

Stock Exchange Notification No. 2/2003

March 11, 2003

Annual report of Auriga Industries A/S for 2002

The year 2002 was characterised by major challenges and difficult market conditions for the Auriga group. Turnover was nevertheless maintained, while earnings did not live up to expectations at the end of the third quarter. A one-off write-down by DKK 125 million of consolidated goodwill in respect of Hardi has been carried out. Auriga's long-term financial targets have been maintained, and it is proposed that an unchanged dividend of DKK 2.40 be paid per share of DKK 10.

Highlights:

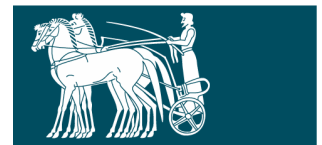
- In 2002, revenue saw a marginal increase to DKK 4,268 million (+7 million), while the operating profit before the one-off write-down of goodwill fell to DKK 302 million (-23%). The profit before tax and the one-off write-down was DKK 168 million against DKK 263 million in 2001.
- Cheminova achieved a satisfactory operating profit of DKK 348 million, while Hardi realised an operating loss of DKK -8 million and Skamol's operating profit was DKK 1 million.
- Auriga has decided to carry out a one-off write-down of the consolidated goodwill of Hardi by DKK 125 million. The group realised a net loss of DKK 43 million against a profit of DKK 156 million in 2001.
- In 2002 initiatives were taken in all three subsidiaries which in the coming years will result in reduced production costs and administrative expenses. At the same time, the expansion of product development and marketing activities is continuing.
- The group's cash flow developed positively in 2002 with cash flows from operating activities totalling DKK 425 million against DKK 162 million in 2001.
- For 2003, the Auriga group expects to see an increase in revenue of just under 5 per cent and a profit before tax of approx. DKK 200 million.
- The general meeting will be held at the company offices in Harboøre, Denmark, on May 2, 2003 at 2 pm. The Board of Directors proposes that the dividend be an unchanged DKK 2.40 per share.

Povl U. Skifter
Chairman of the Board of Directors

Mogens Nehen-Hansen
Managing Director

Enquiries concerning this notification to Managing Director Mogens Nehen-Hansen on tel. +45 7010 7030.

P.O. Box 9
DK-7620 Lemvig
Tel. +45 7010 7030
Fax. +45 7010 7031



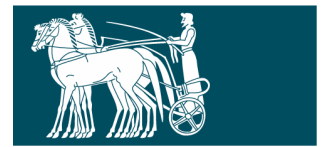
**KEY FIGURES AND RATIOS
FOR THE AURIGA GROUP 1998-2002**

In millions of DKK	1998	1999	2000	2001	2002
Revenue	3,088	3,446	3,718	4,261	4,268
Operating profit (EBIT)*	325	391	331	393	302
Financials, etc.	(38)	(54)	(76)	(119)	(129)
Profit before tax*	290	330	244	263	168
Write-down of consolidated goodwill	-	-	-	-	125
Net profit after tax and minority interests	174	214	144	156	(43)
Balance	3,682	4,190	4,604	4,971	4,657
Share capital	255	255	255	255	255
Equity	1,900	1,956	1,990	2,092	2,163
Net assets	2,901	2,952	3,432	3,824	3,757
Net debt	748	771	1,175	1,514	1,333
Cash flow from operating activities	151	371	(89)	162	425
Cash flow from investing activities	(261)	(284)	(196)	(414)	(217)
- of which investment in property, plant and equipment	(249)	(229)	(204)	(264)	(211)
Available cash flow	(110)	87	(285)	(252)	208
Depreciation and amortisation	210	222	243	276	415
Research and development costs	137	157	167	195	188
Number of employees	2,753	2,790	2,860	2,948	3,027
Profit margin (EBITDA)	17%	18%	15%	16%	14%
Profit margin (EBIT margin)*	11%	11%	9%	9%	7%
NOPAT*	196	257	199	236	157
ROIC (return on invested capital)*	7%	9%	6%	6%	4%
Debt ratio	26%	26%	34%	40%	35%
Return on equity*	10%	11%	7%	8%	4%
Profit/loss in DKK per share of DKK 10*	6.8	8.6	5.9	6.4	3.3
Cash flow from operating activities in DKK per share of DKK 10	5.9	14.9	-3.6	6.6	17.4
Equity value in DKK per share of DKK 10	74.7	78.4	81.0	85.5	88.4
Dividend in DKK per share of DKK 10	2.0	2.4	2.4	2.4	2.4
Quoted price, end of year	105	105	67	57	57
Price/earnings ratio*	15	12	11	9	17
Quoted price/equity value	1.41	1.34	0.83	0.67	0.65
Market value, end of year	2,678	2,678	1,709	1,454	1,454

* calculated before one-off write-down of consolidated goodwill.

The financial ratios have been calculated in accordance with the recommendations of the Danish Society of Investment Professionals (Den Danske Finansanalytikerforening). Accounting policies have been amended in compliance with the new Danish Financial Statements Act. The annual report has been audited and has been given a clean opinion.

Appendix 1: Income statement, balance sheet, cash flow statement and statement of changes in equity.



REVIEW FOR AURIGA INDUSTRIES A/S

2002 was a year with many challenges for the Auriga group. The year was characterised by increasing competition in the market, a low level of economic activity and difficult climatic conditions in important markets. Furthermore, Auriga's subsidiaries are currently in a period of transition with major adjustments taking place in the companies and to their product portfolios with a view to creating a solid platform for continued growth and satisfactory earnings.

Cheminova experienced a fall in sales of the company's organophosphorous insecticides, but an increase in sales of several of the company's newer products. The company has invested large sums in the acquisition and development of new products, not least in the new pyrethroid project which in the coming years is expected to contribute significantly to the company's continued growth and earnings.

In the market for Hardi's products there has in recent years been a shift in demand from smaller tractor-mounted sprayers to large self-propelled or trailer sprayers. This shift in demand has resulted in a need to redirect the company's development efforts as well as its production. Hardi has initiated a plan for the restoration of the company. The plan is to ensure that Hardi will return to being a profitable business.

Skamol has so far been very dependent on, not least, developments within the aluminium industry, and in 2002 the company continued its endeavours to minimise its dependence by strengthening its activities within the development of products for fire protection purposes.

