AURIGA INDUSTRIES A/S

Stock Exchange Notification No. 1/2006

March 21, 2006

Financial Statements of Auriga Industries A/S for 2005

Figures in brackets are the figures for 2004.

Auriga's results for 2005 were its second-best ever. Revenue and earnings were higher than expected at the beginning of the year and in line with the outlook following the upward adjustment announced with the interim financial statements. It is proposed that last year's increased dividend of DKK 4.00 per share be maintained.

Results in 2005

- Consolidated revenue was DKK 5,250 million (DKK 5,304 million) corresponding to a 1 per cent decline. At unchanged USD rate, revenue would have been up 3 per cent.
- Operating profit was DKK 482 million (DKK 689 million). Of the decline of DKK 207 million, approx. DKK 165 million derives from a lower USD rate.
- Profit before tax was DKK 376 million (DKK 630 million) in line with the forecast after the first six months, but DKK 40 million higher than expected at the beginning of the year.
- Cheminova started marketing imidacloprid, the world's largest insecticide, in 2005. Furthermore, the company strengthened its distribution structure with four new sales subsidiaries and is now represented by own subsidiaries in sixteen countries.
- Hardi successfully introduced a new high-tech trailersprayer, New Commander.
- Increasing construction activities in the aluminium industry will in 2006 increase Skamol's sales to this segment.

Outlook 2006

- For 2006 as a whole, the Auriga group expects revenue of approx. DKK 5.6 billion, a profit margin (EBIT) of 8 per cent and a profit before tax of approx. DKK 330 million. Considerable improvements in cash flow are expected relative to 2005.

Future growth

- The objective of Cheminova's Business Plan for the period up until 2010 is through organic growth to increase revenue by 50 per cent to DKK 6 billion with an EBIT margin of 14 per cent. Cheminova will actively pursue any opportunities of making acquisitions which may generate additional growth.

General meeting

- The annual general meeting will be held at the company offices in Harboøre, Denmark, on April 25, 2006 at 2 pm. The Board of Directors will propose that a dividend of DKK 4.00 per share be paid.

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Chairman of the Board of Directors	President

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KEY FIGURES
FOR THE AURIGA GROUP 2001-2005

DKK million	2001	2002	2003	2004	2005	EUR million 2005
Revenue	4,261	4,268	4,471	5,304	5,250	704
Operating profit *)	393	302	286	689	482	65
Net financials etc.	(119)	(129)	(97)	(67)	(111)	(15)
Profit/loss before tax *)	263	168	182	630	376	50
Impairment loss relating to consolidated goodwill - Hardi	-	(125)	-	-	-	-
Net profit/loss after tax and minority interests	156	(43)	89	425	250	33
Balance sheet total	4,971	4,657	4,897	5,358	5,865	786
Share capital	255	255	255	255	255	34
Equity	2,092	2,163	2,156	2,370	2,587	347
Net assets	3,824	3,757	3,767	3,793	4,296	576
Net debt	1,514	1,333	1,444	1,143	1,563	210
Cash flows from operating activities	162	425	306	452	18	2
Cash flows from investing activities	(414)	(217)	(372)	(109)	(235)	(32)
- of which invested in property, plant and equipment	(264)	(211)	(162)	(112)	(119)	(16)
Available cash flow	(252)	208	(66)	343	(217)	(29)
Depreciation, amortisation and impairment losses	276	415	287	254	242	32
Research and development costs	195	188	174	165	171	23
Number of employees	2,948	3,027	2,996	3,000	2,933	2,933
Profit margin (EBITDA)	16%	14%	13%	18%	14%	14%
Profit margin (EBIT) *)	9%	7%	6%	13%	9%	9%
NOPAT *)	236	157	149	474	333	45
ROIC (Return on invested capital) *)	6%	4%	4%	12%	8%	8%
Debt ratio	40%	35%	38%	30%	36%	36%
Return on equity *)	8%	4%	4%	17%	10%	10%
Profit in DKK per share of DKK 10 *)	6.4	3.3	3.6	17.3	10.1	1.4
Cash flows from operating activities in DKK per share of DKK 10	6.6	17.4	12.5	18.4	0.7	0.1
Equity value in DKK per share of DKK 10	85.5	88.4	88.1	96.6	105.1	14.1
Dividend in DKK per share of DKK 10	2.4	2.4	2.4	4.0	4.0	0.5
Quoted price, end of year	57	57	62	115	192	26
Price/earnings ratio *)	9	17	17	7	19	19
Quoted price/equity value	0.67	0.65	0.70	1.19	1.82	1.82
Market value, end of year	1,454	1,454	1,581	2,933	4,885	655

*) 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 translated at the exchange rate as at December 31, 2005.

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

In 2005, Cheminova recorded its second-best results ever, but was, however, unable to live up to the record results from 2004 when the agrochemical industry in general and Cheminova in particular had a strong year in all respects.

Cheminova has prepared a Business Plan for the period up until 2010. The objective is through organic growth to increase revenue by 50 per cent to DKK 6 billion with an EBIT margin of 14 per cent. Furthermore, the company is planning to actively pursue any acquisitions which may generate additional growth.

In 2005, Hardi's earnings were under pressure due to a bad harvest in Australia, while Skamol's results reflected the low level of building activities within the aluminium industry. Both companies are, however, expecting considerable improvements in results in 2006.

Objectives and strategy

It is the objective of Auriga to ensure the long-term addition of value for the benefit of the company's shareholders, employees and other stakeholders. The value creation occurs through management of three independent companies with plant protection products as the core area.

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, 2005 presented more difficulties than the year before, which was characterised by favourable climatic conditions and good prices for several crops.

Cheminova's revenue declined in 2005 by 2 per cent to DKK 4,017 million. The settlement rate for USD was DKK 6.03 in 2005 against DKK 7.00 the year before. When adjusted for the low USD settlement rate, revenue was up 3 per cent.

Sales of the fungicide flutriafol increased again in 2005, and as in 2004 most sales went to combat Asian rust fungal disease in Brazil. Cheminova's other new products also saw a satisfactory growth in revenue in 2005.

As expected, sales of organophosphorous insecticides declined. This was attributable partly to the fact that in 2005 Africa was not afflicted by locusts as the year before, and partly to the fact that sales of malathion for the American boll weevil eradication programme in cotton were lower than in 2004, although higher than expected.

Cheminova returned an operating profit of DKK 458 million, corresponding to an EBIT margin of 11 per cent. At unchanged USD settlement rates relative to 2004, the EBIT margin would have been 15 per cent against 16 per cent in 2004, which was a record year.

In the course of 2005, Cheminova increased the number of sales companies by four, and the company now has its own sales companies in sixteen countries.

In 2005, Cheminova entered into a cooperation agreement with Bayer CropScience concerning the insecticide imidacloprid. Under the agreement, Cheminova has acquired global rights to sell its own formulations based on Bayer's active ingredient. Imidacloprid will contribute significantly to Cheminova's growth.

Cheminova's Plan 2010
Cheminova has made a Business Plan for the period up until 2010. During this period, the company will aggressively pursue any opportunities for growth which may exist for an innovative generic company such as Cheminova with the necessary competences.

The company's objective is through organic growth to increase revenue by 50 per cent in the period leading up to 2010. To this should be added growth through acquisitions. The target is an EBIT margin of 14 per cent towards the end of the period. The plan will require considerable investments in development, registration and marketing, which will lead to a decline in EBIT margin to 10 per cent or, as in 2006, slightly under for the first years of the plan period.

Hardi
Due to declining harvest yields and increasing energy and raw materials prices, global earnings within the agricultural sector fell by approx. 5 per cent. Investments in agricultural machinery declined correspondingly.

Hardi's revenue increased in 2005 by 3 per cent to DKK 1,033 million. Sales to Eastern Europe, which continued to develop positively, were a contributory factor. Due to drought, Australia's harvest was very bad in 2004/05. Consequently, investments in agricultural machinery fell dramatically, and Hardi's sales in Australia declined by approx. DKK 50 million relative to the year before.

On the other hand, sales in North America increased by approx. DKK 50 million, primarily as a result of the fact that fear of the Asian rust fungal disease drove farmers to invest to a greater extent in their own sprayers rather than being dependent on contractors. Due to competition from USD-based companies, North America is currently a low-price market for Hardi.

The shift in revenue from Australia to North America in 2005 resulted in a drop in Hardi's gross margin.

In 2005, Hardi returned an operating profit of DKK 38 million, corresponding to an EBIT margin of 4 per cent. At unchanged USD settlement rates relative to 2004, the EBIT margin would have been 5 per cent in 2005, unchanged relative to 2004.

The production economy at Hardi's factory in Denmark has developed positively and in line with expectations.

Following several years of development, Hardi introduced its new trailer series, New Commander, in 2005, and in the course of 2006 the series will be marketed globally. New Commander has set a new standard for field sprayers and will contribute to growth in sales and earnings for Hardi in the coming years.

While New Commander is a high-tech sprayer for the high end segment, Hardi will in 2006 be introducing another series for the lower end segments.

Skamol
Skamol's revenue for 2005 was DKK 201 million, against DKK 206 million in 2004. The primary aluminium industry is the company's largest business area. In 2005 the construction of new aluminium plants was at a minimum outside China, but a large number of works are being planned for construction in 2006 and the coming years. Sales to other high-temperature industries outside the aluminium industry increased relative to the year before, while the introduction of fire doors and panels proceeded slower than expected.

In 2005, Skamol recorded an operating loss of DKK -1 million. With an unchanged USD settlement rate relative to 2004, EBIT would have been approx. DKK 9 million. The associated company Damolin again recorded satisfactory results for 2005.

Transition to new international accounting standards (IFRS)
The annual report for 2005 has been presented in accordance with the international accounting standards (IFRS). The IFRS standards have been implemented so that the annual report also complies with the provisions of the accounting standards approved by the European Union.

For the Auriga group the changes of the accounting policies positively affect profit after tax for 2005 by DKK 33 million (2004: DKK 32 million), while equity as at December 31, 2005 is increased by DKK 87 million (2004: DKK 46 million).

All comparative figures for 2004 have been restated to reflect the changed accounting policies. In the table of key figures and ratios, the figures for 2001-2003 have not been restated. This is in accordance with the transition rules.

Foreign exchange
Auriga's three subsidiaries are all international companies and 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.

After a decline of just over 8 per cent in 2004, the group's main currency, USD, increased by just over 15 per cent in 2005, ending the year at DKK 6.32. In 2005, Auriga realised an effective USD settlement rate of approx. DKK 6.01 against approx. DKK 7.00 the year before.

The budget rates for 2006 have to a very large extent been hedged for the most important currencies. Thus, approx. 90 per cent of the group's net income in USD has been hedged at a rate of DKK 6.10.

