182,692)
Dividend paid in respect of 2005	-	-	-	(102,000)	(102,000)	(4,459)	(106,459)
Acquisition/disposal, treasury shares	-	2,433	-	-	2,433	-	2,433
Dividend, treasury shares	-	3,263	-	-	3,263	-	3,263
Total changes in equity in 2006	-	(211,328)	(31,837)	(40,800)	(283,965)	510	(283,455)
Equity as at December 31, 2006	255,000	1,892,333	50,288	61,200	2,258,821	45,064	2,303,885



STATEMENT OF CHANGES IN EQUITY

Parent

DKK '000	Share capital	Retained earnings	Proposed dividend for the financial year	Total
Equity as at January 1, 2005	255,000	944,882	102,000	1,301,882
Other changes in equity	-	(74)	-	(74)
Net gains recognised directly in equity	-	(74)	-	(74)
Net profit/loss for the year	-	40,674	102,000	142,674
Comprehensive income	-	40,600	102,000	142,600
Dividend paid in respect of 2004	-	-	(102,000)	(102,000)
Acquisition/disposal, treasury shares	-	6,684	-	6,684
Dividend, treasury shares	-	3,429	-	3,429
Equity as at December 31, 2005	255,000	995,595	102,000	1,352,595
Other changes in equity	-	(127)	-	(127)
Net gains recognised directly in equity	-	(127)	-	(127)
Net profit/loss for the year	-	81,793	61,200	142,993
Comprehensive income	-	81,666	61,200	142,866
Dividend paid in respect of 2005	-	-	(102,000)	(102,000)
Acquisition/disposal, treasury shares	-	2,434	-	2,434
Dividend, treasury shares	-	3,263	-	3,263
Equity as at December 31, 2006	255,000	1,082,958	61,200	1,399,158



NOTES ON THE ACCOUNTS 2006

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

Note 1 - Segment information, group

Activities - primary segment

Areas of activity	Chemical industry		Agricultural machinery		Insulation materials		Other activities and intragroup eliminations		Group	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Revenue	4,031,643	4,016,517	905,653	1,032,926	245,504	200,905	700	-	5,183,500	5,250,348
Operating profit/loss	17,720	457,885	3,080	37,723	11,384	(1,412)	(10,591)	(11,835)	21,593	482,361
Assets	4,002,972	4,237,269	1,037,985	1,265,460	266,851	243,799	334,243	118,259	5,642,051	5,864,787
Liabilities	2,394,546	2,322,931	726,141	919,108	171,866	161,347	45,613	(125,939)	3,338,166	3,277,447
Investments in intangible assets, property, plant and equipment	204,964	122,527	49,539	30,159	9,795	13,209	13,780	406	278,078	166,301
Depreciation and amortisation	163,003	180,857	42,318	43,523	17,978	17,300	1,389	344	224,688	242,024
Impairment losses and write-downs	3,242	-	-	-	-	-	-	-	3,242	-
Share of profit/loss in associates	-	-	-	-	4,891	4,403	-	-	4,891	4,403
Investments in associates	-	-	-	-	-	6,237	-	-	-	6,237

Revenue between the segments is immaterial (DKK 1.4 million).

Geographically - secondary segment

	NAFTA countries		Europe		Other		Group	
	2006	2005	2006	2005	2006	2005	2006	2005
Revenue	1,213,748	1,281,296	1,992,236	1,998,464	1,977,516	1,970,588	5,183,500	5,250,348
Assets	500,606	658,717	3,632,877	3,616,548	1,508,568	1,589,522	5,642,051	5,864,787
Investments in intangible assets, property, plant and equipment	6,642	3,437	255,523	155,295	15,913	7,569	278,078	166,301

Revenue by geographical location of customers. The book values and purchases of assets are distributed according to the physical location of the assets.



Note 2 - Expenses

Cost of sales

Cost of sales includes the following main items:

	Group		Parent	
	2006	2005	2006	2005
Cost of sales for the year	3.417.878	3.207.187	-	-
Impairment losses for the year relating to cost of sales	3.282	6.248	-	-
Reversed impairment losses relating to cost of sales	0	(766)	-	-

Staff costs

Staff costs include the following main items:

	Group		Parent	
	2006	2005	2006	2005
Wages and salaries	764.542	764.077	5.723	7.968
Profit-sharing	13.734	20.525	23	30
Share-based payments	-	116	-	-
Severance payments	6.015	-	-	-
Retirement benefit contributions	46.536	41.425	349	358
Remuneration for the Board of Directors	2.375	2.375	2.375	2.375
Social security expenses	68.856	72.360	34	35
Other staff costs	15.233	12.694	-	-
Total staff costs	917.291	913.572	8.504	10.766

Staff costs are recognised as follows:

Cost of sales	499.919	512.945	-	-
Sales and distribution costs	208.246	188.471	-	-
Administrative expenses	118.429	115.332	8.504	10.766
Research and development costs	90.697	96.825	-	-
Total staff costs	917.291	913.572	8.504	10.766

Remuneration for the Board of Executives of Auriga Industries A/S amounts to DKK 8.687 million (DKK 8.555 million in 2005). Moreover, cf. the description in Note 3, a provision of DKK 0.701 million has been made for bonus payments relating to 2006 (DKK 4.940 million in 2005). To this should be added the acquisition of shares in the company via share options with a favourable-price element of DKK 5.245 million (DKK 4.492 million in 2005).