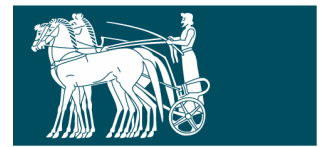
Auriga's management has complete confidence in the restoration plan for Hardi. Following the adoption of the new Danish Financial Statements Act, the write-down of a fixed asset cannot be postponed even though the fall in value is expected to be temporary. Against this background and with reference to Hardi's results in recent years, the Board of Directors has decided to carry out a write-down of consolidated goodwill in respect of Hardi. The consolidated goodwill recapitalised in 1999 in respect of Hardi amounted to DKK 326 million at the beginning of the year. Following ordinary amortisation of DKK 21 million, Auriga has furthermore, on the basis of an estimate, decided to carry out a one-off write-down of consolidated goodwill in respect of Hardi of DKK 125 million. This brings the balance to DKK 180 million at the end of 2002.

In 2002 the group generated a revenue of DKK 4,268 million, or DKK 7 million more than in 2001. In 2002 EBITDA was DKK 592 million, corresponding to 14 per cent of revenue against 16 per cent in 2001. Financial expenses totalled DKK 129 million and were affected by the financial crisis in South America. The profit before tax and the one-off write-down of consolidated goodwill was DKK 168 million against DKK 263 million in 2001. The profit for 2002 is not satisfactory. The profit is lower than expected in mid-2002 and in connection with the issue of the report for the third quarter where expectations were of a profit before tax of DKK 190 million. The deviation is attributable to the loss in Hardi being greater than expected.

After the one-off write-down of consolidated goodwill, the group realised a net loss of DKK 43 million for 2002 against a profit of DKK 156 million in 2001.

The group has worked hard to improve the cash flow from operating activities which in 2002 amounted to DKK 425 million against DKK 162 million in 2001. This development is satisfactory.

In the light of the positive development in cash flow and expectations of a positive development in the group's results in the coming years, the Board of Directors proposes that an unchanged dividend of DKK 2.40 per share of DKK 10 be paid for 2002.



Development in subsidiaries

Cheminova

Cheminova generated a revenue of DKK 3,226 million in 2002, corresponding to its revenue in 2001. A satisfactory development in sales of Cheminova's newer products, including in particular the insecticide glyphosate, could not compensate for the fall in sales of malathion to the American boll-weevil eradication programme, the effects of the crisis in Argentina and Brazil and the failing monsoon in India.

Cheminova's operating profit (EBIT) for 2002 was DKK 348 million against DKK 414 million in 2001, and the profit margin (EBIT margin) was 11 per cent. Considering the difficult market conditions, the results are satisfactory and in accordance with the group's financial targets.

Hardi

Hardi's revenue amounted to DKK 825 million in 2002, which largely corresponds to the revenue in 2001. The revenue for 2002 was, in particular, affected by uncertainty among European farmers as regards the EU's future agricultural policy and by the worst drought in Australia for decades.

Hardi returned an unsatisfactory operating loss of DKK 8 million against an operating profit of DKK 16 million in 2001. Towards the end of the year, Hardi saw a material increase in the order intake, and at the beginning of 2003 the order book was DKK 200 million, which is up DKK 60 million on the year before.

Skamol

Skamol's revenue increased by 8 per cent in 2002 to DKK 218 million. Skamol saw an increase in demand from the aluminium industry, which is the company's most important business area.

Running-in problems at the calcium silicate factory resulted in an unsatisfactory operating profit of DKK 1 million against an operating profit of DKK 2 million in 2001.

Important events in 2002

Cheminova's pyrethroid project

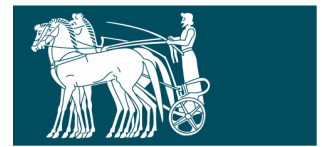
Cheminova has since 1994 been working on the development of new insecticides of the pyrethroid type based on the company's own technology.

The first pyrethroid project based on this technology is gamma-cyhalothrin, which is significantly more active than any other pyrethroids known. The end products are, in keeping with the times, based on water-based formulations with low toxicity.

Gamma-cyhalothrin has been developed by Cheminova, and production will take place at the company's plant in Denmark. With a view to ensuring fast, global market penetration, Cheminova in 2000 entered into a 50:50 joint venture with Dow AgroSciences, one of the largest companies in the industry. The joint company, Pytech GmbH, will, in the coming years, register and market the product through the subsidiaries of the two parent companies.

The construction of the production plant commenced in 2001 on Rønland, north of Lemvig in Denmark. Between 2001 and 2003, Cheminova will be investing approx. DKK 200 million in the plant. Furthermore, the two parent companies behind Pytech will each be spending an amount running into triple-digit millions on registrations, sums which are expensed in the income statement.

So far, work on registrations and field trials has gone according to expectations and the plans made.



At the end of 2002, Pytech obtained its first registration in Argentina, and the first finished products were supplied by Cheminova at the end of the year. In the coming years, marketing is expected to commence in the following countries:

2003: Brazil, Australia, Indonesia and others.

2004: USA, Mexico and others.

2005: Russia, China and a large number of countries in Asia, Africa and Eastern Europe.

2006: Western Europe.

Pytech will be marketing gamma-cyhalothrin under a number of different trade marks. In a number of markets, the product will be marketed by both Dow AgroSciences and Cheminova.

The pyrethroid market is worth approx. DKK 10 billion. Pytech aims to win a strategic market share in all major markets.

The pyrethroid project will in a couple of years' time contribute significantly to the growth in Cheminova's revenue and earnings.

New products in Cheminova

At the end of 2002, Cheminova bought two insecticides, acrinathrin and phosalone, after Bayer's acquisition of Aventis CropScience. The two products are expected to add approx. DKK 150 million to Cheminova's revenue per year. Similarly, in connection with the establishment of Syngenta in 2001, the company bought the fungicide flutriafol with a revenue of approx. DKK 150 million.

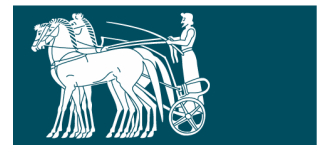
Also in the coming years, Cheminova will seek to seize opportunities to acquire products and companies.

In addition to gamma-cyhalothrin, in 2002 Cheminova started the marketing of four new generic products developed by the company. For example, Cheminova's Indian subsidiary in 2002 commenced the production and marketing of the world's largest insecticide, imidacloprid. In the coming years, this product will be marketed globally by Cheminova in step with the expiry of the patent in the different countries.

Restructuring of Hardi

As a global supplier of sprayers for plant protection and with strong competences within development, application technology and distribution, Hardi is a leading company within its industry.

After generating satisfactory earnings for a number of years in the mid-1990s, Hardi has in recent years been recording losses. Apart from the general low level of economic activity within the agricultural machinery industry, the unfortunate development can, in particular, be ascribed to two factors. Most importantly, production and assembly activities have been set up in a number of high-cost countries. Furthermore, the trend of ever-larger farms has resulted in an increase in the demand for large-scale self-propelled and trailer sprayers at the expense of the demand for smaller tractor-mounted sprayers. So far, Hardi has been unable to adapt its production to these trends in a profitable way.