Income, balance and cash flow
Figures in brackets are the figures for 2004.
Auriga's consolidated revenue declined by 1 per cent to DKK 5,250 million (DKK 5,304 million). At unchanged USD settlement rates relative to 2004, revenue would have been up 3 per cent.

Operating profit was DKK 482 million (DKK 689 million). Of the decline of DKK 207 million, approx. DKK 165 million derives from a lower USD settlement rate.

After tax, the associates returned a profit of DKK 4 million (DKK 8 million). Financial expenses amounted to DKK 111 million (DKK 67 million).

Profit before tax was DKK 376 million (DKK 630 million). The profit is in line with expectations after the first six months, but approx. DKK 40 million higher than expected at the beginning of the year.

Tax on profit for the year amounted to DKK 117 million (DKK 196 million), corresponding to a tax rate of 31 per cent (31 per cent).

On December 31, the balance sheet total amounted to DKK 5,865 million (DKK 5,358 million). Net assets totalled DKK 4,296 million (DKK 3,793 million). Of the increase of DKK 503 million, DKK 300 million was attributable to exchange rate adjustments and acquired companies. Net debts totalled DKK 1,563 million (DKK 1,143 million).

Cash flow from operating activities was DKK 18 million (DKK 452 million). Investments in property, plant and equipment totalled DKK 119 million (DKK 112 million). Investments in subsidiaries and intangible assets were DKK 159 million. Available cash flow was then DKK -217 million (DKK 343 million). The development in cash flow from operating activities is worse than expected, mainly because of increasing debtors in Brazil.

Outlook 2006

The beginning of 2006 has been characterized by difficult weather conditions in the northern hemisphere and therefore Cheminova expects a decline in the global market for plant protection products relative to 2005.

Sales of Cheminova's new products are expected to increase, while the new sales companies will also contribute to growth in revenue. On the other hand, sales of malathion for the boll weevil eradication programme for cotton in the USA are expected to continue to fall.

In accordance with Cheminova's growth plan for the coming years, 2006 will see a significant increase in development, marketing and registration costs.

For 2006 as a whole, Cheminova expects revenue of approx. DKK 4.3 billion, an EBIT margin of 9 per cent and a profit before tax of approx. DKK 300 million.

For 2006 as a whole, Hardi expects revenue to be on the same level as 2005, i.e. approx. DKK 1,040 million, an EBIT margin of 6 per cent and a profit before tax of approx. DKK 30 million.

For 2006 as a whole, Skamol expects revenue of approx. DKK 230 billion, an EBIT margin of 5 per cent and a profit before tax of approx. DKK 15 million.

For 2006 as a whole, the Auriga group expects revenue of approx. DKK 5.6 billion, an EBIT margin of 8 per cent and a profit before tax of approx. DKK 330 million.

Cash flow from operating activities is expected to improve considerably in 2006 relative to 2005.

REVIEW FOR CHEMINOVA A/S

(Mio. DKK)	2005	2004
Revenue	4,017	4,094
Operating profit before depreciation and amortisation	639	837
Operating profit (EBIT)	458	646
Net financials	(88)	(39)
Profit before tax	369	607
Net profit for the year	262	403
Total assets	4,237	3,829
Long-term assets	1,043	996
Equity	1,914	1,750
Net liabilities	945	572
Cash flows from operating activities	109	421
Cash flows from investing activities	(211)	(63)
Available cash flow	(128)	349
Investments in long-term assets	123	62
Depreciation and amortisation	181	192
Profit margin (EBITDA)	16%	20%
Profit margin (EBIT)	11%	16%

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 it's five core competences: to identify, develop, register, manufacture and market known plant protection products better and cheaper than any other company in the industry.

Market development
Whereas 2004 was characterised by favourable climatic conditions and high prices for a number of crops, 2005 was a more difficult year. Global sales of conventional plant protection products are estimated to have totalled USD 31 billion in 2005, representing a 3 per cent decline relative to 2004 at unchanged USD rates. This decline should, however, be seen in the light of an actual increase in 2004 relative to 2003 of 5 per cent.

As was the case in 2004, the North American market declined by few per cent in 2005, primarily because of an increase in the share of GMO crops and a continued fall in the price of glyphosate. In South America, the actual decline in sales of plant protection products was 9 per cent. Due to a drought in southern Brazil, the demand for fungicides to combat Asian rust fungal disease and the demand for herbicides were lower than in 2004. Moreover, the strengthening of the Brazilian currency relative to the US dollar meant lower prices for Brazilian farmers and thereby less incentive to protect the crops.

In the rest of the world, the demand for plant protection products fell by 2 per cent. A low level of insect infestation and a drought, especially in Spain and Australia, contributed to the decline.

Sales and distribution

In 2005, Cheminova's sales declined by 2 per cent relative to 2004, which was a record year. Disregarding the fall in the USD, sales increased by 3 per cent. Revenue in 2005 was higher than expected at the beginning of the year.

Sales of Cheminova's organophosphorous insecticides accounted for 26 per cent of total revenue in 2005 against 30 per cent in 2004. After an extraordinarily good year in 2004, characterised by high levels of insect infestation in most of the world, by locusts in Africa and by many boll weevils in southern USA, expectations for 2005 were more modest. Nevertheless, sales of organophosphates were higher than expected. Sales of malathion to the American boll weevil eradication programme were down relative to 2004, but higher than expected. The programme, which has been a tremendous success, is expected to end in a few years' time.

Cheminova's newer products increased their share of revenue from 41 per cent in 2004 to 47 per cent in 2005. Glyphosate, which is the largest product of this group, saw a satisfactory increase in revenue, especially on account of good sales in Europe. Competition within the glyphosate market intensified further in 2005, resulting in declining prices.

Sales of the fungicide flutriafol, which Cheminova bought from Syngenta in 2001, increased again in 2005. As was the case in 2004, most of the products sold were used to combat Asian rust fungal disease in Brazil, and despite a general fall in sales of fungicides in Brazil, sales of flutriafol increased. A contributing factor was the introduction of the Impact Duo mixture product. Flutriafol also achieved good sales in Russia, while sales in Australia disappointed.

Cheminova's other new generic products, including the insecticide gamma-cyhalothrin, saw increasing sales in 2005, slightly higher than expected. New products' share of total revenue is set to grow dramatically in the coming years.

Sales of third-party products accounted for 16 per cent of total revenue in 2005, unchanged relative to 2004. In a number of Cheminova's sales companies, sales of third-party products is complementing the product programme.

Sales of fine chemicals accounted for 11 per cent of revenue in 2005, against 12 per cent in 2004.

During 2005, Cheminova increased the number of sales companies by four, and the company now has its own sales companies in sixteen of the most important agricultural countries.

In Colombia, Cheminova acquired a majority stake in CropTech, and in Australia a majority stake in Ospray. At the same time, sales companies were established in Poland and Bulgaria.

Brazil and the USA are the world's two largest agricultural countries and also the two countries in which Cheminova generates the highest revenue. Both countries did well in 2005 with sales in local currencies slightly up on the year before. Mexico and Russia also had a good year with increasing sales. Cheminova's western European companies generally saw stagnating sales due to climatic conditions, with the exception of France, which saw a satisfactory increase in sales. Hardest hit was Spain where the market for plant protection products declined by 13 per cent. Cheminova's company in Spain, Agrodan, gained market share again in 2005.

Production and investments

Production at Cheminova's factories in Denmark and India was satisfactory throughout 2005.

Increasing oil prices and a continuing high level of global demand have resulted in increasing prices of raw materials and energy. Long-term supply contracts and optimisation of logistics have, however, to some extent compensated for the increases.

Investments in property, plant and equipment amounted to DKK 68 million against DKK 58 million in 2004.

Sales and production of the food preservative potassium sorbate were discontinued at the end of 2005. Over the next two years, the plant will be converted for other production.

In 2005, a total of DKK 112 million was invested in the acquisition of subsidiaries in the UK, Colombia and Australia.

Investments in registration data totalling DKK 40 million have been capitalised.

Environment

Concern for the environment, health and safety is an integrated part of Cheminova's business policies. Responsible behaviour within these areas is of material importance to the company. In addition to compliance with current legislation, rules and regulations, it is group policy to introduce constant improvements in these areas.

Cheminova's environmental permissions in Denmark have been reviewed in recent years. This review will be completed in 2006 ensuring that the company is living up to the most recent EU regulations in these areas.

Standardised control systems have in recent years been established at the production plants in Denmark to safeguard the external environment and the working environment. The systems are expected to be certified in 2006.

Focus areas for the company in Denmark are energy savings and a reduction in CO_2 emissions. In 2005, electricity consumption was reduced by 6.8 per cent, while steam consumption was down 1.9 per cent relative to 2004.

In addition to its production facilities in Denmark, Cheminova has a production plant in India. The Indian plant has been granted all the necessary environmental approvals. Cheminova has introduced ongoing improvements within both the external and the internal environment. This development will continue with a view to achieving further improvements in the coming years.

A new chemicals regulation (REACH) is being adopted by the EU. It is expected to come into force in 2007. Cheminova consideres the overall principles outlined REACH positively. However, the financial consequences for the company will largely depend on the implementation and administration of the regulation in practice.

Product development

In the coming years, Cheminova will introduce an average of three new products per year. At the same time, the addition of new products will require significant resources by the development department in support of both production and marketing. Increasing activity are seen within all areas of development within synthesis chemistry, formulation technology and technical upscaling. New resources are continuously being added to the development department to ensure that the target growth can be achieved.

Cheminova has entered into a cooperation agreement with Bayer CropScience concerning the insecticide imidacloprid. Under the agreement, Cheminova has acquired global rights to sell its own formulations based on Bayer's active substance. Imidacloprid is the world's leading insecticide with annual sales of approx. EUR 650 million. This new product will in the coming years contribute significantly to Cheminova's revenue and earnings.

Income, balance and cash flow
Figures in brackets are the figures for 2004.
Revenue for 2005 was DKK 4,017 million (DKK 4,094 million).

EBITDA was DKK 639 million (DKK 837 million) corresponding to 16 per cent (20 per cent) of revenue. Depreciation and amortisation amounted to DKK 181 million (DKK 191 million). EBIT was DKK 458 million (DKK 646 million) corresponding to an EBIT margin of 11 per cent (16 per cent). With an unchanged USD settlement rate relative to 2004, EBIT would have been approx. DKK 145 million higher.

Financial expenses amounted to DKK 88 million (DKK 39 million). The deviation is primarily attributable to increasing financial expenses in Brazil and a forward discount in connection with the hedging of especially USD.

Profit before tax was DKK 369 million (DKK 607 million), which is higher than expected at the beginning of the year.