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

In the course of the year, the average number of employees was 5 (5 in 2005) in the parent company and 2,842 (2,933 in 2005) in the group.

Depreciation, amortisation and impairment losses

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

	Group		Parent	
	2006	2005	2006	2005
Cost of sales	151.177	174.192	-	-
Sales and distribution costs	56.978	46.296	-	-
Administrative expenses	12.439	12.521	396	344
Research and development costs	7.336	9.015	-	-
Total depreciation, amortisation and impairment losses	227.930	242.024	396	344



Note 3 - Incentive schemes

With a view to strengthening the creation of value in the group, a total of 4 incentive schemes were introduced in the 2003-2006 period.

In 2003, Auriga's Board of Executives was granted a total of 285,000 share options of DKK 10 each.

Options granted in 2003 could be exercised with a third in each of the periods March 1, 2004 - June 30, 2004, March 1, 2005 - June 30, 2005 and March 1, 2006 - June 30, 2006. The exercise price per share is 48 with the addition of an annual return on investment element of 10 per cent calculated as from March 11, 2003.

All share option schemes are equity schemes.

The table below gives an overview of the share option schemes as ended at December 31, 2006:

Granted in 2003	Group Board of Executives	Share price upon	
		Agreed price	exercise
Exercisable March 1, 2004 - June 30, 2004	95,000	54.35	-
Exercisable March 1, 2005 - June 30, 2005	95,000	59.78	-
Exercisable March 1, 2006 - June 30, 2006	95,000	65.76	-
Reduction in 2003 1)	(45,000)	-	-
Exercised in 2004	(80,000)	53.12	64.55
Exercised in 2005	(80,000)	58.12	133.66
Exercised in 2006	(41,600)	64.06	190.13
Expired	(38,400)		
Total for 2003	-		
Outstanding as at December 31, 2006	-		

1) Repurchased from resigned director.

In 2004-2006 agreements concerning a bonus scheme were concluded with Auriga's Board of Executives, under which the bonus depends on the performance of the group's subsidiaries. The bonus earned is not distributed, but is transferred to a bonus pool which is dependent on developments in the price of the Auriga share. The bonus for the 2004 scheme was paid out in April 2006, while the bonus for the 2005 scheme is paid out in April 2007 and the bonus for the 2006 scheme is paid out in April 2007 and April 2008. The bonus agreements are debt schemes.

Note 4 - Remuneration of auditors elected by the general meeting

	Group		Parent	
	2006	2005	2006	2005
Deloitte, audit of annual report	5,482	4,740	275	303
Deloitte, other services	1,858	459	106	239
Other audit firms, audit of annual report	336	610	-	-
Other audit firms, other services	841	1,123	-	-
Total	8,517	6,932	381	542

Note 5 - Other operating income

	Group		Parent	
	2006	2005	2006	2005
Development activities	2,982	3,748	-	-
Proceeds on disposal of fixed assets etc.	13,362	4,786	-	11
Other income	14,828	12,999	3,413	1,558
Total	31,172	21,533	3,413	1,569

Note 6 - Share of profit/loss in subsidiaries

	Parent	
	2006	2005
Dividend from subsidiaries	150,000	150,000
Total	150,000	150,000



Note 7 - Net financials

	Group		Parent	
	2006	2005	2006	2005
Interest receivable and similar income				
Interest receivable from subsidiaries	-	-	4,534	3,423
Interest receivable	63,428	89,018	972	1,474
Dividend	61	96	53	88
Foreign exchange rate adjustments	71,027	60,029	-	-
Adjustment to fair value, financial assets	5,224	3,729	923	1,025
Total	139,740	152,872	6,482	6,010
Interest payable and similar expenses				
Interest payable to subsidiaries	-	-	(1,564)	(1,760)
Interest payable	(149,750)	(146,920)	(1,633)	(123)
Foreign exchange rate adjustments	(108,298)	(116,353)	-	-
Adjustment to fair value, financial assets	-	(622)	-	-
Total	(258,048)	(263,895)	(3,197)	(1,883)
Total net financials	(118,308)	(111,023)	3,285	4,127

Note 8 - Tax

	Group		Parent	
	2006	2005	2006	2005
Tax for the year can be distributed as follows:				
Tax on profit/loss for the year	70,956	117,397	(2,225)	(3,117)
Tax on changes in equity	27,547	(20,704)	-	-
Tax for the year	98,503	96,693	(2,225)	(3,117)

Tax on profit/loss for the year is calculated as follows:

Current tax	49,834	133,148	(1,639)	(3,185)
Deferred tax	21,099	(11,828)	(466)	-
Effect of changed tax rate	-	(4,568)	-	-
Adjustment of tax for previous years	23	645	(120)	68
Total	70,956	117,397	(2,225)	(3,117)

Reconciliation of tax rate

Danish income tax rate	28.0%	28.0%	28.0%	28.0%
Adjustment relating to previous years	0.0%	(1.5%)	(1.1%)	0.0%
Surtax in associates	(2.4%)	1.0%	0.0%	0.0%
Surtax in subsidiaries	(1.3%)	1.5%	0.0%	0.0%
Not activated tax-related losses	(83.9%)	0.0%	0.0%	0.0%
Other adjustments	(17.7%)	2.3%	(2.8%)	1.8%
Effective tax rate	(77.3%)	31.2%	24.1%	29.8%