Hardi's products, quality and trade marks are among the very best in the agricultural machinery business. With the aim of Hardi becoming a profitable business again, a plan has been launched which will gradually improve Hardi's earnings and which will be fully felt in 2006. The main elements in the plan are as follows:

- In 2002, Hardi closed down its assembly facilities in Sweden, the UK and Germany. All North European assembly activities now take place in Denmark.
- The year 2003 will see the closing-down of the company's production in Taastrup. In future, the company's only Danish production plant will be the factory in Nr. Alslev on the island of Falster. The property which has so far housed the company's main offices in Taastrup will be vacated and put on the market.
- In 2003, 40 jobs will be cut in Nr. Alslev as a result of improved productivity, and approx. 60 jobs will be moved from Denmark to Hardi's new production company in Hungary.
- In 2004-2005, production capacity in Hungary will gradually be increased with a view to further improving the cost structure of the Hardi group.
- The year 2005 will see the completion of the effectivisation of Hardi's assembly, distribution and sales organisation.

In addition to satisfactory earnings, the plan will in the coming years result in a reduction in the tied-up capital. The implementation of the plan is associated with normal risks, but once fully implemented it is expected to make Hardi one of the most profitable businesses in the industry.

Income, balance and cash flow

The group generated a revenue of DKK 4,268 million, or DKK 7 million more than in 2001. Of the total revenue Cheminova contributed DKK 3,226 million (DKK -1 million), Hardi DKK 825 million (DKK -8 million) and Skamol DKK 218 million (DKK +16 million). Exports accounted for 97 per cent of sales.

As a result of a one-off write-down by DKK 125 million of consolidated goodwill in respect of Hardi, the operating profit dropped to DKK 177 million against DKK 393 million in 2001. Net financial expenses increased by DKK 10 million to DKK 129 million, primarily as a result of the currency crisis in Argentina and Brazil. The profit before tax was DKK 43 million against DKK 263 million in the year before. While Cheminova returned a profit before tax of DKK 238 million, Hardi realised a loss of DKK 35 million, while Skamol generated a profit before tax of DKK 4 million.

The year resulted in a loss after tax and minority interests of DKK 43 million against a profit of DKK 156 million in 2001. Despite the satisfactory results of Cheminova, the group's overall results are not satisfactory.

With a revenue which was on a par with 2001, a profit margin (EBIT margin) of 7 per cent and ROIC of 4 per cent, the group did not live up to its long-term financial targets in 2002.

Relative to 2001, the balance sheet total fell by 6 per cent to DKK 4,657 million. Thanks to strict debtor management, receivables fell by 15 per cent to DKK 1,342 million, while inventories increased by almost 5 per cent to DKK 1,276 million. The group's total liabilities were reduced by 13 per cent to DKK 2,304 million.

The cash flow from operating activities was positive at DKK 425 million against DKK 162 million in the year before. Available cash flow was improved by DKK 460 million to DKK 208 million.



Expectations for 2003

Cheminova is expecting to see an increase in revenue of just under 5 per cent in 2003. The fall in sales to the American boll-weevil eradication programme will continue in step with the successful completion of the programme. This fall will, however, be fully compensated for by an increase in sales of new products, including the two insecticides acquired in 2002. Moreover, 2003 will be the first year in which sales of the pyrethroid products will contribute positively to the increase in sales.

Cheminova is expecting the operating profit for 2003 to be slightly lower than in 2002, but with a profit before tax on a par with that for 2002 as financials are expected to improve.

Hardi is expecting a growth in revenue in 2003 of approx. 10 per cent. The improvements which were initiated in 2002 will be fully felt in 2003, while the measures to be implemented in 2003 will not be fully felt until 2004.

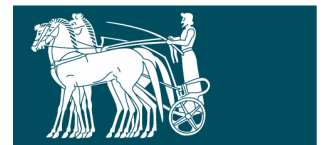
After expected structural costs of DKK 13 million, Hardi expects a break-even result before tax in 2003.

Skamol expects demand to remain high in the aluminium industry in 2003. Furthermore, the company expects to see an increase in sales of fire protection products, while the continuing low level of economic activity is expected to dampen demand within Skamol's other business areas.

For 2003, Skamol expects an increase in revenue of just above 5 per cent and a profit before tax of approx. DKK 15 million.

The Auriga group expects a revenue of approx. DKK 4,500 million for 2003 and a profit before tax in the region of DKK 200 million.

The cash flow from operating activities is expected to be approx. DKK 400 million in 2003. Investments in property, plant and equipment are expected to total approx. DKK 170 million. In January 2003, Cheminova invested approx. DKK 125 million in intangible assets in connection with the acquisition of the products acrinathrin and phosalone.



REVIEW FOR CHEMINOVA A/S

In millions of DKK	2001	2002
Revenue	3,227	3,226
Operating profit before depreciation and amortisation of goodwill (EBITDA)	610	548
Operating profit (EBIT)	414	348
Net financials	(78)	(96)
Profit-sharing	(17)	(14)
Profit before tax	319	238
Net profit for the year	193	147
Balance	3,268	3,008
Fixed assets	1,035	941
Equity	1,318	1,546
Net debt	1,024	793
Cash flow from operating activities	247	330
Cash flow from investing activities	(314)	(130)
Available cash flow	(67)	201
Investments in fixed assets	137	137
Depreciation	196	200
Profit margin (EBITDA)	19%	17%
Profit margin (EBIT)	13%	11%

In 2002, Cheminova acquired several new products. At the same time, the progress of the largest development project so far undertaken by the company, the pyrethroid project, went according to plan. The insecticide gamma-cyhalothrin was granted its first registration in Argentina, and production of the product on Rønland commenced. Increased sales of the products acquired and Cheminova's own new products will ensure continued growth in a market in which demand for more conventional plant protection products is falling.

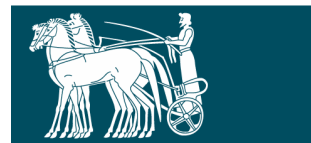
Market development

The year 2002 was characterised by a general fall in sales of plant protection products, and it is estimated that the total market fell by almost 5 per cent. The development was particularly pronounced in Latin America where unrest in the foreign currency markets led to a 10 per cent fall relative to the year before. In North America, the market fell by 6 per cent, partly as a result of an increase in the use of biotechnology and partly as a result of climatic conditions. Europe as a whole did better with a fall in sales of 1 per cent, while growth was registered in Spain, Italy and Germany.

Sales in the global market for conventional plant protection have been falling in recent years and are now close to USD 25 billion annually. On the other hand, sales of biotechnological products continue to increase, but only account for just over USD 3 billion annually.