Balance sheet total increased by 11 per cent to DKK 4,237 million (DKK 3,829 million), primarily as a result of the increase in working capital. Inventories were up DKK 203 million, of which approx. DKK 110 million was attributable to exchange rate fluctuations and inventories in companies acquired towards the end of the year. Trade receivables were up DKK 329 million, of which approx. DKK 190 million was attributable to exchange rate fluctuations and receivables in acquired companies. Of the actual increase in trade receivables, approx. DKK 140 million, the main part originates from Brazil where it has been necessary to extend longer credits due to poor harvest yields in 2004/05 in the southern parts of the country.

After tax of DKK 216 million, cash flow from operating activities amounted to DKK 83 million (DKK 412 million). Investments in property, plant and equipment and intangible assets amounted to DKK 211 million (DKK 63 million). Available cash flow was DKK -128 million (DKK 349 million).

Plan 2010
In 2005, Cheminova prepared a Business Plan covering the period up until 2010. During this period, Cheminova will aggressively pursue growth opportunities identified through development of new products and acquisitions.

The target is to increase revenue, through organic growth alone, from just over DKK 4 billion in 2005 to DKK 6 billion in 2010. The target is an EBIT margin of 14 per cent towards the end of the period.

The plan will require considerable investments in development, registration and marketing, which will lead to a decline in EBIT margin to about or, as in 2006, slightly under 10 per cent for the first years of the plan period.

Companies without the necessary competences are expected to be obvious acquisition targets in the coming years. Cheminova will be part of this consolidation process.

Plant protection products are currently subject to joint EU registration. EU requirements have become stricter, which means that several products will disappear from the market. In the USA, the registration of generic products is becoming cheaper, which will result in intensified competition, but at the same time it will make it possible to register more products.

Patented products' share of the global market has been falling for a number of years and continues to fall. This allows Cheminova to introduce new and interesting products in the coming years. Furthermore, an increasing number of products also open up for new and interesting mixture formulations.

Plan 2010 is the result of the upgradation of Cheminova's core competences in recent years. Development of know-how and the ability to innovate will continue throughout the plan period. The plan will ensure that by the end of the decade, Cheminova will have further expanded its position as one of the leading companies within the agrochemical business.

Outlook 2006

The beginning of 2006 has been characterized by difficult weather conditions in the northern hemisphere and therefore Cheminova expects a decline in the global market for plant protection products relative to 2005.

In 2006, Cheminova expects a continued fall in sales of malathion to the American boll weevil eradication programme in cotton as well as a continued fall in prices of glyphosate in North America. Cheminova does not expect to see sales of flutriafol in the USA in 2006, for which reason sales of flutriafol are expected to be on a par with or slightly lower than in 2005.

Sales of Cheminova's new products, including gamma-cyhalothrin and imidacloprid, are expected to increase substantially in 2006, while the new sales companies are also expected to contribute to growth in revenue.

Cheminova expects to see an increase in revenue of 7 per cent relative to the year before. Almost all the parent company's expected net income of USD in 2006 has been hedged through forward exchange contracts and options at a price of DKK 6.10. The average settlement price for 2005 was DKK 6.03.

In accordance with Cheminova's growth plan for the coming years, 2006 will see a strong increase in development, marketing and registration costs.

Cheminova expects an EBIT margin of 9 per cent for 2006. Financial expenses are expected to be on the same level as in 2005.

For 2006 as a whole, Cheminova expects revenue of approx. DKK 4.3 billion and a profit before tax of approx. DKK 300 million. Cash flow from operating activities is expected to improve substantially relative to 2005. Investments in property, plant and equipment are expected to total just over DKK 100 million.

REVIEW FOR HARDI INTERNATIONAL A/S

(Mio. DKK)	2005	2004
Revenue	1,033	1,004
Operating profit before depreciation and amortisation	81	96
Operating profit (EBIT)	38	54
Net financials	(22)	(31)
Profit before tax	16	24
Net profit for the year	5	30
Total assets	1,265	1,198
Long-term assets	441	468
Equity	346	335
Net liabilities	646	607
Cash flows from operating activities	(22)	(2)
Cash flows from investing activities	(17)	(43)
Available cash flow	(39)	(45)
Investments in long-term assets	30	43
Depreciation and amortisation	43	42
Profit margin (EBITDA)	8%	10%
Profit margin (EBIT)	4%	5%

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 strives to develop and market products which create considerable added value for end-users.

Market development
2005 was a less favourable year for farmers than 2004. A number of important agricultural areas were affected by lack of rainfall, and certain areas, such as for example Australia, even experienced drought.

Worldwide, harvest yields were down approx. 10 per cent relative to the year before, while crop prices were stable or only slightly up.

The decline in harvest yields together with increasing energy and raw materials costs meant that earnings by farmers globally fell by approx. 5 per cent relative to the previous year. It is estimated that investments in agricultural machinery also fell by approx. 5 per cent worldwide, however with considerable variation. The introduction of the EU's new subsidies (GAP) brought considerable uncertainty among farmers in the fifteen old EU member states. On the other hand, investments in farming continued to attract interest in the new EU member states and in the CIS region. In the USA, sales of agricultural machinery were slightly higher than the year before. In Australia, a very poor harvest in 2004/05 led to a marked decline in investments in machinery.

The structural changes towards larger and more profitable farms continued in 2005 at undiminished speed. As a result of these structural changes, demand is being directed at ever larger and more expensive machinery, including sprayers. The increasing focus on larger high-tech sprayers is an advantage for sprayer specialists such as Hardi. However, it is also resulting in an increasing interest in sprayers among a growing number of manufacturers of agricultural machinery.

Sales and distribution
Hardi's revenue for 2005 was DKK 1,033 million, against DKK 1,004 million the year before.

France, which is Hardi's largest market, achieved strong sales in line with 2004, which was a record year. Sales in northern Europe developed satisfactorily in all countries, except Sweden. Hardi's sales in Spain declined to the lowest level in many years on account of the drought. Sales to Eastern Europe, including the ten new EU member states, continued the positive trend from the year before. Sales to the Czech Republic, in particular, saw considerable increases.

Australia, normally Hardi's second-largest market, had a weak year in 2005 because of the very bad harvest in 2004/05. Australian farming is not subsidised, for which reason a year with low earnings results in a considerable decline in investments in machinery by farmers. In 2005, Hardi Australia's revenue declined by approx. DKK 50 million relative to 2004.

On the other hand, Hardi saw an increase in revenue of approx. DKK 50 million in North America. The increase is primarily due to fear of the Asian rust fungal disease which emerged for the first time in North America in 2005. In this situation, many farmers wanted to invest in their own sprayer, rather than being dependent on contractors.

The shift in revenue from the Australian high-price market to the US low-price market in 2005 resulted in a drop in Hardi's gross margin.

Product development and production
Following several years of development work, the New Commander trailer series was introduced in 2005. The sprayer is available with three tank sizes (3,200 litres, 4,400 litres and 6,600 litres) and is now being marketed throughout Europe, and from mid-2006 also in Australia and North America. The new series, which is also available in a computer-controlled version, has set a new standard for field sprayers and won nine international prizes in 2005. The modular design of the series will contribute to improving Hardi's profitability in the coming years.

While New Commander is a high-tech trailer sprayer for the high end segment, Hardi will in the course of 2006 be introducing another sprayer series for the lower end segments.

After a number of turbulent years, production at the factory in Denmark went smoothly in 2005. The security of supply and the delivery performance were satisfactory throughout the year. The production economy has developed in line with expectations. New Commander is now in production, and together with the continued standardisation of the trailer range it will lead to further improvements to the economy in the coming years.

Operations at Hardi's factory in northern France, which manufactures the Meteor trailed series and the self-propelled Alpha trailer, have been satisfactory.

In Australia and North America, Hardi has its own assembly departments and local suppliers of tanks and certain steel parts. Operations at the Australian facility were satisfactory in 2005 with the necessary adaptations being made in view of the falling sales. North America on the other hand saw delays in deliveries from subsuppliers. This resulted in an unsatisfactory operating economy for the North American company.

Environment
Hardi's activities have very limited impact on the environment. The factory in Denmark submitted its application for renewal of its environmental approval in the first quarter of 2005. The environmental approval is expected to be issued in mid-2006.

Income, balance and cash flow
Figures in brackets are the figures for 2004.
Revenue increased in 2005 by 3 per cent to DKK 1,033 million. EBITDA was DKK 81 million (DKK 96 million) corresponding to 8 per cent (10 per cent) of revenue. In 2005, investments amounted to DKK 43 million (DKK 42 million). EBIT was DKK 38 million (DKK 54 million) corresponding to an EBIT margin of 4 per cent (5 per cent). With an unchanged USD rate in 2005 relative to 2004, EBIT would have been approx. DKK 12 million higher.

Financial expenses amounted to DKK 22 million (DKK 31 million). The decline is primarily attributable to price adjustments.

The profit before tax was DKK 16 million (DKK 24 million), which is lower than expected at the beginning of the year. The deviation relative to expectations is primarily attributable to shifts in revenue from the Australian high-price market to the US low-price market.

The balance sheet total increased by 6 per cent to DKK 1,265 million (DKK 1,198 million). The increase is primarily attributable to higher sales in the USA where credit periods in the agricultural machinery industry are traditionally very long.

On account of an increase in working capital, cash flow from operating activities was negative at DKK 22 million (DKK -2 million). After investments of DKK 17 million (DKK 43 million), available cash flow was negative at DKK -39 million (DKK -45 million).

Outlook 2006
The global outlook for the agricultural sector in 2006 is characterised by uncertainty owing to increasing costs and uncertainty surrounding the prices of important crops. Consequently, a global decline in sales in agricultural machinery of 5 per cent is expected in 2006 relative to 2005.

Despite the generally uncertain outlook for the agricultural machinery industry in 2006, Hardi is forecasting sales for 2006 on a par with 2005, provided that climatic conditions are normal. This outlook is based in particular on expectations of good sales of New Commander in 2006.

Australia had a satisfactory harvest in 2005/06, and Hardi Australia expects increasing sales in 2006 relative to 2005, while sales in the USA are expected to fall relative to 2005, which was a record year. This shift in the geographical sales mix will contribute positively to Hardi's earnings in 2006.

Expectations are of continued improvements in production economy and an EBIT margin of 6 per cent.

For 2006 as a whole, Hardi expects revenue of approx. DKK 1,040 million and a profit before tax in the region of DKK 30 million. Hardi's cash flow is expected to improve significantly.