Note 9 - Earnings per share

	Group	
	2006	2005
Net profit/loss for the year	(162,780)	258,344
Minority interests' share of consolidated profit/loss	(8,107)	(8,488)
Auriga Industries A/S' share of the profit/loss for the year	(170,887)	249,856
Average no. of shares of DKK 10 each	25,500,000	25,500,000
Average no. of treasury shares	(826,080)	(878,080)
Average no. of shares	24,673,920	24,621,920
Average dilution from outstanding share options	-	47,252
Diluted average no. of shares	24,673,920	24,669,172
Earnings per share of DKK 10	(6.93)	10.15
Diluted earnings per share of DKK 10	(6.93)	10.13



Note 10 - Intangible assets, group

	Sales and registration rights	Know-how	Goodwill	Intangible non-current assets total
Cost price as at January 1, 2005	140,726	236,722	739,862	1,117,310
Foreign exchange rate adjustment	1,200	127	968	2,295
Additions relating to acquisition of subsidiary	2,939	-	66,939	69,878
Additions during the year	47,682	-	98	47,780
Disposals during the year	(7,589)	-	(2,760)	(10,349)
Cost price as at December 31, 2005	184,958	236,849	805,107	1,226,914
Amortisation and impairment losses as at January 1, 2005	57,743	69,359	393,762	520,864
Foreign exchange rate adjustment	817	63	523	1,403
Amortisation for the year	25,760	23,780	-	49,540
Amortisation and impairment losses as at December 31, 2005	84,320	93,202	394,285	571,807
Carrying amount as at December 31, 2005	100,638	143,647	410,822	655,107
Cost price as at January 1, 2006	184,958	236,849	805,107	1,226,914
Foreign exchange rate adjustment	(721)	(365)	(7)	(1,093)
Additions during the year	138,002	3,736	2,240	143,978
Cost price as at December 31, 2006	322,239	240,220	807,340	1,369,799
Amortisation and impairment losses as at January 1, 2006	84,320	93,202	394,285	571,807
Foreign exchange rate adjustment	(554)	(335)	(33)	(922)
Amortisation for the year	28,915	23,816	-	52,731
Amortisation and impairment losses as at December 31, 2006	112,681	116,683	394,252	623,616
Carrying amount as at December 31, 2006	209,558	123,537	413,088	746,183
Amortised over the following number of years	5-10 yrs	5-10 yrs		

Impairment test for goodwill

Pursuant to the rules contained in IAS 36, the management has carried out an impairment test of the carrying amount of goodwill as at December 31, 2006. For each cash-generating unit (CGU), the impairment test compares the discounted value of future cash flows with the book values. The impairment tests carried out have not given rise to impairment losses on goodwill.

Goodwill has been allocated to the group's three CGUs, which are chemistry, agricultural machinery and insulation materials.

Impairment test relating to the subsidiaries of the group has been made.

Future cash flows are based on the budget for 2007 and strategy plans for the years 2008-2010 as well as assumptions concerning growth after this period. The budget and strategy plans are based on specific business assessments of the business areas, while the projections after 2010 are based on general parameters.

For all three CGUs, the most important parameters underlying the projections after 2010 are a growth in sales of 2 per cent and a similar growth in EBIT. The discount rate (WACC) is 8.89 per cent before tax corresponding to a WACC of 8.00 per cent after tax. It is assumed that the cash tax rate is 28 per cent.