Prices for the most important crops have in recent years been very low, but 2002 saw increases in the prices for most crops. Higher prices have resulted in the cultivation of larger areas with maize, soya and wheat, a trend which will have a positive effect on the industry in the coming year.

The costs of both registration of new products and reregistration of older products remain very high. Several products are currently being reregistered in North America and Europe. On account of the high costs, a number of minor products will not be reregistered. This means that fewer, but newer products will be available to farmers. For the industry, this will result in larger market shares for newer and more profitable products.



The consolidation of the industry continued in 2002 with Bayer's acquisition of Aventis CropScience. Thus, the six largest companies cover more than 80 per cent of the entire world market for plant protection products. The two largest companies, Syngenta and Bayer, have a combined market share of almost 50 per cent.

An increasing share of the global market is being covered by products which are no longer patented. This opens up the possibility of competition from companies producing generic products, such as Cheminova.

Distribution and marketing

It is the objective of Cheminova to undertake marketing and distribution to the most important markets itself, and as part of this strategy, subsidiaries have in recent years been established in a number of important markets, while additional resources have been allocated to these tasks. This development continued in 2002.

The acquisitions of Headland in the UK and SQI in Mexico at the end of 2001 materially improved the company's position in these markets in 2002. On January 1, 2003, the representative office in Moscow became a subsidiary, and the company expects to build a significant position in this growth market in future. At the beginning of 2003, the sales subsidiary in Hungary was sold to the local management as Hungary will not be one of the company's main markets in future.

Cheminova's company in Argentina has, on account of the economic difficulties in the country, had a difficult year, but thanks to its flexibility, the company succeeded in achieving good results locally. This has, however, not prevented a negative effect on Cheminova's equity.

In Brazil, the uncertainty in the run-up to the presidential elections led to increasing interest levels and a dramatic fall in the exchange rate of the local currency, real, which made it difficult for Cheminova's sales subsidiary to achieve satisfactory results for 2002.

In some of the larger markets, the company's aim is still to create the necessary direct access to the market through independent establishment or acquisition, while it will be essential for the existing subsidiaries to be strengthened in a few countries.

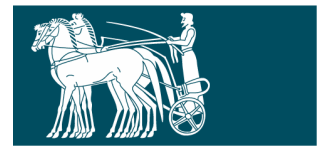
Sales

Following significant growth in sales in the previous years, 2002 was a difficult year characterised by a fall in demand for Cheminova's conventional insecticides. In the USA, Cheminova has for several years had a substantial market for the insecticide malathion with sales to a programme for the eradication of boll weevils in cotton, but due to the success of the programme, demand for this product is falling. Furthermore, the boll-weevil infestation was low in the early season in 2002, which resulted in sales being lower than expected and relative to previous years.

Cheminova has initiated the introduction of several new products, and growth in sales of the newer products continued in 2002. Thus, the new pyrethroid insecticide, gamma-cyhalothrin, has been introduced in Argentina, and Cheminova's subsidiary in India has commenced the production and sale of imidacloprid, the biggest insecticide in the world.

The market share for the herbicide glyphosate has been increased in the very important US market, while sales of the insecticide chlorpyrifos continue to increase. The increase in sales of the newer products was, however, not quite enough to compensate for the fall in sales of older products in 2002.

The market conditions were difficult within the fine chemicals business area in 2002. Competition is fierce within the preservatives segment as a result of increasing exports from China, while intermediates are under pressure from increasing energy and raw material costs.



New products and acquisitions

The coming years will see the introduction of the new pyrethroid gamma-cyhalothrin in a number of markets in step with the necessary registrations being granted. The product will be introduced in a number of countries as early as 2003.

Imidacloprid was introduced in India in 2002, and Cheminova plans to introduce this product globally as patents expire and registrations are obtained.

For a number of other new products in Cheminova's product programme, the first registrations are expected to be granted in 2003, followed by introduction in major markets in the coming years.

Increasing consolidation within the industry is resulting in demands from the competition authorities for the divestment of products and business areas in connection with acquisitions and mergers between the major companies in the industry. In connection with Bayer's acquisition of Aventis CropScience, a number of products were therefore offered for sale, which was also the case when another major player, Syngenta, was created through the merger of Zeneca's and Novartis' ag chem divisions. Cheminova succeeded in strengthening its product programme through the acquisition of the insecticides phosalone and acrinathrin. As from 2003, the products will contribute significantly to improving the market position for the subsidiaries in Europe, thereby increasing Cheminova's total revenue and earnings.

Production and investments

In the first six months of 2002, Cheminova's Danish factory produced to full capacity. Due primarily to lower sales to the boll-weevil eradication programme in the USA, production at the organophosphate plants in Denmark was stopped in December. The stopping of production prevented an undesirable build-up of inventories and resulted in a reduction in capacity costs. During the production stop, 230 hourly paid employees participated in a training programme comprising 27 different courses.

The running-in of the company's new plant for the production of pyrethroids commenced as planned in the second half of 2002. The running-in has been satisfactory. The first batch of pyrethroid was produced at the end of the year, as expected.

Production at the company's Indian factory was in the second half affected by a fall in demand as a result of a failing monsoon. As was the case at the Danish factory, production was therefore stopped for about a month in the second half of the year.

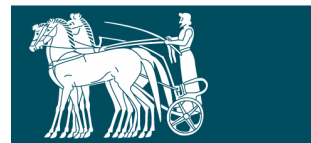
In the course of 2002, the Indian factory started up production of one of Cheminova's new insecticides, viz. imidacloprid.

In 2002, a total of DKK 102 million was invested in new plants. DKK 87 million was invested in the pyrethroid complex.

Income, balance and cash flow

Revenue amounted to DKK 3,226 million in 2002, which largely corresponds to the revenue in 2001. The revenue was affected by the financial problems in South America, difficult climatic conditions and lower sales to the American boll-weevil programme relative to 2001.

Cheminova's EBITDA was DKK 548 million, corresponding to 17 per cent of revenue against 19 per cent in 2001. With depreciation of property, plant and equipment and amortisation of intangible assets of DKK 200 million in 2002 against DKK 196 million in 2001, Cheminova returned a satisfactory operating profit of DKK 348 million against DKK 414 million in 2001. With an EBIT margin in 2002 of 11 per cent, Cheminova lived up to the Group's financial targets.



The profit before tax was DKK 238 million against DKK 319 million in 2001.

The figure includes additional financial expenses of DKK 25 million in connection with the currency crisis in Argentina and Brazil.

The balance sheet total fell by 8 per cent to DKK 3,008 million. Inventories increased by DKK 33 million, while trade receivables fell by DKK 383 million. Total liabilities have been reduced by DKK 442 million.