REVIEW FOR SKAMOL A/S

(Mio. DKK)	2005	2004
Revenue	201	206
Operating profit before depreciation and amortisation	16	27
Operating profit (EBIT)	(1)	6
Share of profit or loss in associates	4	8
Net financials	(5)	0
Profit before tax	(2)	14
Net profit for the year	(4)	11
Total assets	244	233
Long-term assets	136	141
Equity	82	91
Net liabilities	109	100
Cash flows from operating activities	(3)	25
Cash flows from investing activities	(7)	(11)
Available cash flow	(9)	14
Investments in long-term assets	13	14
Depreciation and amortisation	17	21
Profit margin (EBITDA)	8%	13%
Profit margin (EBIT)	Neg.	3%

Objectives and strategy
It is Skamol's objective to increase revenue 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, fireplaces and wood-burning stoves as well as within fire protection.

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 development and introduction of new products and the development of the markets for existing products are expected to generate considerable growth in the coming years.

Market development and sales
Skamol's revenue for 2005 was DKK 201 million, against DKK 206 million in 2004. With an unchanged USD settlement rate relative to 2004, revenue would have been approx. DKK 14 million higher.

Skamol's largest business area is the aluminium industry, which is undergoing structural growth at the moment. In 2005, aluminium consumption was up 6 per cent relative to the year before, and the prices of aluminium are now at the highest level for almost twenty years. Skamol's sales to the aluminium industry consist partly of supplies for ongoing maintenance and partly of supplies for the construction of new aluminium plants. Skamol's maintenance sales to the aluminium industry were up approx. 20 per cent in 2005 relative to the year before.

Outside China, very few new aluminium plants were constructed in 2005. However, a number of new facilities have been planned for construction in 2006 and the coming years. Skamol has secured a large share of the market for new construction projects through contracts already concluded and orders placed.

Improved levels of economic activity have boosted demand for insulation products for new facilities for the production of primarily steel and cement. Skamol enjoys a good position as a supplier of insulation materials for, in particular, the cement industry, and sales to this area saw a satisfactory increase in 2005. Power station construction, which is also an important segment for Skamol, has been at a low level. Sales for high-temperature applications outside the aluminium industry have generally seen a modest increase relative to the previous year.

The considerable increases in energy prices have resulted in an increase in sales of fireplaces and wood-burning stoves, which has boosted sales of Skamol's vermiculite products. After several years of declining sales, the market for night-storage heaters in Europe has stabilised.

The introduction of fire doors and panels is developing much slower than expected. This is, in particular, due to the delayed adoption of the common European norm which will make Skamol's fire doors based on calcium silicate extremely competitive. There is considerable opposition to the stricter requirements for fire doors. In appreciation of this, Skamol has initiated sales of fire doors based on calcium silicate in competition with doors which only live up to the current local fire protection standards.

Production and product development

Production at Skamol's three Danish factories was satisfactory in 2005.

Given the expected increase in sales to the aluminium industry in the coming years, the moler brick factory on the island of Fur in Denmark has been operating at full capacity. Production at the calcium silicate factory was record-high, and capacity is now fully utilised, which despite increasing energy costs has resulted in a decline in production costs by approx. 10 per cent.

The production facilities use considerable volumes of energy, and in 2005 increasing energy prices meant a decline in Skamol's earnings of DKK 4.5 million relative to 2004.

In 2005, Skamol's development department worked on the development of gunning material based on a mix of vermiculite and calcium silicate. The product is currently being tested, and production is expected to commence in 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 to reduce environmental impacts in the form of dust filtration systems and sludge treatment systems are integrated parts of production. The principle is that as many as possible of the defiltrated materials are used, while waste which cannot be used is deposited at controlled waste disposal sites, and in case of moler at the company's approved site.

Skamol no longer has to present environmental accounts, but continues to draw up environmental statements for internal use.

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 and cash flow

Figures in brackets are the figures for 2004.

Revenue declined in 2005 by 3 per cent to DKK 201 million. EBITDA was DKK 16 million (DKK 27 million) corresponding to 8 per cent (13 per cent) of revenue. Depreciation and amortisation amounted to DKK 17 million (DKK 21 million). EBIT was DKK -1 million (DKK 6 million). With an unchanged USD settlement rate relative to 2004, EBIT would have been approx. DKK 10 million higher.

Financial expenses amounted to DKK 5 million against financial income of DKK 0.4 million in 2004. The difference is solely attributable to income from forward exchange contracts in 2004.

The associate Damolin A/S returned satisfactory results in 2005, and Skamol's share before tax amounted to DKK 9 million (DKK 11 million). Another associate, NCM Core A/S, returned unsatisfactory results for its first year of operations, and Skamol's share of NCM Core A/S's loss before tax in 2005 was DKK -2 million (DKK 0 million). After tax, the associates returned a profit of DKK 4 million (DKK 8 million).

The profit before tax was DKK -2 million (DKK 14 million). The balance sheet total was up DKK 11 million at DKK 244 million (DKK 233 million). With a view to being able to meet the expected increase in demand in 2006 and the coming years, inventories were increased by DKK 14 million in 2005. The cash flow from operating activities in 2005 was DKK -3 million (DKK 25 million). After investments of DKK 13 million (DKK 13 million) and dividend from Damolin A/S of DKK 6 million (DKK 2 million), the available cash flow was DKK -9 million (DKK 14 million).

Outlook 2006

On January 1, 2006, Skamol increased its stake in NCM Core A/S to 70 per cent, so that in 2006, the company will form part of the Skamol group. At the same time, Skamol has assumed responsibility for sales of fire doors and panels. NCM Core A/S is expected to break even in 2006.

The construction of a number of new aluminium plants has been planned and commenced in 2006, and more such plants are planned for the coming years. This will mean increasing sales to the aluminium industry for Skamol from 2006.

The positive trend from 2005 in sales to other high-temperature industries, in particular the cement industry, is expected to continue in 2006.

Provided that energy prices remain the same, Skamol is expecting a considerable improvement in results for 2006 relative to 2005 and an EBIT margin of 5 per cent. At the same time, the associate Damolin A/S is expecting to return satisfactory results again for 2006.

For 2006 as a whole, Skamol expects revenue of approx. DKK 230 million and a profit before tax of approx. DKK 15 million. Skamol's available cash flow is expected to improve.

FINANCIAL CALENDAR FOR 2006

Annual report for 2005 (printed version)	April 11, 2006
Interim financial report for the first quarter of 2006	April 25, 2006
General meeting	April 25, 2006
Interim financial report for the first half of 2006	August 16, 2006
Interim financial report for the third quarter of 2006	November 8, 2006

INCOME STATEMENT 2005

DKK '000	Note	Group 2005	Group 2004	Parent 2005	Parent 2004
Revenue	1	**5,250,348**	5,303,673	**-**	-
Cost of sales	2	**3,615,775**	3,387,050	**-**	-
Gross margin		**1,634,573**	1,916,623	**-**	-
Other operating income	5	**21,533**	16,135	**1,569**	1,581
Sales and distribution costs	2	**686,743**	696,812	**-**	-
Administrative expenses	2 + 3	**316,181**	382,186	**16,138**	18,953
Research and development costs	2	**170,821**	164,762	**-**	-
Operating profit/loss		**482,361**	688,998	**(14,570)**	(17,372)
Share of profit/loss in subsidiaries	6	**-**	-	**150,000**	78,900
Share of profit/loss in associates after tax		**4,403**	7,800	**-**	-
Financial income	7	**152,872**	130,557	**6,010**	5,329
Financial expenses	7	**(263,895)**	(197,663)	**(1,883)**	(3,461)
Profit before tax		**375,740**	629,692	**139,557**	63,396
Tax on profit/loss for the year	8	**117,397**	196,345	**(3,117)**	(5,286)
Consolidated profit/loss		**258,344**	433,347	**142,674**	68,682

	Note	2005	2004
Appropriation of profits			
To the shareholders of Auriga Industries A/S		**249,856**	424,524
Minority interests		**8,488**	8,823
		258,344	433,347
Earnings per share			
Earnings per share	9	**10.15**	17.30
Diluted earnings per share	9	**10.13**	17.28

The Board of Directors recommends to the general meeting that dividend of DKK 4.00 per share (2004: DKK 4.00 per share) be paid for the year, corresponding to DKK 102 million.

BALANCE SHEET AS AT DECEMBER 31, 2005

ASSETS

DKK '000	Note	Group 2005	Group 2004	Parent 2005	Parent 2004
Non-current assets					
Intangible assets	10				
Goodwill		**410,822**	346,100	**-**	-
Sales and registration rights etc.		**100,638**	82,983	**-**	-
Know-how		**143,647**	167,363	**-**	-
Total intangible assets		**655,107**	596,446	**-**	-
Property, plant and equipment	11+12				
Land and buildings		**452,576**	458,825	**2,244**	2,480
Technical plant and machinery		**433,570**	499,755	**-**	-
Fixtures and fittings, tools and equipment		**53,869**	48,803	**288**	-
Plant under construction		**26,342**	27,322	**-**	-
Total property, plant and equipment		**966,357**	1,034,705	**2,532**	2,480
Financial assets					
Investments in subsidiaries	14	**-**	-	**1,298,462**	1,298,462
Investments in associates	13	**37,953**	39,038	**-**	-
Other financial assets	13	**6,829**	6,001	**-**	-
Deferred tax asset	19	**146,823**	121,303	**-**	-
Total financial assets		**191,605**	166,342	**1,298,462**	1,298,462
Total non-current assets		**1,813,069**	1,797,493	**1,300,994**	1,300,942
Current assets					
Inventories	15	**1,595,591**	1,383,216	**-**	-
Receivables	16				
Trade receivables		**1,802,408**	1,391,451	**-**	-
Receivables from subsidiaries		**-**	-	**130,000**	130,000
Income taxes receivable		**60,134**	2,856	**39,935**	-
Other receivables		**225,984**	232,007	**7,350**	5,923
Total receivables		**2,088,526**	1,626,314	**177,285**	135,923
Investments	17	**8,434**	7,937	**8,212**	7,716
Cash and cash equivalents		**359,167**	543,025	**504**	-
Total current assets		**4,051,718**	3,560,492	**186,001**	143,639
Total assets		**5,864,787**	5,357,985	**1,486,995**	1,444,581