Note 11 - Property, plant and equipment, group

	Land and buildings	Technical plant and machinery	Fixtures and fittings, tools and equipment	Plant under construction	Property, plant and equipment total
Cost price as at January 1, 2005	865,311	2,609,661	307,369	27,322	3,809,663
Foreign exchange rate adjustment	10,867	15,936	8,340	(87)	35,056
Transfer	10,460	11,512	(2,105)	(19,830)	37
Additions relating to acquisition of subsidiary	-	-	1,279	-	1,279
Additions during the year	18,067	54,432	29,572	43,017	145,088
Disposals during the year	(15,751)	(10,431)	(18,075)	(24,080)	(68,337)
Cost price as at December 31, 2005	888,954	2,681,110	326,380	26,342	3,922,786
Depreciation and impairment losses as at January 1, 2005	406,486	2,109,906	258,566	-	2,774,958
Foreign exchange rate adjustment	3,418	10,766	6,357	-	20,541
Additions relating to acquisition of subsidiary	-	-	157	-	157
Depreciation for the year	33,572	136,108	22,922	-	192,602
Disposals during the year	(1,006)	(3,050)	(12,007)	-	(16,063)
Reversed depreciation and impairment of disposals for the year	(6,092)	(6,190)	(3,484)	-	(15,766)
Depreciation and impairment losses as at December 31, 2005	436,378	2,247,540	272,511	-	2,956,429
Carrying amount as at December 31, 2005	452,576	433,570	53,869	26,342	966,357
Of which finance leases	-	-	4,071	-	4,071
Cost price as at January 1, 2006	888,954	2,681,110	326,380	26,342	3,922,786
Foreign exchange rate adjustment	(7,304)	(12,513)	(5,192)	(24)	(25,033)
Transfer	1,322	14,423	4	(15,745)	4
Additions relating to acquisition of subsidiary	-	7,204	61	-	7,265
Additions during the year	22,718	38,142	35,055	46,392	142,307
Reclassification of non-current assets specified for sale	(10,217)	(5,234)	-	-	(15,451)
Disposals during the year	(4,532)	(143,987)	(15,520)	(22,771)	(186,810)
Cost price as at December 31, 2006	890,941	2,579,145	340,788	34,194	3,845,068
Depreciation and impairment losses as at January 1, 2006	436,378	2,247,540	272,511	-	2,956,429
Foreign exchange rate adjustment	(2,759)	(9,116)	(4,288)	-	(16,163)
Additions relating to acquisition of subsidiary	-	907	-	-	907
Depreciation for the year	30,530	118,080	23,272	-	171,882
Impairment for the year	3,242	-	-	-	3,242
Reclassification of non-current assets specified for sale	(3,733)	(2,818)	-	-	(6,551)
Disposals during the year	(538)	(143,433)	(8,212)	-	(152,183)
Reversed depreciation and impairment of disposals for the year	(1,305)	(172)	(4,618)	-	(6,095)
Depreciation and impairment losses as at December 31, 2006	461,815	2,210,988	278,665	-	2,951,468
Carrying amount as at December 31, 2006	429,126	368,157	62,123	34,194	893,600
Of which finance leases	-	-	4,071	-	4,071
Amortised over the following number of years	15-30 yrs	8 yrs	5 yrs		

The carrying amount of the group's foreign land and buildings as at December 31, 2006 was DKK 74.387 million, while the carrying amount of the group's land and buildings in Denmark was DKK 332.902 million. The official property assessment value of Danish land and buildings in Denmark was 314.691 million.

The carrying amount of Danish land and buildings not yet included in the official property assessment was DKK 27.294 million.

In 2006 production assets have been closed to a booked value at DKK 3.242 million written down to DKK 0. The amount is included in the costs of sales in the income statement.



Note 12 - Property, plant and equipment, parent

	Land and buildings	Fixtures and fittings, tools and equipment	Property, plant and equipment total
Cost price as at January 1, 2005	4,087	441	4,528
Additions during the year	-	356	356
Disposals during the year	-	(441)	(441)
Cost price as at December 31, 2005	4,087	356	4,443
Depreciation and impairment losses as at January 1, 2005	1,607	441	2,048
Additions during the year	236	68	304
Disposals during the year	-	(441)	(441)
Depreciation and impairment losses as at December 31, 2005	1,843	68	1,911
Carrying amount as at December 31, 2005	2,244	288	2,532
Cost price as at January 1, 2006	4,087	356	4,443
Additions during the year	-	431	431
Disposals during the year	-	(356)	(356)
Cost price as at December 31, 2006	4,087	431	4,518
Depreciation and impairment losses as at January 1, 2006	1,843	68	1,911
Depreciation for the year	236	161	397
Disposals during the year	-	(143)	(143)
Depreciation and impairment losses as at December 31, 2006	2,079	86	2,165
Carrying amount as at December 31, 2006	2,008	345	2,353
Amortised over the following number of years	30 yrs	5 yrs	

The official property assessment value of Danish land and buildings in Denmark was 4.670 million.



Note 13 - Financial assets

Group

	Investments in associates	Other fixed asset investments	Fixed asset investments total
Cost price as at January 1, 2005	15,497	6,001	21,498
Foreign exchange rate adjustment	-	66	66
Additions during the year	-	1,512	1,512
Disposals during the year	-	(750)	(750)
Cost price as at December 31, 2005	15,497	6,829	22,326
Re- and devaluation as at January 1, 2005	23,541	-	23,541
Dividend received	(6,162)	-	(6,162)
Foreign exchange rate adjustment	(76)	-	(76)
Profit/loss for the year after tax	5,153	-	5,153
Re- and devaluation as at December 31, 2005	22,456	-	22,456
Carrying amount as at December 31, 2005	37,953	6,829	44,782
Cost price as at January 1, 2006	15,497	6,829	22,326
Foreign exchange rate adjustment	-	(46)	(46)
Additions during the year	-	594	594
Disposals during the year	648	(5,534)	(4,886)
Cost price as at December 31, 2006	16,145	1,843	17,988
Re- and devaluation as at January 1, 2006	22,456	-	22,456
Dividend received	(2,465)	-	(2,465)
Foreign exchange rate adjustment	-	(8)	(8)
Profit/loss for the year after tax	4,891	-	4,891
Re- and devaluation as at December 31, 2006	24,882	(8)	24,874
Carrying amount as at December 31, 2006	41,027	1,835	42,862

Associates and joint-venture enterprises in the group are:

Equity investment in %

	2006	2005
Associates:		
United Moler ApS, Nykøbing Mors, Denmark	50%	50%
Damolin A/S, Copenhagen, Denmark	49%	49%
NCM Core A/S, Ålborg, Denmark	-	40%
Joint-venture enterprises:		
Pytech Chemicals GmbH, Horgen, Switzerland (pro-rata consolidated)	50%	50%