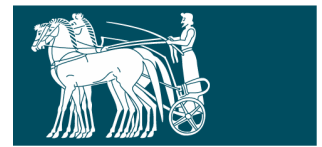
Cash flow from operating activities amounted to DKK 330 million, up DKK 83 million on 2001. Available cash flow amounted to DKK 201 million, up DKK 268 million on the year before.

Expectations for 2003

Cheminova is expecting to see an increase in revenue of just under 5 per cent in 2003. The fall in sales to the American boll-weevil eradication programme will continue in 2003 in step with the successful completion of the programme. This fall will, however, be fully compensated for by an increase in sales of new products, including the two insecticides acquired in 2002. Moreover, 2003 will be the first year in which sales of the pyrethroid products will contribute positively to the increase in sales.

Cheminova is expecting the operating profit for 2003 to be lower than in 2002, but with a profit before tax on a par with that for 2002 as financials are expected to improve.

Investments in property, plant and equipment are expected to be on a par with investments in 2002.



REVIEW FOR HARDI INTERNATIONAL A/S

In millions of DKK	2001	2002
Revenue	832	825
Operating profit before depreciation and amortisation of goodwill (EBITDA)	53	36
Operating profit (EBIT)	16	(8)
Net financials	(33)	(27)
Profit before tax	(17)	(35)
Net profit for the year	0	(27)
Balance	1,077	1,097
Fixed assets	408	433
Equity	372	363
Net debt	477	540
Cash flow from operating activities	(33)	2
Cash flow from investing activities	(36)	(66)
Available cash flow	(69)	(64)
Investments in fixed assets	47	100
Depreciation	38	43
Profit margin (EBITDA)	6%	4%
Profit margin (EBIT)	2%	(1)%

Centralisation and optimisation of production and effectivisation of product development and distribution must ensure that Hardi again becomes a strong and profitable business. The aim is to strengthen Hardi's position as a leading global supplier of high-performance sprayers.

Market development

In Hardi's main markets, 2002 was a difficult year for farmers, characterised by uncertainty and difficult climatic conditions. With the exception of France and parts of Northern Europe, the harvest has generally been approx. 10 per cent below normal levels.

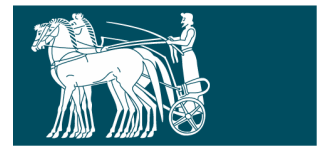
The worst climatic conditions were seen in Australia where drought resulted in a harvest which was only one third of the average harvest in recent years.

In Europe, the debate in the second and third quarters about the EU's future common agricultural policy made farmers hesitant with regard to new investments. It was not until the end of the year, when the situation about the EU agricultural subsidies was clarified, that investments in the agricultural sector were seen again.

In the USA, an agricultural subsidy scheme was adopted in mid-2002 after some uncertainty among farmers. Under the new scheme, American farmers will receive high subsidies over the next ten years.

The world market prices for agricultural products developed positively in 2002, to some extent compensating for the low yields.

After a weak start to the year, the agricultural machinery industry experienced an increase in the influx of orders in the fourth quarter with revenue for the industry as a whole in 2002 ending on a par with 2001.



The market for sprayers has followed the general trend within the agricultural machinery business, and the fourth quarter was thus good, especially in the EU. Developments in the big markets in France and Germany have been particularly positive.

The agricultural machinery business saw no major structural changes in 2002, although the big players have continued to rationalise their distribution operations.

Sales

For Hardi, 2002 was characterised by different developments in the European markets. The good harvest in France resulted in a satisfactory development in Hardi's French company in the second half of 2002.

The company also saw an increase in revenue in the German market. This development should, however, be seen in the light of the situation in 2001 which was dominated by foot and mouth disease and BSE.

The climatic conditions in Southern and Central Europe resulted in a fall in sales to these markets.

Expectations were high in respect of Hardi's company in Australia following the takeover of the activities of its former distributors. The catastrophic drought did, however, result in a fall in sales, for which reason the Australian company contributed materially to the disappointing results in 2002.

The introduction of a new trailer sprayer in North America resulted in an increase in the influx of orders to Hardi's North American company.

In Northern Europe, developments in Denmark were disappointing, particularly due to the low settlement prices for pigs. On the other hand, sales in the Baltic States developed positively.

Summing up, the positive elements in the sales development have not been able to compensate for the negative effects.

Product development

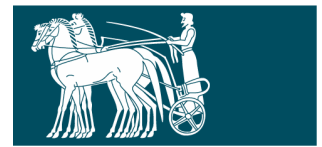
The development of sprayers and spraying equipment for effective and responsible plant protection is Hardi's core competence. As in the previous year, the development activities in 2002 concentrated on improving the precision, efficiency and operation of Hardi's product programme.

Within the segment of tractor-mounted sprayers, Hardi introduced a new version of the Master series in the autumn of 2002, featuring an improved liquid system, a new coupling for tractor-mounting and an extended boom programme. The new Master is now available with booms of up to 18 metres.

Hardi occupies a unique position in the world market with its programme of air-assisted sprayers, the so-called Twin Force line. The system is the only one to simultaneously optimise drift, crop penetration and high efficiency. The efficiency of the Twin Force system was further strengthened in the course of the year, and Hardi now offers booms with a working width of up to 30 metres.

At the beginning of 2002, a new version of the Navigator trailer was successfully introduced for use in extensive plant cultivation in Australia and North America.

In connection with the new Navigator, Hardi in Australia introduced the first units for the control and registration of the spraying process. The system, HC 5500, has a user-friendly interface, while both the software and hardware is simple and effective. In the course of 2003, the HC 5500 will become available globally as part of a standardisation of Hardi's programme within this area.



The resources for product development will in 2003 be concentrated on improving the production economy for trailer sprayers.

Production and investments

The level of activity at the Danish factories has generally been high with the exception of a slow-down in the influx of orders in the third quarter. In the last few months of the year, a large order intake led to delays in deliveries from the factory in Nr. Alslev.

In 2002, the so-called Europe project continued. The project involves the centralisation of the assembly of sprayers for the North European market at Hardi's factory in Nr. Alslev on the island of Falster. In the course of the autumn, the Danish factory took over the assembly of all sprayers for the UK and German markets. The subsidiaries in these two countries are now sales subsidiaries only.

The autumn saw the launch of a project aimed at optimising production. The purpose of the project is to increase productivity and reduce inventories through a reduction in the turnaround time and an improved product flow. The project has already produced good results.

At the beginning of the year, the factory in northern France suffered from a lack of orders, but a considerable influx of orders in the fourth quarter resulted in a high level of activity towards the end of the year.

In connection with the takeover by Hardi on July 1 of the activities of its Australian distributors, the nature of the factory in Adelaide has changed as all assembly for the Australian market will in future take place at this factory. The process is satisfactory.