BALANCE SHEET AS AT DECEMBER 31, 2005

LIABILITIES

		Group		Parent	
DKK '000	Note	2005	2004	2005	2004
Equity					
Share capital	18	**255,000**	255,000	**255,000**	255,000
Retained earnings		**2,103,661**	1,999,337	**995,595**	944,882
Accumulated currency translation adjustments		**82,125**	(18,622)	**-**	-
Proposed dividend for the financial year		**102,000**	102,000	**102,000**	102,000
Auriga's share of equity		**2,542,786**	2,337,715	**1,352,595**	1,301,882
Minority interests		**44,554**	32,487	**-**	-
Total equity		**2,587,340**	2,370,202	**1,352,595**	1,301,882
Long-term liabilities					
Mortgage debt	21	**112,215**	132,982	**1,472**	1,598
Employee bonds		**16,874**	15,743	**-**	-
Lease obligations		**5,372**	4,473	**-**	-
Credit institutions	21	**776,011**	756,136	**-**	-
Deferred tax	19	**74,295**	80,222	**-**	-
Retirement benefit obligations	20	**9,470**	11,593	**1,058**	1,076
Other provisions	20	**48,953**	60,265	**-**	-
Total long-term liabilities		**1,043,190**	1,061,414	**2,530**	2,674
Short-term liabilities					
Long-term debt falling due within one year	21	**173,289**	112,572	**136**	116
Credit institutions	21	**847,253**	672,386	**-**	320
Trade payables		**550,611**	605,165	**-**	-
Payables to subsidiaries		**-**	-	**129,170**	108,204
Payables to associates		**5**	49	**-**	-
Income taxes payable		**37,002**	101,750	**-**	28,061
Other payables		**590,596**	405,516	**2,372**	3,150
Other provisions	20	**17,772**	4,079	**192**	174
Profit-sharing for the financial year		**17,729**	24,852	**-**	-
Total current liabilities		**2,234,257**	1,926,369	**131,870**	140,025
Total long-term and short-term liabilities		**3,277,447**	2,987,783	**134,400**	142,699
Total liabilities		**5,864,787**	5,357,985	**1,486,995**	1,444,581

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

CASH FLOW STATEMENT 2005

		Group		Parent	
DKK '000	Note	2005	2004	2005	2004
Net profit/loss for the year		**258,344**	433,347	**(5,482)**	(10,009)
Depreciation, amortisation and impairment losses, assets		**242,024**	254,207	**344**	324
Other adjustments	24	**209,935**	293,094	**(8,954)**	11,393
Change in receivables		**(266,057)**	(316,500)	**(1,427)**	(18,272)
Change in inventories		**(96,385)**	(189,459)	**-**	1
Change in trade payables etc.		**33,747**	235,070	**(778)**	9,657
Cash flows from operating activities before net financials		**381,608**	709,759	**(16,297)**	(6,906)
Net financials		**(111,716)**	(78,352)	**4,126**	(1,401)
Cash flows from ordinary activities		**269,892**	631,407	**(12,171)**	(8,307)
Income taxes paid		**(251,624)**	(179,009)	**(28,129)**	25,508
Cash flows from operating activities		**18,268**	452,398	**(40,300)**	17,201
Acquisition of subsidiaries	25	**(111,589)**	-	**-**	-
Acquisition of intangible assets		**(47,682)**	(4,830)	**-**	1,803
Sale of intangible assets		**7,589**	16	**-**	-
Acquisition of property, plant and equipment		**(118,619)**	(111,732)	**(406)**	(54)
Sale of property, plant and equipment		**19,909**	4,673	**10**	2,100
Dividend received from associates		**6,237**	2,465	**-**	3,709
Change in minority interests		**9,005**	**-**	**-**	-
Cash flows from investing activities		**(235,150)**	(109,408)	**(396)**	7,558
Available cash flow		**(216,882)**	342,990	**(40,696)**	24,759
Repayment of long-term debt		**(91,514)**	273,210	**(106)**	(132,740)
Raising of long-term loan		**138,736**	164,208	**-**	-
Issue of employee bonds		**5,735**	3,129	**-**	-
Dividend paid		**(104,145)**	(63,604)	**51,429**	16,248
Sale of treasury shares		**6,486**	4,250	**6,486**	4,250
Cash flows from financing activities		**(44,702)**	165,227	**57,809**	(112,242)
Change in cash and cash equivalents		**(261,584)**	177,763	**17,113**	(87,483)
Cash and cash equivalents as at January 1	26	**(218,068)**	299,187	**29,192**	116,675
Cash and cash equivalents as at December 31	26	**(479,652)**	121,424	**46,305**	29,192

STATEMENT OF CHANGES IN EQUITY

Unless otherwise indicated, all figures are in DKK '000

Group

	Share capital	Retained earnings	Accumulated currency translation adjustments	Proposed dividend for the financial year	Total	Minority interests	Total
Equity as at December 31, 2004	**255,000**	**1,932,223**	**(92,695)**	**61,200**	**2,155,728**	**29,487**	**2,185,215**
Effect of changes to accounting policies	-	(110,923)	92,695	-	(18,228)	-	(18,228)
Adjusted equity as at January 1, 2004	**255,000**	**1,821,300**	**-**	**61,200**	**2,137,500**	**29,487**	**2,166,987**
Cash flow hedge					-		-
Value adjustment recognised in equity	-	11,927	-	-	11,927	-	11,927
Transferred to the income statement for the period	-	(227,366)	-	-	(227,366)	-	(227,366)
Share-based payments	-	212	-	-	212	-	212
Foreign currency translation adjustment for foreign activities	-	-	(18,622)	-	(18,622)	(701)	(19,323)
Other changes in equity	-	2,832	-	-	2,832	(461)	2,371
Tax on changes in equity	-	61,401	-	-	61,401	-	61,401
Net gains recognised directly in equity	**-**	**(150,994)**	**(18,622)**	**-**	**(169,616)**	**(1,162)**	**(170,778)**
Net profit for the year	-	322,524	-	102,000	424,524	8,823	433,347
Comprehensive income	**-**	**171,530**	**(18,622)**	**102,000**	**254,908**	**7,661**	**262,569**
Dividend paid in respect of 2003	-	-	-	(61,200)	(61,200)	(4,661)	(65,861)
Acquisition of treasury shares	-	4,250	-	-	4,250	-	4,250
Dividend, treasury shares	-	2,257	-	-	2,257	-	2,257
Total changes in equity in 2004	**-**	**178,037**	**(18,622)**	**40,800**	**200,215**	**3,000**	**203,215**
Equity as at December 31, 2004	**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)
Share-based payments	-	116	-	-	116	-	116
Foreign currency translation 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	**-**	**(53,447)**	**100,747**	**-**	**47,300**	**9,153**	**56,453**
Net profit/loss for the year	-	147,856	-	102,000	249,856	8,488	258,344
Comprehensive income	**-**	**94,409**	**100,747**	**102,000**	**297,156**	**17,641**	**314,797**
Dividend paid in respect of 2004	-	-	-	(102,000)	(102,000)	(5,574)	(107,574)
Acquisition of 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**

Parent

	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Accumulated currency translation adjustments	Proposed dividend for the financial year	Total	Minority interests	Total
Equity as at December 31, 2004	255,000	868,510	1,063,713	(92,695)	61,200	2,155,728	-	2,155,728
Effect of changes to accounting policies	-	(868,510)	(92,695)	92,695	-	(868,510)	-	(868,510)
Adjusted equity as at January 1, 2004	255,000	-	971,018	-	61,200	1,287,218	-	1,287,218
Tax on changes in equity	-	-	103	-	-	103	-	103
Net gains recognised directly in equity	-	-	103	-	-	103	-	103
Net profit for the year	-	-	(33,318)	-	102,000	68,682	-	68,682
Comprehensive income	-	-	(33,215)	-	102,000	68,785	-	68,785
Dividend paid in respect of 2003	-	-	-	-	(61,200)	(61,200)	-	(61,200)
Acquisition of treasury shares	-	-	4,822	-	-	4,822	-	4,822
Dividend, treasury shares	-	-	2,257	-	-	2,257	-	2,257
Equity as at December 31, 2004	255,000	-	944,882	-	102,000	1,301,882	-	1,301,882
Other changes in equity	-	-	(74)	-	-	(74)	-	(74)
Net gains recognised directly in equity	-	-	(74)	-	-	(74)	-	(74)
Net profit for the year	-	-	40,674	-	102,000	142,674	-	142,674
Comprehensive income	-	-	40,600	-	102,000	142,600	-	142,600
Dividend paid in respect of 2004	-	-	-	-	(102,000)	(102,000)	-	(102,000)
Acquisition of treasury shares	-	-	6,684	-	-	6,684	-	6,684
Dividend, treasury shares	-	-	3,429	-	-	3,429	-	3,429
Equity as at December 31, 2005	255,000	-	995,595	-	102,000	1,352,595	-	1,352,595

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

Note 1 - Segment information, group

Activities - primary segment

	Chemical industry		Agricultural machinery		Insulation materials		Group	
Areas of activity	2005	2004	2005	2004	2005	2004	2005	2004
Revenue	**4,016,517**	4,093,768	**1,032,926**	1,003,563	**200,905**	206,342	**5,250,348**	5,303,673
Operating profit/loss	**457,885**	645,677	**37,723**	54,302	**(1,412)**	6,011	**482,361**	688,998
Assets	**4,237,269**	3,829,157	**1,265,460**	1,198,071	**243,799**	232,785	**5,864,787**	5,357,985
Liabilities	**2,322,931**	2,078,887	**919,108**	862,814	**161,347**	141,586	**3,277,447**	2,987,783
Investments in intangible assets, property, plant and equipment	**122,527**	61,824	**30,159**	42,984	**13,209**	13,503	**166,301**	116,562
Depreciation and amortisation	**180,857**	184,435	**43,523**	41,414	**17,300**	19,092	**242,024**	245,265
Impairment losses and write-downs	**-**	7,143	**-**	-	**-**	1,799	**-**	8,942
Share of profit/loss in associates	**-**	-	**-**	-	**4,403**	7,800	**4,403**	7,800
Investments in associates	**-**	-	**-**	-	**6,237**	(3,215)	**6,237**	(3,215)

Revenue between the segments is immaterial.

Geographically - secondary segment

	NAFTA countries		Europe		Other		Group	
	2005	2004	2005	2004	2005	2004	2005	2004
Revenue	**1,281,296**	1,171,469	**1,998,464**	1,926,850	**1,970,588**	2,205,354	**5,250,348**	5,303,673
Assets	**658,717**	559,394	**3,616,548**	3,654,859	**1,589,522**	1,143,732	**5,864,787**	5,357,985
Investments in intangible assets, property, plant and equipment	**3,437**	1,578	**155,295**	106,323	**7,569**	8,661	**166,301**	116,562

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	
	2005	2004	2005	2004
Cost of goods sold for the year	**3,207,187**	2,960,464	**-**	-
Impairment losses for the year relating to inventories	**6,248**	3,484	**-**	-
Reversed impairment losses relating to inventories	**(766)**	-	**-**	-

Staff costs

Staff costs include the following main items:

	Group		Parent	
	2005	2004	2005	2004
Wages and salaries	**764,077**	752,190	**7,968**	8,187
Profit-sharing	**20,525**	25,732	**30**	-
Share-based payments	**116**	212	**-**	-
Retirement benefits	**41,425**	41,440	**358**	296
Remuneration for the Board of Directors	**2,375**	2,225	**2,375**	2,225
Social security expenses	**72,360**	58,810	**35**	35
Other staff costs	**12,694**	14,769	**-**	-
Total staff costs	**913,572**	895,378	**10,766**	10,743

Note 2 – Expenses (continued)

Staff costs are recognised as follows:				
Cost of sales	**512,945**	528,524	**-**	-
Sales and distribution costs	**188,471**	169,798	**-**	-
Administrative expenses	**115,332**	110,719	**10,766**	10,743
Research and development costs	**96,825**	86,337	**-**	-
Total staff costs	**913,572**	895,378	**10,766**	10,743

Remuneration for the Board of Executives of Auriga Industries A/S for 2005 totals 8.555 million (DKK 8.284 million in 2004). Moreover, cf. the description in Note 3, a provision of DKK 4.940 million (DKK 1.371 million in 2004) has been made for bonus payments relating to 2004 and 2005. To this should be added the acquisition of shares in the company via share options with a favourable-price element of DKK 4.492 million (DKK 0.914 million in 2004).