Selected financial ratios for the group's associates and joint-ventures:

	2006	2005
Revenue	394,940	384,533
Net profit/loss for the year	(9,317)	(19,445)
Assets	333,197	365,612
Liabilities	501,667	522,346



Note 14 - Investments in subsidiaries

	Parent	
	2006	2005
Cost price as at January 1	1,298,462	1,298,462
Additions during the year	30,972	-
Cost price as at December 31	1,329,434	1,298,462
Carrying amount as at December 31	1,329,434	1,298,462

The parent's investments and votes in subsidiaries comprise:	Equity investment and votes in %	
	2006	2005
Cheminova A/S, Harboøre, Denmark	100%	100%
Hardi International A/S, Taastrup, Denmark	100%	100%
Skamol A/S, Nykøbing Mors, Denmark	100%	100%
Auriga Ejendomme A/S, Harboøre	100%	0%

Note 15 - Inventories

	Group	
	2006	2005
Finished goods	1,291,101	1,245,562
Work in progress	66,899	75,232
Raw materials	156,739	187,317
Packaging materials	43,034	44,225
Auxiliary products	6,059	6,155
Spare parts etc.	38,800	37,100
Total	1,602,632	1,595,591

Note 16 - Receivables falling due after more than one year

	Group	
	2006	2005
Trade receivables	564	1,623
Receivables in respect of Pytech Chemicals GmbH	79,234	71,124
Other receivables	19,335	26,786
Total	99,133	99,533

Note 17 - Securities

	Group		Parent	
	2006	2005	2006	2005
Listed shares	4,683	7,699	4,683	7,699
Unlisted securities	835	735	613	513
Total	5,518	8,434	5,296	8,212



Note 18 - Share capital

	Group		Parent	
	2006	2005	2006	2005
Share capital				
Class A shares (1 share of DKK 75 million)	75,000	75,000	75,000	75,000
Class B shares (18,000,000 shares of DKK 10)	180,000	180,000	180,000	180,000
Total share capital	255,000	255,000	255,000	255,000

The shares have been fully paid.

Treasury shares

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

Percentage of share capital in Auriga Industries A/S

	No. of shares		Nominal value, DKK '000		Percentage of share capital in Auriga Industries A/S	
	2006	2005	2006	2005	2006	2005
Shareholding as at January 1	857,280	940,480	8,573	9,405	3.36%	3.69%
Purchases	-	-	-	-	0.00%	0.00%
Sales	(41,600)	(83,200)	(416)	(832)	(0.16%)	(0.33%)
Shareholding as at December 31	815,680	857,280	8,157	8,573	3.20%	3.36%

The value of treasury shares as at December 31, 2006 was DKK 129.196 million. The purchase/sales price for the treasury shares sold in the year was DKK 2.434 million. In accordance with the accounting policies, the cost of treasury shares has been deducted directly from equity.

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

Percentage of share capital in Auriga Industries A/S

	No. of shares		Nominal value, DKK '000		Percentage of share capital in Auriga Industries A/S	
	2006	2005	2006	2005	2006	2005
Shareholding as at January 1	-	-	-	-	0.00%	0.00%
Purchases	14,521	44,400	145	444	0.06%	0.17%
Sales	(14,521)	(44,400)	(145)	(444)	(0.06%)	(0.17%)
Shareholding as at December 31	-	-	-	-	-	-

The purchase price in the year totals DKK 2.672 million, and the selling price totals DKK 2.764 million. Share purchases and sales have taken place as part of the profit-sharing scheme for employees.

Note 19 - Deferred tax

	Group		Parent	
	2006	2005	2006	2005
Deferred tax as at January 1	72,528	41,081	-	-
Foreign exchange rate adjustment	(6,198)	18,192	-	-
Deferred tax for the year recognised in profit/loss for the year	(15,536)	17,371	466	-
Deferred tax for the year recognised in equity	(5,229)	(3,630)	-	-
Additions relating to acquisitions of subsidiaries	486	(486)	-	-
Deferred tax as at December 31	46,051	72,528	466	-

Deferred tax is recognised in the balance sheet as follows

Deferred tax (asset)	126,977	146,823	466	-
Deferred tax (liability)	(80,926)	(74,295)	-	-
Deferred tax as at December 31, net	46,051	72,528	466	-

Deferred tax pertains to:

Intangible assets	(37,032)	(43,157)	-	-
Property, plant and equipment	(38,601)	(34,590)	18	-
Current assets	40,814	58,959	448	-
Provisions	1,368	1,118	-	-
Other liabilities	47,605	23,538	-	-
A tax loss allowed for carryforward	31,897	66,660	-	-
Total deferred tax	46,051	72,528	466	-



Note 19 - Deferred tax (continued)