In 2002, a total of DKK 61 million was invested in machinery for improving the production economy. Furthermore, the sum of DKK 38.5 million has been invested in connection with the takeover of the activities of Hardi's Australian distributors.

Income, balance and cash flow

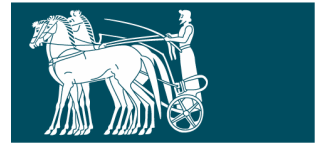
In 2002, Hardi's revenue fell by DKK 7 million to DKK 825 million. Hardi saw a considerable influx of orders in the last months of the year. At the end of the year, the order book totalled DKK 200 million, which is DKK 60 million more than at the end of 2001.

The shift seen in recent years in the demand for Hardi's products continued in 2002. From relatively small and simple machines the demand has shifted to larger and more complicated machines where Hardi's production economy has so far not been satisfactory.

Despite improved efficiency at the Danish factories, an increased production of large machines combined with lower sales has resulted in Hardi realising only an EBITDA of DKK 36 million in 2002 against DKK 53 million in 2001. Following the depreciation of property, plant and equipment and amortisation of intangible assets totalling DKK 43 million, the company realised an operating loss of DKK 8 million against DKK 16 million in 2001. The figure includes inventory adjustments and costs of structural changes amounting to DKK 13 million. This result is not satisfactory.

Hardi's balance sheet total increased by DKK 20 million. Trade receivables were reduced by DKK 36 million, while inventories increased by DKK 25 million following an increase of DKK 52 million in connection with the acquisition in Australia.

The cash flow from operating activities was DKK 2 million, which is an improvement of DKK 35 million relative to 2001. The available cash flow was DKK -64 million, which is on a par with 2001.



Measures in 2003 to restore profitability of Hardi

As mentioned in the management review of Auriga Industries A/S, Hardi is in the process of introducing major changes to the company's production, logistics and distribution. It is expected that the plan, which is to be fully implemented in 2005, will again make Hardi a strong and profitable company.

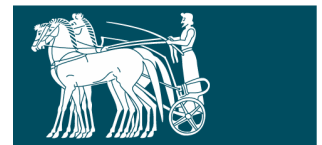
The measures implemented in 2003 are expected to result in an improvement in earnings of approx. DKK 25 million a year. The costs of moving and cutting jobs are expected to be approx. DKK 13 million, which will reduce Hardi's earnings in 2003.

Expectations for 2003

Hardi is expecting a growth in revenue by approx. 10 per cent in 2003.

The improvement measures introduced in 2002 will take full effect in 2003, while the measures implemented in 2003 will not take full effect until 2004.

After expected structural costs of approx. DKK 13 million, Hardi expects a break-even result before tax for 2003.



REVIEW FOR SKAMOL A/S

In millions of DKK	2001	2002
Revenue	202	218
Operating profit before depreciation and amortisation of goodwill (EBITDA)	17	20
Operating profit (EBIT)	2	1
Share of profit/loss in associated companies	6	9
Net financials	(5)	(6)
Profit before tax	3	4
Net profit/loss for the year	0	(4)
Balance	249	277
Fixed assets	145	151
Equity	81	89
Net debt	99	120
Cash flow from operating activities	24	4
Cash flow from investing activities	(55)	(20)
Available cash flow	(31)	(16)
Investments in fixed assets	56	19
Depreciation	15	20
Profit margin (EBITDA)	8%	9%
Profit margin (EBIT)	1%	0%

Skamol's products have so far primarily been targeted at the energy-consuming industries, especially the aluminium industry. Skamol is currently expanding its activities to include the development, production and marketing of products for fire protection purposes. The new activities are expected to contribute positively to growth and earnings in the coming years.

Market development

Skamol's most important business area, insulation products for the aluminium industry, witnessed growth in 2002. On the other hand, most of Skamol's other business areas were characterised by a low level of economic activity in 2002.

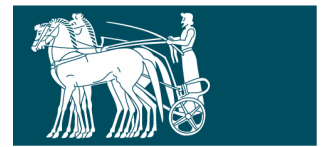
When the aluminium industry is not being hard hit by the slow-down in economic activity it is because the aluminium industry is winning market shares from other materials. The more mature high-temperature industry, including the cement industry, has seen a major economic slow-down in all markets.

The downturn in the construction industry resulted in a fall in the demand for fire protection materials. Similarly, the European market for night-storage heaters was significantly smaller in 2001.

Sales and marketing

The aluminium industry traditionally uses large quantities of insulating bricks for its electrolytic cells. In 2002, this resulted in an increase in sales of moler and perlite bricks despite a fall in sales to the rest of the high-temperature industry. Sales of calcium silicate and vermiculite to the aluminium industry have also benefited a lot from the structural success of the industry.

The delay in the expansion of Skamol's calcium silicate factory resulted in a postponement of the marketing of the newly developed fire-door solutions, for which reason sales of calcium silicate were affected by several factors resulting in disappointing sales.



In the course of the year, work went into simplifying the structure of the sales subsidiaries in the USA and Germany. As from 2003, the parent company will take over all invoicing and inventory management in these countries. The administration of the sales subsidiaries is being closed down, while the decentralised sales structure is being maintained. Close daily contacts with customers are being maintained.

The order intake at the end of 2002 was satisfactory and on a par with the year before.

Product development

Skamol has in recent years been working to strengthen its competences within products for fire protection purposes, and in 2002 considerable resources went into, e.g., the development of new products, the obtaining of approvals by the authorities, the acquisition of intellectual property rights and production equipment and the recruitment of competent staff. The object of Skamol is to be the preferred partner for customers seeking solutions within its line of business. Work has largely concentrated on the development of fire doors, but positive results have also been achieved within the marine sector and in connection with the cladding of columns and beams.

The results of efforts within the area of fire protection were not satisfactory in 2002, but in 2003, the company's targeted efforts within the field of calcium silicate and fire protection are expected to make a positive contribution to growth and earnings.

Furthermore, the most important efforts have been directed at procuring third-party products of a high quality for use in the electrolytes of the aluminium industry. Expectations are that these approvals will be in place at the beginning of 2003, enabling the company to offer package solutions to its customers, comprising insulation as well as complementary products.

Production and investments

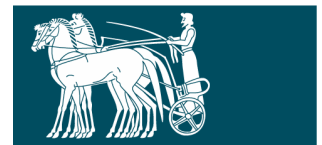
Production at all factories was higher in 2002 than in 2001. Despite a number of running-in problems, the calcium silicate factory succeeded in manufacturing 20 per cent more than in 2001, unfortunately at dramatically increased production costs. At the end of 2002, the planned capacity was available at the factory. The most important challenge, and a precondition for being able to meet the financial targets for 2003, is a reduction in the production price for calcium silicate together with a realisation of the sales targets.