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 2004) in the parent company and 2,933 (3,000 in 2004) in the group.

Depreciation and amortisation

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

	Group		**Parent**	
	2005	2004	2005	2004
Cost of sales	**174,192**	188,629	**-**	-
Sales and distribution costs	**46,296**	47,166	**-**	-
Administrative expenses	**12,521**	9,791	**344**	324
Research and development costs	**9,015**	8,621	**-**	-
Total depreciation, amortisation and impairment losses	**242,024**	254,207	**344**	324

Note 3 - Incentive schemes

With a view to strengthening the creation of value in the group, a total of five incentive schemes were offered in the period 1999-2005. A share option scheme for management and a number of senior employees was established in 1999. From the outset, the scheme comprised 486,000 share options of DKK 10 each. The options could be exercised with a third in each of the periods July 1, 2002 - June 30, 2005, July 1, 2003 - June 30, 2005 and July 1, 2004 - June 30, 2005. The exercise price per share was 105 with the addition of an annual return on investment element of 10 per cent calculated from October 20, 1999.

In both 2002 and 2003, Auriga's Board of Executives was granted a total of 285,000 share options of DKK 10 each. Options granted in 2002 could be exercised with a third in each of the periods March 1, 2003 - June 30, 2003, March 1, 2004 - June 30, 2004 and March 1, 2005 - June 30, 2005. The exercise price per share was 76 with the addition of an annual return on investment element of 10 per cent calculated from March 11, 2002.

Options granted in 2003 can 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.

In 2004 and 2005 agreements concerning a bonus scheme were concluded with the Board of Executives of Auriga, 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 is paid out at the end of April 2006, while the bonus for the 2005 scheme is paid out at the end of April 2007. The bonus agreements are debt schemes.

The table below gives an overview of the share option schemes as at December 31, 2005:

	Group Executive Board	**Senior employees**	**Options total**	**Agreed price**	**Share price upon exercise**
Granted in 1999					
Exercisable July 1, 2002 - June 30, 2005	90,000	72,000	162,000	180.67	
Exercisable July 1, 2003 - June 30, 2005	90,000	72,000	162,000	180.67	
Exercisable July 1, 2004 - June 30, 2005	90,000	72,000	162,000	180.67	
Reduction in 2003 1)	(36,000)	-	(36,000)		
Reclassification 2)	54,000	(54,000)	-		
Expired in 2005	(288,000)	(162,000)	(450,000)		
Total for 1999	**-**	**-**	**-**		
Granted in 2002					
Exercisable March 1, 2003 - June 30, 2003	95,000	-	95,000	86.05	
Exercisable March 1, 2004 - June 30, 2004	95,000	-	95,000	94.65	
Exercisable March 1, 2005 - June 30, 2005	95,000	-	95,000	104.12	
Expired in 2003	(95,000)	-	(95,000)		
Reduction in 2003 1)	(30,000)	-	(30,000)		
Expired in 2004	(80,000)	-	(80,000)		
Exercised in 2005	(80,000)	-	(80,000)	101.22	133.66
Total for 2002	**-**	**-**	**-**		

Note 3 - Incentive schemes (continued)

Granted in 2003					
Exercisable March 1, 2004 - June 30, 2004	95,000	-	95,000	54.35	
Exercisable March 1, 2005 - June 30, 2005	95,000	-	95,000	59.78	
Exercisable March 1, 2006 - June 30, 2006	95,000	-	95,000	65.76	
Reduction in 2003 1)	(45,000)	-	(45,000)		
Exercised in 2004	(80,000)	-	(80,000)	53.12	64.55
Exercised in 2005	(80,000)	-	(80,000)	58.12	133.66
Total for 2003	**80,000**	**-**	**80,000**		
Outstanding as at December 31, 2005	**80,000**	**-**	**80,000**		

1) Repurchased from resigned director

2) Senior employee appointed to Group Executive Board

The theoretical market value of the options calculated as at December 31, 2005 is DKK 9.818 million based on the Black-Scholes option valuation model. The calculation is based on a forward price of 190.12, a 3-year historical volatility of 29 per cent, a dividend of DKK 4.00 per share, a term of 6 months and a risk-free interest rate of 2.68 per cent.

Pursuant to the exemption in IFRS 1 and IFRS 2, share options granted prior to November 7, 2002 are not recognised in the income statement.

Note 4 - Remuneration of auditors elected by the general meeting

	Group		**Parent**	
	2005	2004	2005	2004
Deloitte, audit of annual report	**4,740**	-	**303**	-
Deloitte, other services	**459**	-	**239**	-
PricewaterhouseCoopers, audit of annual report	**53**	4,154	**-**	230
PricewaterhouseCoopers, other services	**182**	1,829	**-**	537
KPMG, audit of annual report	**95**	929	**-**	230
KPMG, other services	**692**	317	**-**	-
Other audit firms, audit of annual report	**462**	742	**-**	-
Other audit firms, other services	**249**	423	**-**	-
Total	**6,932**	8,394	**542**	997

Note 5 - Other operating income

	Group		**Parent**	
	2005	2004	2005	2004
Development activities	**3,748**	4,367	**-**	-
Proceeds on disposal of fixed assets etc.	**4,786**	1,446	**11**	-
Other income	**12,999**	10,322	**1,558**	1,581
Total	**21,533**	16,135	**1,569**	1,581

Note 6 - Share of profit/loss in subsidiaries

	Parent	
	2005	2004
Dividend from subsidiaries	**150,000**	78,900
Total	**150,000**	78,900

Note 7 - Net financials

	Group		Parent	
	2005	2004	2005	2004
Interest receivable and similar income				
Interest receivable from subsidiaries	**-**	-	**3,423**	2,546
Interest receivable	**89,018**	60,587	**1,474**	9
Dividend	**96**	363	**88**	363
Currency translation adjustments	**60,029**	61,883	**-**	-
Adjustment to fair value, financial assets	**3,729**	7,724	**1,025**	2,411
Total	**152,872**	130,557	**6,010**	5,329
Interest payable and similar expenses				
Interest payable to subsidiaries	**-**	-	**(1,760)**	(2,604)
Interest payable	**(146,920)**	(103,216)	**(123)**	(857)
Currency translation adjustments	**(116,353)**	(94,447)	**-**	-
Adjustment to fair value, financial assets	**(622)**	-	**-**	-
Total	**(263,895)**	(197,663)	**(1,883)**	(3,461)
Total net financials	**(111,023)**	(67,106)	**4,127**	1,868

Note 8 - Tax

	Group		Parent	
	2005	2004	2005	2004
Tax for the year can be distributed as follows:				
Tax on profit/loss for the year	**117,397**	196,345	**(3,117)**	(5,286)
Tax on changes in equity	**(20,704)**	(61,401)	**-**	(103)
Tax for the year	**96,693**	134,944	**(3,117)**	(5,389)
Tax on profit/loss for the year is calculated as follows:				
Current tax	**133,148**	320,870	**(3,185)**	(5,286)
Effect of changed tax rate	**(4,568)**	-	-	-
Deferred tax	**(11,828)**	(128,782)	**-**	-
Adjustment of tax for previous years	**645**	4,257	**68**	-
Total	**117,397**	196,345	**(3,117)**	(5,286)
Reconciliation of tax rate				
Danish income tax rate	**28.0%**	30.0%	**28.0%**	30.0%
Adjustment relating to previous years	**-1.5%**	-1.8%	**0.0%**	0.0%
Surtax in associates	**1.0%**	0.6%	**0.0%**	0.0%
Surtax in subsidiaries	**1.5%**	3.0%	**0.0%**	0.0%
Other adjustments	**2.1%**	-0.6%	**1.8%**	4.1%
Effective tax rate	**31.0%**	31.2%	**29.8%**	34.1%

Note 9 - Earnings per share

	Group	
	2005	2004
Net profit for the year	**258,344**	433,347
Minority interests' share of consolidated profit/loss	**8,488**	8,823
Auriga Industries' share of profit/loss for the year	**249,856**	424,524
Average no. of shares of DKK 10 each	**25,500,000**	25,500,000
Average no. of treasury shares	**878,080**	960,480
Average no. of shares	**24,621,920**	24,539,520
Average dilution from outstanding share options	**47,252**	28,387
Diluted average no. of shares	**24,669,172**	24,567,907
Earnings per share of DKK 10	**10.15**	17.30
Diluted earnings per share of DKK 10	**10.13**	17.28

Note 10 - Intangible assets, group

	Sales and re-gistration rights etc.	Know-how	Goodwill	Intangible fixed assets total
Cost price as at January 1, 2004	135,666	198,446	735,187	1,069,299
Currency translation adjustment	1,842	(73)	1,386	3,155
Additions during the year	3,234	41,465	3,289	47,988
Disposals during the year	(16)	(3,116)	-	(3,132)
Cost price as at December 31, 2004	140,726	236,722	739,862	1,117,310
Amortisation and impairment losses as at January 1, 2004	40,910	37,338	390,629	468,877
Currency translation adjustment	(146)	(20)	1,624	1,458
Reversed amortisation and impairment of disposals for the year	(25)	(3,116)	-	(3,141)
Amortisation for the year	17,004	35,157	-	52,161
Impairment for the year	-	-	1,509	1,509
Amortisation and impairment losses as at December 31, 2004	57,743	69,359	393,762	520,864
Carrying amount as at December 31, 2004	82,983	167,363	346,100	596,446
Cost price as at January 1, 2005	140,726	236,722	739,862	1,117,310
Currency translation 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
Currency translation 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
Amortised over the following number of years	5 years	5-10 years		

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, 2005. 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.