Change in temporary differences during the year

Group, 2006						
	Balance sheet as at January 1	Foreign exchange rate adjustment	Additions relating to acquisitions of enterprise	Recognised in the profit/loss for the year	Recognised in equity	Balance sheet as at December 31
Intangible assets	(43,157)	(71)	-	6,985	(789)	(37,032)
Property, plant and equipment	(34,590)	313	-	(4,266)	(57)	(38,600)
Receivables	46,250	(1,200)	-	(12,024)	-	33,026
Inventories	19,663	(337)	-	(2,247)	-	17,079
Other current assets	(6,954)	(8)	-	(2,229)	-	(9,191)
Provisions	1,118	-	-	(1,409)	1,558	1,267
Other liabilities	23,538	(1,417)	486	30,935	(5,941)	47,601
Tax losses	66,660	(3,479)	-	(31,280)	-	31,901
Total	72,528	(6,199)	486	(15,535)	(5,229)	46,051

Group, 2005						
	Balance sheet as at January 1	Foreign exchange rate adjustment	Additions relating to acquisitions of enterprise	Recognised in the profit/loss for the year	Recognised in equity	Balance sheet as at December 31
Intangible assets	(49,331)	16	-	6,158	-	(43,157)
Property, plant and equipment	(45,682)	(148)	-	11,240	-	(34,590)
Receivables	45,378	7,322	-	(6,450)	-	46,250
Inventories	24,168	120	-	(4,625)	-	19,663
Other current assets	(2,176)	11	-	(3,606)	(1,183)	(6,954)
Provisions	1,655	-	-	(537)	-	1,118
Other liabilities	26,991	2,257	(486)	(2,031)	(3,193)	23,538
Tax losses	40,079	8,615	-	17,220	746	66,660
Total	41,082	18,193	(486)	17,369	(3,630)	72,528

Deferred tax for the Danish group companies is calculated at a rate of 28 per cent. For the group's foreign subsidiaries, deferred tax is based on the applicable local tax rates.

Retaxation liability from jointly taxed foreign subsidiaries totals DKK 13.508 million (DKK 13.945 million in 2005). The group's non-capitalised tax loss amounts to DKK 93 million (DKK 16 million in 2005).

Any sale of assets in affiliated and associated enterprises is not expected to give rise to significant taxation.



Note 20 - Provisions

	Group		Parent	
	2006	2005	2006	2005
Retirement benefit obligations and other provisions comprise:				
Provision for retirement benefits, beginning of year	9,662	11,767	1,250	1,250
Used during the year	(663)	-	-	-
Reversed provisions during the year	(323)	(2,638)	-	-
Provisions for the year	1,589	533	-	-
Provision for retirement benefits, end of year	10,265	9,662	1,250	1,250
Warranty commitments, beginning of year	19,495	17,577	-	-
Reversed provisions during the year	(19,495)	(17,577)	-	-
Provisions for the year	21,648	19,495	-	-
Warranty commitments, end of year	21,648	19,495	-	-
Other provisions, beginning of year	47,038	46,593	-	-
Used during the year	(13,578)	(108)	-	-
Reversed provisions during the year	(98)	(11,643)	-	-
Provisions for the year	2,584	12,196	-	-
Other provisions, end of year	35,946	47,038	-	-
Retirement benefit obligations and other provisions, end of year	67,859	76,195	1,250	1,250
Expected date of maturity for provisions:				
0-1 yr	31,581	17,772	194	192
1-5 yrs	4,574	28,704	776	769
After 5 yrs	31,704	29,719	280	289
Retirement benefit obligations and other provisions, end of year	67,859	76,195	1,250	1,250

In certain countries, including India and France, the group has a number of insignificant defined benefit plans. Actuarially, the obligations for the entire group have been calculated at DKK 10 million (DKK 10 million in 2005). The figure represents the present value of the obligations.

Other provisions have been calculated at DKK 36 million (DKK 47 million in 2005) in respect of provisions for the decontamination of an old factory site, special holidays, anniversary bonuses etc.

Note 21 - Mortgage debt and payables to credit institutions

	Group		Parent	
	2006	2005	2006	2005
Mortgage debt and payables to credit institutions are recognised in the balance sheet as follows:				
Non-current liabilities	995,537	888,226	1,331	1,472
Current liabilities	996,345	1,020,542	73,447	136
Total	1,991,882	1,908,768	74,778	1,608
Fair value	2,003,556	1,946,766	74,778	1,608
Nominal value	1,991,882	1,908,768	74,778	1,608

Note 22 - Finance leases

	Group		Parent	
	2006	2005	2006	2005
Minimum lease payments:				
Due after 5 yrs	625	1,055	-	-
Due between 1 and 5 yrs	4,039	4,896	-	-
Due within 1 yr	2,262	2,231	-	-
Total minimum lease payments	6,926	8,182	-	-
Of which interest	802	807	-	-
Current value of minimum lease payments	6,124	7,375	-	-

Finance leases comprise IT-equipment, trucks and other operating equipment.



Note 23 - Currency and interest rate risks

The group's risk management policy is described under Business risks in the management's review to which reference is made.