The development in costs have been positive at all the factories, with the exception of the calcium silicate factory.

A newly established production subsidiary in Canada for the manufacture of fire door cores affected the results for the year negatively. The company has been in operation since May 1, 2002, and endeavours are going into ensuring that the company will return a profit for 2003.

On account of the special focus on the calcium silicate factory, no major changes were implemented at the other plants in 2002. The molar brick factory has, however, implemented statistical process control throughout the plant, and this will – over and above good quality documentation – produce data which will help to reduce production costs.

The most important capital investments have been the completion of the calcium silicate factory and the acquisition of the Canadian production company.



Income, balance and cash flow

Revenue increased by 8 per cent in 2002 to DKK 218 million. EBITDA was DKK 20 million against DKK 17 million in 2001. The depreciation of property, plant and equipment and amortisation of intangible assets increased from DKK 15 million in 2001 to DKK 20 million in 2002, primarily as a result of the expansion of the calcium silicate factory.

The operating profit was DKK 1 million against DKK 2 million in 2001. Problems at the calcium silicate factory have resulted in a profit which is not satisfactory.

The associate Damolin had a good year with Skamol's profit from associates increasing from DKK 6 million to DKK 9 million in 2002.

Skamol's operating activities contributed a positive cash flow of DKK 4 million. Investments in property, plant and equipment amounting to DKK 20 million resulted in an available cash flow of DKK -16 million against DKK -31 million in 2001.

Expectations for 2003

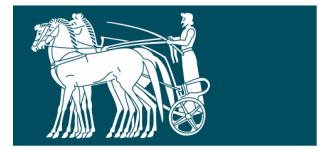
Skamol expects demand for products for the aluminium industry to remain high in 2003. Furthermore, the company is expecting to see an increase in sales of products for fire protection. On the other hand, a continuing low level of general economic activity is expected to dampen demand within Skamol's other business areas.

The manufacturing prices for calcium silicate are expected to be lower in 2003, while subsidiaries are also expecting to see a fall in costs.

For 2003, Skamol expects an increase in revenue of just above 5 per cent and a profit before tax of approx. DKK 15 million.

FINANCIAL CALENDAR FOR 2003

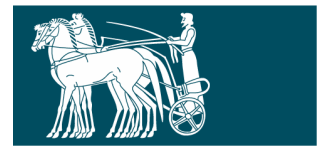
Annual report for 2002	April 10, 2003
General meeting	May 2, 2003
Quarterly report for the 1st quarter of 2003	May 2, 2003
Interim report for the 1st half of 2003	August 27, 2003
Quarterly report for the 3rd quarter of 2003	November 12, 2003



Appendix 1

INCOME STATEMENT 2002

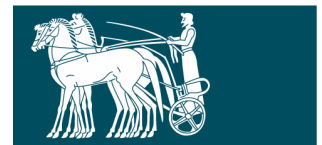
DKK '000	Group		Parent	
	2002	2001	2002	2001
Revenue	4,268,431	4,260,952	-	-
Cost of sales	2,909,444	2,876,717	-	-
Gross margin	1,358,987	1,384,235	-	-
Sales and distribution costs	573,918	597,851	-	-
Administrative expenses	327,739	226,229	12,040	11,795
Research and development costs	188,368	194,992	-	-
Total costs	1,090,025	1,019,072	12,040	11,795
Other operating income	68,155	60,125	431	77
Amortisation and write-down, consolidated goodwill	159,725	32,378	152,142	27,142
Operating profit/loss	177,392	392,910	(163,751)	(38,860)
Share of profit in subsidiaries before tax	-	-	201,000	302,347
Share of profit in associates before tax	9,278	5,861	-	-
Net financials	(129,188)	(118,910)	532	(2,151)
Profit-sharing	(14,262)	(16,667)	-	-
Profit before tax	43,220	263,194	37,781	261,336
Tax on profit for the year	81,148	105,326	81,148	105,326
Consolidated profit/loss	(37,928)	157,868	(43,367)	156,010
Minority interests' share of the profit/loss	5,439	1,858	-	-
Net profit/loss for the year, Auriga Industries' share	(43,367)	156,010	(43,367)	156,010
Proposed appropriation of the profit for the year:				
Dividend			61,200	61,200
Reserve for net revaluation according to the equity method			65,527	109,338
Retained earnings			(170,094)	(14,528)
Total			(43,367)	156,010



BALANCE SHEET AS AT 31 DECEMBER 2002

ASSETS

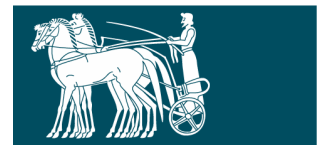
DKK '000	Group		Parent	
	2002	2001	2002	2001
Fixed assets				
Intangible assets				
Sales and registration rights, etc.	8,666	10,180	-	-
Know-how	70,495	78,358	-	-
Goodwill, etc.	72,659	38,379	-	-
Consolidated goodwill	310,583	466,768	-	-
Total intangible assets	462,403	593,685	-	-
Property, plant and equipment				
Land and buildings	499,102	496,039	2,951	3,489
Technical plant and machinery	639,993	599,560	-	-
Fixtures and fittings, tools and equipment	62,128	88,737	176	429
Plant under construction	38,706	145,057	-	-
Total property, plant and equipment	1,239,929	1,329,393	3,127	3,918
Investments				
Investments in subsidiaries	-	-	2,187,340	2,121,813
Investments in associates	30,885	26,351	-	-
Other investments	672	546	-	-
Total investments	31,557	26,897	2,187,340	2,121,813
Total fixed assets	1,733,889	1,949,975	2,190,467	2,125,731
Current assets				
Inventories	1,275,794	1,217,967	-	-
Receivables				
Trade receivables	893,629	1,307,986	-	-
Receivables from subsidiaries	-	-	348	-
Deferred tax asset	35,824	24,991	-	-
Income taxes receivable	-	20,209	-	18,228
Other receivables	412,140	231,942	5,166	4,878
Total receivables	1,341,593	1,585,128	5,514	23,106
Investments	58,995	58,095	58,958	58,058
Cash	246,426	160,227	722	769
Total current assets	2,922,808	3,021,417	65,194	81,933
Total assets	4,656,697	4,971,392	2,255,661	2,207,664