Future cash flows are based on the budget for 2006 and strategy plans for the years 2007-2010 as well as assumptions concerning growth after this period. The budget and the 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, 2004	895,208	2,544,603	334,538	43,396	3,817,745
Currency translation adjustment	(3,662)	(6,674)	(3,120)	(149)	(13,605)
Transfer	8,142	48,944	6,167	(63,253)	-
Additions during the year	7,862	37,290	17,330	47,449	109,931
Disposals during the year	(42,239)	(14,502)	(47,546)	(121)	(104,408)
Cost price as at December 31, 2004	865,311	2,609,661	307,369	27,322	3,809,663
Depreciation and impairment losses as at January 1, 2004	418,575	1,967,658	283,849	-	2,670,082
Currency translation adjustment	(1,038)	(3,735)	(2,586)	-	(7,359)
Depreciation for the year	27,191	151,226	22,107	-	200,524
Impairment for the year	-	7,143	-	-	7,143
Reversed depreciation and impairment of disposals for the year	(38,242)	(12,386)	(44,804)	-	(95,432)
Depreciation and impairment losses as at December 31, 2004	406,486	2,109,906	258,566	-	2,774,958
Carrying amount as at December 31, 2004	458,825	499,755	48,803	27,322	1,034,705
Of which finance leases	-	413	4,315	-	4,728
Cost price as at January 1, 2005	865,311	2,609,661	307,369	27,322	3,809,663
Currency translation 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 December 31, 2005	406,486	2,109,906	258,566	-	2,774,958
Currency translation 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	-	-	5,000	-	5,000
Depreciated over the following periods	15-30 years	8 years	5 years		

The carrying amount of the group's foreign land and buildings as at December 31, 2005 was DKK 88.573 million, while the carrying amount of the group's land and buildings in Denmark was DKK 340.981 million. The official property assessment value of land and buildings in Denmark was 325.591 million.

The carrying amount of Danish land and buildings not yet included in the official property assessment was DKK 35.440 million.

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, 2004	4,087	441	4,528
Cost price as at December 31, 2004	4,087	441	4,528
Depreciation and impairment losses as at January 1, 2004	1,371	353	1,724
Additions during the year	236	88	324
Depreciation and impairment losses as at December 31, 2004	1,607	441	2,048
Carrying amount as at December 31, 2004	2,480	-	2,480
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 December 31, 2005	1,607	441	2,048
Depreciation for 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
Depreciated over the following periods	30 years	5 years	

The official property assessment value of land and buildings for the parent company was 4.270 million.

Note 13 - Financial assets

	Group		
	Investments in associates	Other fixed asset investments	Fixed asset invest-ments total
Cost price as at January 1, 2004	14,817	994	15,811
Currency translation adjustment	-	(24)	(24)
Additions during the year	680	5,056	5,736
Disposals during the year	-	(25)	(25)
Cost price as at December 31, 2004	15,497	6,001	21,498
Depreciation and impairment losses as at January 1, 2004	18,373	-	18,373
Dividend paid	(2,549)	-	(2,549)
Currency translation adjustment	-	-	-
Profit/loss for the year after tax	7,717	-	7,717
Depreciation and impairment losses as at December 31, 2004	23,541	-	23,541
Carrying amount as at December 31, 2004	39,038	6,001	45,039
Cost price as at January 1, 2005	15,497	6,001	21,498
Currency translation 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
Depreciation and impairment losses as at December 31, 2005	23,541	-	23,541
Dividend paid	(6,162)	-	(6,162)
Currency translation adjustment	(76)	-	(76)
Profit/loss for the year after tax	5,153	-	5,153
Depreciation and impairment losses as at December 31, 2005	22,456	-	22,456
Carrying amount as at December 31, 2005	37,953	6,829	44,782

Note 13 - Financial assets (continued)

Associates and joint-venture enterprises in the group are:	Equity investment in %	
	2005	2004
United Moler ApS, Nykøbing Mors, Denmark	50%	50%
Damolin A/S, Copenhagen, Denmark	49%	49%
NCM Core A/S, Ålborg, Denmark	40%	40%
Pytech Chemicals GmbH, Horgen, Switzerland (pro rata consolidated)	50%	50%

Selected financial ratios for the group's associates and joint-venture enterprises:		
	2005	2004
Revenue	384,533	364,925
Net profit/loss for the year	(19,445)	(21,909)
Assets	365,612	318,655
Liabilities	522,346	441,912

Note 14 - Investments in subsidiaries

	Parent	
	2005	2004
Cost price as at January 1	1,298,462	1,298,462
Cost price as at December 31	1,298,462	1,298,462
Carrying amount as at December 31	1,298,462	1,298,462

The parent's investments in subsidiaries comprise:	Equity investment %	
	2005	2004
Cheminova A/S, Harboøre, Denmark	100%	100%
Hardi International A/S, Taastrup, Denmark	100%	100%
Skamol A/S, Nykøbing Mors, Denmark	100%	100%

Note 15 - Inventories

	Group	
	2005	2004
Finished goods	**1,245,562**	1,045,700
Work in progress	**75,232**	64,790
Raw materials	**187,317**	178,307
Packaging materials	**44,225**	46,333
Auxiliary products	**6,155**	7,186
Spare parts etc.	**37,100**	40,900
Total	**1,595,591**	1,383,216

Note 16 - Receivables falling due after more than one year

	Group	
	2005	2004
Trade receivables falling due after more than one year	**1,623**	4,711
Receivables in respect of Pytech Chemicals GmbH falling due after more than one year	**71,124**	65,069
Other receivables falling due after more than one year	**26,786**	10,876
Total	**99,533**	80,656

Note 17 - Securities

	Group		Parent	
	2005	2004	2005	2004
Listed shares	**7,699**	6,674	**7,699**	6,674
Unlisted securities	**735**	1,263	**513**	1,042
Total	**8,434**	7,937	**8,212**	7,716

Note 18 - Share capital

	Group		Parent	
	2005	2004	2005	2004
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

Treasury shares

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

	No.		Nominal value, DKK '000		% of share capital in Auriga Industries A/S	
	2005	2004	2005	2004	2005	2004
Shareholding as at January 1	**940,480**	1,020,480	**9,405**	10,205	**3.69%**	4.00%
Purchases	**-**	-	**-**	**-**	**0.00%**	0.00%
Sales	**(83,200)**	(80,000)	**(832)**	(800)	**-0.33%**	-0.31%
Shareholding as at December 31	**857,280**	940,480	**8,573**	9,405	**3.36%**	3.69%

The value of treasury shares as at December 31, 2005 was DKK 164.229 million. The sales price for the treasury shares sold in the year was DKK 6.486 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:

	No.		Nominal value, DKK '000		% of share capital in Auriga Industries A/S	
	2005	2004	2005	2004	2005	2004
Shareholding as at January 1	**-**	-	**-**	-	**0,00%**	0,00%
Purchases	**44,400**	50,000	**444**	500	**0.17%**	0.20%
Sales	**(44,400)**	(50,000)	**(444)**	(500)	**(0.17%)**	(0.20%)
Shareholding as at December 31	**-**	**-**	**-**	**-**	**-**	**-**

The cost in the year totals DKK 5.887 million, and the selling price totals DKK 5.917 million. Share purchases and sales have taken place as part of the profit-sharing scheme for employees.

Note 19 - Deferred tax

	Group		Parent	
	2005	2004	2005	2004
Deferred tax as at January 1	**41,081**	(71,374)	-	-
Currency translation adjustment	**18,192**	(16,993)	-	-
Deferred tax for the year recognised in profit/loss for the year	**17,371**	128,368	-	-
Deferred tax for the year recognised in equity	**(3,630)**	1,080	-	-
Additions relating to acquisitions of subsidiaries	**(486)**	-	-	-
Deferred tax as at December 31	**72,528**	41,081	-	-
Deferred tax is recognised in the balance sheet as follows				
Deferred tax (asset)	**146,823**	121,303	-	-
Deferred tax (liability)	**(74,295)**	(80,222)	-	-
Deferred tax as at December 31, net	**72,528**	41,081	-	-
Deferred tax pertains to:				
Intangible assets	**(43,157)**	(49,331)	-	-
Property, plant and equipment	**(34,590)**	(45,682)	-	-
Current assets	**58,959**	67,369	-	-
Provisions	**1,118**	1,655	-	-
Other liabilities	**23,538**	26,991	-	-
Tax losses allowed for carryforward	**66,660**	40,079	-	-
Total deferred tax	**72,528**	41,081	-	-

Note 19 - Deferred tax (continued)

Change in temporary differences during the year

2005	Group					
	Balance sheet as at January 1	Currency translation adjustment	Addition relating to acquisition 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
Share-based payments	-	-	-	-	-	-
Tax losses	40,079	8,615	-	17,220	746	66,660
Total	41,081	18,192	(486)	17,370	(3,630)	72,528

2004	Group					
	Balance sheet as at January 1	Currency translation adjustment	Addition relating to acquisition of enterprise	Recognised in the profit/loss for the year	Recognised in equity	Balance sheet as at December 31
Intangible assets	(60,612)	(120)	-	11,401	-	(49,331)
Property, plant and equipment	(113,295)	390	-	67,222	-	(45,682)
Receivables	27,772	(6,428)	-	24,034	-	45,378
Inventories	(5,647)	(964)	-	30,778	-	24,168
Other current assets	(321)	-	-	(947)	(908)	(2,176)
Provisions	4,152	-	-	(2,497)	-	1,655
Other liabilities	20,260	(400)	-	7,132	-	26,991
Share-based payments	-	-	-	-	-	-
Tax losses	56,368	(9,471)	-	(6,818)	-	40,079
Total	(71,322)	(16,993)	-	130,305	(908)	41,081

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 13.945 million. The group's non-capitalised tax loss amounts to DKK 16 million.

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

Note 20 - Provisions

	Group		Parent	
	2005	2004	2005	2004
Retirement benefit obligations and other provisions comprise:				
Provision for retirement benefits, beginning of year	**11,767**	11,606	**1,250**	1,250
Reversed provisions during the year	**(2,638)**	-	**-**	-
Provisions for the year	**533**	161	**-**	-
Provision for retirement benefits, end of year	**9,662**	11,767	**1,250**	1,250
Warranty commitments, beginning of year	**17,577**	14,008	**-**	-
Change in warranty provisions during the year, net	**1,918**	3,569	**-**	-
Warranty commitments, end of year	**19,495**	17,577	**-**	-
Other provisions, beginning of year	**46,593**	35,774	**-**	-
Used during the year	**(108)**	-	**-**	-
Reversed provisions during the year	**(11,643)**	-	**-**	-
Provisions for the year	**12,196**	10,819	**-**	-
Other provisions, end of year	**47,038**	46,593	**-**	-
Retirement benefit obligations and other provisions, end of year	**76,195**	75,937	**1,250**	1,250

Note 20 – Provisions (continued)

Expected date of maturity for provisions:				
0-1 year	**17,772**	4,079	**192**	174
1-5 years	**28,704**	42,497	**769**	696
After 5 years	**29,719**	29,361	**289**	380
Retirement benefit obligations and other provisions, end of year	**76,195**	75,937	**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. The figure represents the present value of the obligations.