The group's currency risks in the balance sheet

December 31, 2006

	Securities, cash and cash equivalents	Receivables	Payables	Hedged by means of financial contracts	Net position
Foreign exchange	(DKK '000)	(DKK '000)	(DKK '000)	(DKK '000)	(DKK '000)
USD	62,526	295,037	(317,249)	(325,826)	(285,511)
EUR	52,439	441,731	(320,678)	-	173,492
AUD	4,458	39,400	(56,591)	(46,608)	(59,342)
CAD	9,877	31,235	(25,216)	(2,083)	13,813
GBP	10,096	37,850	(21,056)	-	26,890
Other	115,951	807,058	(418,792)	-	504,217
	255,347	1,652,311	(1,159,582)	(374,517)	373,558

December 31, 2005

	Securities, cash and cash equivalents	Receivables	Payables	Hedged by means of financial contracts	Net position
Foreign exchange	(DKK '000)	(DKK '000)	(DKK '000)	(DKK '000)	(DKK '000)
USD	45,518	270,426	(219,507)	(253,502)	(157,065)
EUR	87,320	402,720	(423,451)	-	66,590
AUD	2,417	76,228	(69,800)	(28,473)	(19,628)
CAD	17,453	47,056	(39,083)	(44,326)	(18,900)
GBP	9,171	31,972	(38,320)	(1,708)	1,115
Other	205,722	1,017,979	(415,590)	-	808,110
	367,601	1,846,381	(1,205,751)	(328,009)	680,221

Note 23 - Currency and interest rate risks (continued)

Currency hedging agreements relating to future transactions

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

	2006				2005			
	Notional amount (DKK '000)	Gains/ losses recognised in equity (DKK '000)	Fair value (DKK '000)	Time to maturity	Notional amount (DKK '000)	Gains/ losses recognised in equity (DKK '000)	Fair value (DKK '000)	Time to maturity
USD	610,743	25,305	21,316	< 1 yr	1,044,284	(19,570)	(23,168)	< 1 yr
AUD	32,760	(536)	(588)	< 1 yr	-	-	-	< 1 yr
CAD	24,410	46	33	< 1 yr	75,690	(2,900)	(3,057)	< 1 yr
GBP	-	-	-	< 1 yr	2,510	(16)	(77)	< 1 yr
	667,913	24,815	20,761		1,122,484	(22,485)	(26,302)	

Included in equity as at December 31, 2006 are unrealised net gains/losses relating to currency hedging agreements for subsequent recognition in the income statement totalling DKK 24.815 million (2005: DKK -22.485 million). Recognition is expected to take place in 2007.

Forward exchange contracts concern the hedging of the sale and purchase of goods, cf. the group's policy thereon.



Note 23 - Currency and interest rate risks (continued)

Key currency figures for 2006 (DKKm)

Revenue	USD	EUR	DKK	AUD	CAD	GBP	Other	Total
Cheminova A/S	1,149 28%	1,132 28%	273 7%	64 2%	132 3%	142 4%	1,155 29%	4,047 100%
Hardi International A/S	124 13%	466 51%	119 13%	119 13%	21 2%	36 4%	36 4%	921 100%
Skamol A/S	36 15%	123 50%	65 27%	6 2%	5 2%	9 4%	1 0%	245 100%
Group total	1,309 25%	1,721 33%	459 9%	188 4%	158 3%	187 4%	1,192 23%	5,215 100%

Costs	USD	EUR	DKK	AUD	CAD	GBP	Other	Total
Cheminova A/S	988 * 26%	1,041 27%	787 20%	54 1%	24 1%	238 6%	739 19%	3,871 100%
Hardi International A/S	74 8%	310 36%	402 46%	62 7%	8 1%	11 1%	7 1%	874 100%
Skamol A/S	23 11%	36 17%	151 70%	1 0%	4 2%	0 0%	0 0%	216 100%
Group total	1,085 22%	1,387 28%	1,350 27%	117 2%	36 1%	249 5%	746 15%	4,971 100%

* Costs in USD include Cheminova Brazil's and Cheminova Agro Mexico's external purchases in USD totalling DKK 393 million.

Interest rate risks

Interest rate risks as at December 31, 2006 (DKKm)

	< 1 yr	1-5 yrs	> 5 yrs	Total Interest (%)
Securities	6	-	-	6
Cash and cash equivalents	250	-	-	250
Interest-bearing assets	256	-	-	256
Mortgage debt	13	51	48	112
Other long-term debt	157	712	204	1,073
Bank debt	826	-	-	826
Interest-bearing debt	996	763	252	2,011

Interest-bearing debt consists of 55 per cent fixed-interest debt and 45 per cent variable-interest debt.

Mortgage debt and other long-term debt consist of 71 per cent fixed-interest debt over a 3-year period while the remaining 29 per cent consists of variable-interest debt. Most of the bank debt is variable-interest debt.

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

Forty-two per cent of the interest-bearing debt is in DKK, while 58 per cent is in foreign currencies, primarily USD, EUR and BRL.



Note 24 - Other adjustments

	Group		Parent	
	2006	2005	2006	2005
Share of profit/loss in associates	(4,891)	(4,403)	-	-
Reserve for profit-sharing	501	-	-	-
Net financials	118,308	111,024	(3,285)	(4,127)
Tax on profit/loss for the year	70,956	117,397	(2,225)	(3,117)
Adjustment of provisions	(8,336)	8,717	-	-
Value adjustments of subsidiaries etc.	9,715	(42,314)	-	-
Other	(6,245)	19,514	(137)	134
Total adjustments	180,008	209,935	(5,647)	(7,110)