BALANCE SHEET AS AT 31 DECEMBER 2002

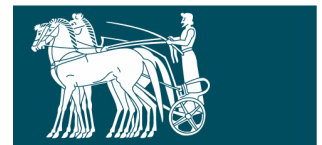
LIABILITIES AND EQUITY

DKK '000	Group		Parent	
	2002	2001	2002	2001
Equity				
Share capital	255,000	255,000	255,000	255,000
Reserve for net revaluation according to the equity method			888,878	823,351
Retained earnings	1,909,609	1,785,374	1,020,731	962,023
Accumulated value adjustment	(62,972)	(9,261)	(62,972)	(9,261)
Proposed dividend for the financial year	61,200	61,200	61,200	61,200
Total equity	2,162,837	2,092,313	2,162,837	2,092,313
Minority interests	28,031	25,469	-	-
Provisions				
Pension obligations	6,644	6,561	1,250	1,250
Other provisions	14,946	11,542	-	-
Deferred tax	139,833	195,686	-	-
Total provisions	161,423	213,789	1,250	1,250
Long-term liabilities other than provisions				
Mortgage debt	188,559	215,458	1,823	1,998
Employee bonds	20,462	17,663	-	-
Lease obligations	5,238	1,760		
Credit institutions	776,055	819,807	-	14,286
Total long-term liabilities other than provisions	990,314	1,054,688	1,823	16,284
Short-term liabilities other than provisions				
Long-term debt falling due within one year	85,279	97,444	14,388	28,680
Bank debt	563,321	580,294	3,878	883
Trade payables	367,850	487,817	-	-
Payables to subsidiaries	-	-	-	67,290
Payables to associates	88	235	-	-
Income taxes payable	92,809	6,807	70,504	-
Other payables	190,895	395,886	981	964
Profit-sharing for the financial year	13,850	16,650	-	-
Total short-term liabilities other than provisions	1,314,092	1,585,133	89,751	97,817
Total liabilities other than provisions	2,304,406	2,639,821	91,574	114,101
Total liabilities and equity	4,656,697	4,971,392	2,255,661	2,207,664



CASH-FLOW STATEMENT 2002

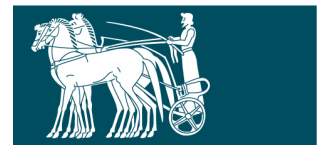
DKK ´000	Group	
	2002	2001
Net profit/loss for the year	(43,367)	156,010
Depreciation, amortisation and write-down, fixed assets	255,053	243,489
Amortisation and write-down, consolidated goodwill	159,725	32,378
Other adjustments	290,413	212,662
Change in working capital	25,503	(181,448)
Cash flow from operating activities before net financials	687,327	463,091
Net financials	(129,188)	(118,910)
Cash flow from ordinary activities	558,139	344,181
Income taxes paid	(133,131)	(181,693)
Cash flow from operating activities	425,008	162,488
Acquisition of subsidiaries	-	(30,648)
Acquisition of intangible assets	(45,236)	(131,775)
Acquisition of property, plant and equipment	(211,466)	(264,341)
Disposal of intangible assets and property, plant and equipment	38,607	11,960
Dividend received from associates	1,372	624
Cash flow from investing activities	(216,723)	(414,180)
Available cash flow	208,285	(251,692)
Repayment of long-term debt	(137,388)	(88,893)
Raising of long-term loan	62,709	395,413
Issue of employee bonds	5,340	4,483
Payment of profit-sharing	(16,650)	(15,613)
Dividend paid	(60,955)	(58,959)
Acquisition of treasury shares	(69)	(4,466)
Cash flow from financing activities	(147,013)	231,965
Change in cash and cash equivalents	61,272	(19,727)
Cash and cash equivalents as at January 1	(319,172)	(342,245)
Cash and cash equivalents as at December 31	(257,900)	(361,972)
Interest-bearing net cash and cash equivalents comprise:		
Cash and securities less short-term bank debt	(257,900)	(361,972)
Interest-bearing debt	(1,075,593)	(1,152,132)
Interest-bearing net cash and cash equivalents as at December 31	(1,333,493)	(1,514,104)



STATEMENT OF CHANGES IN EQUITY

Unless otherwise stated, all figures are in DKK '000

Group	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Accumulated value adjustment	Proposed dividend for the financial year	Total
Equity as at January 1, 2001	255,000	-	1,720,751	3,461		1,979,212
Effect of change in accounting policies			(49,360)		61,200	11,840
Dividend paid					(61,200)	(61,200)
Acquisition of treasury shares			(4,466)			(4,466)
Dividend, treasury shares			2,241			2,241
Exchange rate adjustment, etc. relating to subsidiaries and associates				(12,722)		(12,722)
Adjustment of hedging instruments at fair value			32,297			32,297
Tax on changes in equity			(10,899)			(10,899)
Net profit for the year			94,810		61,200	156,010
Equity as at December 31, 2001	255,000	-	1,785,374	(9,261)	61,200	2,092,313
Dividend paid					(61,200)	(61,200)
Acquisition of treasury shares			(69)			(69)
Dividend, treasury shares			2,415			2,415
Changes in equity in subsidiaries			(4,311)			(4,311)
Exchange rate adjustment, etc. relating to subsidiaries and associates				(53,711)		(53,711)
Adjustment of hedging instruments at fair value			325,475			325,475
Tax on changes in equity			(94,708)			(94,708)
Net profit/loss for the year			(104,567)		61,200	(43,367)
Equity as at December 31, 2002	255,000	-	1,909,609	(62,972)	61,200	2,162,837



STATEMENT OF CHANGES IN EQUITY

Unless otherwise stated, all figures are in DKK '000

Parent	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Accumulated value adjustment	Proposed dividend for the financial year	Total
Equity as at January 1, 2001	255,000	701,263	1,019,488	3,461		1,979,212
Effect of change in accounting policies		12,750	(62,110)		61,200	11,840
Dividend paid					(61,200)	(61,200)
Acquisition of treasury shares			(4,466)			(4,466)
Dividend, treasury shares			2,241			2,241
Exchange rate adjustment, etc. relating to subsidiaries and associates				(12,722)		(12,722)
Adjustment of hedging instruments at fair value			32,297			32,297
Tax on changes in equity			(10,899)			(10,899)
Net profit/loss for the year		109,338	(14,528)		61,200	156,010
Equity as at December 31, 2001	255,000	823,351	962,023	(9,261)	61,200	2,092,313
Dividend paid					(61,200)	(61,200)
Acquisition of treasury shares			(69)			(69)
Dividend, treasury shares			2,415			2,415
Changes in equity in subsidiaries			(4,311)			(4,311)
Exchange rate adjustment, etc. relating to subsidiaries and associates				(53,711)		(53,711)
Adjustment of hedging instruments at fair value			325,475			325,475
Tax on changes in equity			(94,708)			(94,708)
Net profit/loss for the year		65,527	(170,094)		61,200	(43,367)
Equity as at December 31, 2002	255,000	888,878	1,020,731	(62,972)	61,200	2,162,837