Note 25 - Acquisitions of subsidiaries

	Group		Parent	
	2006	2005	2006	2005
Intangible assets	-	-	-	-
Property, plant and equipment	-	4,405	113,689	-
Inventories	-	29,712	-	-
Receivables	-	35,582	3,072	-
Cash and cash equivalents	-	4,668	1,376	-
Credit institutions	-	(26,481)	(63,040)	-
Deferred tax	-	(486)	210	-
Trade payables	-	(15,164)	(586)	-
Other payables	-	(5,618)	(23,749)	-
Contingent liabilities	-	(3,789)	-	-
Net assets acquired	-	22,829	30,972	-
Consolidated goodwill	-	66,946	-	-
Acquisition cost	-	89,775	30,972	-
Of which cash less short-term bank debt	-	21,814	(1,376)	-
Cash acquisition cost	-	111,589	29,596	-

In 2006 the parent company acquired all the shares in Hardi Ejendomme A/S as at August 31, 2006. A specific assessment has been made of the pre-acquisition balance sheet, which has not given rise to significant fair value adjustments of the assets and liabilities taken over.

Note 26 - Cash and cash equivalents

	Group		Parent	
	2006	2005	2006	2005
Cash and cash equivalents as at January 1 include:				
Beginning of year	(479,652)	(121,424)	46,305	29,192
Value adjustment	10,799	(96,644)	-	-
Cash and cash equivalents as at January 1	(468,853)	(218,068)	46,305	29,192
Cash and cash equivalents as at December 31 include:				
Securities	5,518	8,434	5,296	8,212
Cash and cash equivalents	249,829	359,167	135,903	38,093
Bank debt	(826,399)	(847,253)	(73,306)	-
Cash and cash equivalents as at December 31	(571,052)	(479,652)	67,893	46,305

As at December 31, 2006 the group had unused drawing rights of DKK 691 million (2005: DKK 710 million).



Note 27 - Security provided

DKKm	Group		Parent	
	2006	2005	2006	2005
Outstanding debt on loans with security provided in property, plant and equipment	457	528	2	2
Carrying amount of charged property, plant and equipment	289	294	2	2
Lease obligation in respect of finance leases	6	7	-	-
Carrying amount of assets held under finance leases	4	5	-	-
Recourse guarantee for subsidiaries, max.	-	-	61	76

With the other Danish jointly taxed companies, the parent is jointly and severally liable for tax until 2004.

Note 28 - Contingent liabilities

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

Note 29 - Contractual liabilities

DKKm	Group		Parent	
	2006	2005	2006	2005
The group has entered into forward and option contracts for the purchase and sale of various currencies at the equivalent value of	1,211	1,452	-	-
For the purpose of hedging interest rate risks, the group has entered into interest rate swap covering the interest rate risk attaching to variable-interest loan of	250	200	-	-
The group has entered into a contract concerning the purchase of product rights. Fulfilment of the contract is subject to data registration being obtained for the sale of the product in question in specific countries after 2005	-	15	-	-
The group has undertaken to buy minority shareholdings in the period from 2007 to 2011, the expected cost being	93	107	-	-

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

Note 30 - Operating leases

	Group		Parent	
	2006	2005	2006	2005
Non-cancellable operating leases				
0-1 yr	5,399	4,149	-	-
1-5 yrs	4,713	6,826	-	-
Total	10,112	10,975	-	-

Note 31 - Related parties

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

Related parties with a significant influence comprise members of the Board of Directors and the Board of Executives and their related family members. Related parties also comprise companies in which the above-mentioned persons have significant interests.

Moreover, all affiliated and associated companies are considered to be related parties.

Intra-group transactions carried out during the year with group companies and pro rata consolidated associates have been eliminated in the consolidated financial statements. Transactions with the management include remuneration of the management and the sale of shares, which are disclosed separately in the notes.

Transactions with non-pro rata consolidated associate in the year total:

Purchase of goods and administrative services DKK 1.370 million (DKK 0.760 million in 2005).

Sale of goods and administrative services DKK 2.635 million (DKK 2.001 million in 2005).

No other transactions have been carried out nor any agreements made with related parties in 2006.

The parent's transactions with subsidiaries are as follows:

Management fee DKK 1.4 million (DKK 1.4 million in 2005).

Interest receivable DKK 4.534 million. (DKK 3.423 million in 2005).

Interest payable DKK 1.564 million. (DKK 1.760 million in 2005).

Note 32 - Events occurring after the balance sheet date

No significant events have occurred after the balance sheet date.



Statement by the Boards

The Board of Directors and the Board of Executives have today reviewed and approved the financial statements for 2006 for Auriga Industries A/S.

The financial statements have been presented in compliance with the International Financial Reporting Standards as approved by the EU and other Danish requirements concerning presentation of financial statements for listed companies. In our opinion, the accounting policies chosen are expedient, so that the financial statements give a true and fair view of the group's and the parent's assets and liabilities, financial position and results as well as the cash flows of the group and the parent.

The annual report is presented to the General Meeting for adoption.

Harboøre, March 27, 2007

Board of Executives:

Bjørn Albinus Niels-Jørn Rahbek Kurt Pedersen Kaalund

Board of Directors:

Povl U. Skifter Ole Steen Andersen Johannes Jacobsen Povl Krosgaard-Larsen
Chairman *Deputy Chairman*

Ernst Lunding Jan Stranges Helle Krøll Bjarne Damgaard Jørn Sand Madsen