Note 21 - Mortgage debt and payables to credit institutions

	Group		Parent	
	2005	2004	2005	2004
Mortgage debt and payables to credit institutions are recognised in the balance sheet as follows:				
Long-term liabilities	**888,226**	889,118	**1,472**	1,598
Short-term liabilities	**1,020,542**	784,958	**136**	436
Total	**1,908,768**	1,674,076	**1,608**	2,034
Fair value	**1,946,766**	1,654,927	**1,608**	2,034
Nominal value	**1,908,768**	1,674,076	**1,608**	2,034

Note 22 - Finance leases

	Group		Parent	
	2005	2004	2005	2004
Minimum lease payments:				
Due after 5 years	**1,055**	600	**-**	-
Due between 1 and 5 years	**4,896**	4,440	**-**	-
Due within 1 year	**2,231**	1,751	**-**	-
Total minimum lease payments	**8,182**	6,791	**-**	-
Of which interest	**807**	872	**-**	-
Current value of minimum lease payments	**7,375**	5,919	**-**	**-**

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, 2005

Foreign currency	Securities, cash and cash equivalents	Receivables	Payables	Hedged by means of financial contracts	Net position
	(DKK '000)	(DKK '000)	(DKK '000)	(DKK '000)	(DKK '000)
USD	45,518	270,426	(219,507)	(253,501)	**(157,063)**
EUR	87,320	402,720	(423,451)	-	**66,590**
AUD	2,417	76,228	(69,800)	(28,473)	**(19,627)**
CAD	17,453	47,056	(39,083)	(44,327)	**(18,901)**
GBP	9,171	31,972	(38,320)	(1,708)	**1,114**
Other	184,272	1,017,979	(415,590)	-	**786,660**
	346,151	**1,846,381**	**(1,205,751)**	**(328,009)**	**658,772**

December 31, 2004

Foreign currency	Securities, cash and cash equivalents	Receivables	Payables	Hedged by means of financial contracts	Net position
	(DKK '000)	(DKK '000)	(DKK '000)	(DKK '000)	(DKK '000)
USD	54,857	138,141	(149,297)	(107,960)	**(64,259)**
EUR	109,872	359,957	(360,068)	-	**109,761**
AUD	1,487	59,228	(54,938)	(19,338)	**(13,562)**
CAD	28,300	28,105	(31,213)	(31,911)	**(6,719)**
GBP	(4,562)	5,112	(738)	(1,442)	**(1,631)**
Other	65,009	900,974	(513,977)	-	**452,006**
	254,963	**1,491,516**	**(1,110,232)**	**(160,651)**	**475,595**

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:

	2005				2004			
	Notional amount	Gains/ losses recognised in equity	Fair value	Time to maturity	Notional amount	Gains/ losses recognised in equity	Fair value	Time to maturity
	(DKK '000)	(DKK '000)	(DKK '000)		(DKK '000)	(DKK '000)	(DKK '000)	
USD	1,044,284	(19,570)	(23,168)	< 1 yr	737,100	45,036	46,008	< 1 yr
AUD	-	-	-	< 1 yr	27,859	534	(165)	< 1 yr
CAD	75,690	(2,900)	(3,057)	< 1 yr	102,259	5,332	5,079	< 1 yr
GBP	2,510	(16)	(77)	< 1 yr	10,520	738	610	< 1 yr
	1,122,484	**(22,485)**	**(26,302)**		**877,738**	**51,640**	**51,532**	

Included in equity as at December 31, 2005 are unrealised net gains/losses relating to currency hedging agreement for subsequent recognition in the income statement totalling DKK -22.485 million (2004: DKK 51.640 million). Recognition is expected to take place in 2006.

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 2005 (DKKm)

Revenue	USD	EUR	DKK	AUD	CAD	GBP	Other	Total
Cheminova A/S	1,219	1,102	223	17	135	123	1,216	4,035
	30%	27%	6%	1%	3%	3%	30%	100%
Hardi International A/S	180	423	182	147	27	43	34	1,037
	17%	41%	18%	14%	3%	4%	3%	100%
Skamol A/S	38	83	54	8	8	9	1	201
	19%	41%	27%	4%	4%	4%	1%	100%
Group total	1,438	1,608	458	171	171	175	1,251	5,272
	27%	31%	9%	3%	3%	3%	24%	100%

Costs	USD	EUR	DKK	AUD	CAD	GBP	Other	Total
Cheminova A/S	752 *	1,143	808	8	21	146	518	3,396
	22%	34%	24%	0%	1%	4%	15%	100%
Hardi International A/S	156	348	279	104	23	27	19	956
	16%	37%	29%	11%	2%	3%	2%	100%
Skamol A/S	20	28	127	-	6	0	4	185
	11%	15%	69%	0%	3%	0%	2%	100%
Group total	929	1,519	1,224	111	50	173	542	4,547
	20%	33%	27%	3%	1%	4%	12%	100%

* Costs in USD include Cheminova Brazil's and Cheminova Agro Mexico's external purchases in USD totalling DKK 223 million.

Interest rate risks

Interest rate risks as at December 31, 2005 (DKKm)

	< 1 year	1-5 years	> 5 years	Total	Interest
Securities	8	-	-	8	-
Cash and cash equivalents	359	-	-	359	-
Interest-bearing assets	367	-	-	367	2.67
Mortgage debt	25	106	6	137	3.86
Other long-term debt	167	594	204	965	4.39
Bank debt	841	-	-	841	12.60
Interest-bearing debt	1,033	700	210	1,943	7.91

Interest-bearing debt consists of 50 per cent fixed-interest debt and 50 per cent variable-interest debt.
Mortgage debt and other long-term debt consist of 82 per cent fixed-interest debt over a 3-4-year period while the remaining 18 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-five per cent of the interest-bearing debt is in DKK, while 55 per cent is in foreign currencies, primarily USD, EUR and BRL.

Note 24 - Other adjustments

	Group		Parent	
	2005	2004	2005	2004
Share of profit/loss in associates	**(6,900)**	(11,107)	**-**	-
Reserve for profit-sharing	**-**	23,876	**-**	-
Net financials	**111,024**	67,106	**(4,127)**	(1,868)
Tax on profit/loss for the year	**119,096**	196,346	**(3,117)**	(5,286)
Adjustment of provisions	**8,717**	-	**-**	-
Currency translation adjustment of subsidiaries etc.	**(42,314)**	(651)	**-**	-
Other	**20,312**	17,524	**134**	18,547
Total adjustments	**209,935**	293,094	**(7,110)**	11,393

Note 25 - Acquisitions of subsidiaries

	Group		Parent	
	2005	2004	2005	2004
Property, plant and equipment	**4,405**	-	**-**	-
Inventories	**29,712**	-	**-**	-
Receivables	**35,582**	-	**-**	-
Cash and cash equivalents	**4,668**	-	**-**	-
Credit institutions	**(26,481)**	-	**-**	-
Deferred tax	**(486)**	-	**-**	-
Trade payables	**(15,164)**	-	**-**	-
Other payables	**(5,618)**	-	**-**	-
Contingent liabilities	**(3,789)**	-	**-**	-
Net assets acquired	**22,829**	-	**-**	-
Consolidated goodwill	**66,946**	-	**-**	-
Acquisition cost	**89,775**	-	**-**	-
Of which cash less short-term bank debt	**21,814**	-	**-**	-
Cash acquisition cost	**111,589**	-	**-**	-

Acquisitions of companies in 2005 concern the purchase of 100 per cent of the shares in Verdi-Crop Ltd., UK as at October 31, 2005, 51 per cent of the shares in Ospray PTY LTD, Australia as at November 30, 2005 and 51 per cent of the shares in CropTech S.A., Columbia as at December 31, 2005. Specific assessments have been made of the pre-acquisition balance sheets, which have not given rise to significant fair value adjustments of the assets and liabilities taken over.

Note 26 - Cash and cash equivalents

	Group		Parent	
	2005	2004	2005	2004
Cash and cash equivalents as at January 1 include:				
Beginning of year	**(121,424)**	(298,750)	**29,192**	116,675
Currency translation adjustment	**(96,644)**	(437)	**-**	-
Cash and cash equivalents as at January 1	**(218,068)**	(299,187)	**29,192**	116,675
Cash and cash equivalents as at December 31 include:				
Securities	**8,434**	7,937	**8,212**	7,716
Cash and cash equivalents	**359,167**	543,025	**38,093**	21,796
Bank debt	**(847,253)**	(672,386)	**-**	(320)
Cash and cash equivalents as at December 31	**(479,652)**	(121,424)	**46,305**	29,192

As at December 31, 2005 the group had unused drawing rights of DKK 710 million.

Note 27 - Security provided

	Group		Parent	
DKKm	2005	2004	2005	2004
Outstanding debt on loan with security provided in property, plant and equipment	**528**	615	**2**	2
Carrying amount of charged property, plant and equipment	**294**	289	**2**	2
Lease obligation in respect of finance leases	**7**	6	**-**	-
Carrying amount of assets held under finance leases	**5**	5	**-**	-
Recourse guarantee for subsidiaries, max.	**-**	-	**76**	66

The parent is liable for tax on the jointly taxed income for the Danish group companies. The individual companies in the group are liable only for their own share of the jointly taxed income, cf. the new rules governing joint taxation adopted for financial years after December 15, 2004.

Note 28 - Contingent liabilities

In connection with the use of Fyfanon® by the New York authorities in 1999 to eradicate mosquitoes carrying the deadly West Nile virus, a claim has been set up against the company. 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

	Group		Parent	
DKKm	2005	2004	2005	2004
The group has entered into forward and option contracts for the purchase and sale of various currencies at the equivalent value of	**1,452**	995	**-**	-
For the purpose of hedging interest rate risks, the group has entered into an interest rate swap covering the interest rate risk attaching to a variable-interest loan of	**200**	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**	15	**-**	-
The group has undertaken to buy minority shareholdings in the period from 2007 to 2011, the expected cost being	**107**	17	**-**	-

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

Note 30 - Operating leases

	Group		Parent	
	2005	2004	2005	2004
Non-cancellable operating leases				
0-1 year	**4,149**	20,298	**-**	-
1-5 years	**6,826**	5,577	**-**	-
> 5 years	**-**	11	**-**	-
Total	**10,975**	25,886	**-**	-

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 associate 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:
  Purchases of goods and administrative services DKK 0.760 million
  Sales of goods and administrative services DKK 2.001 million
No other transactions have been carried out nor any agreements made with related parties in 2005.
The parent's transactions with subsidiaries are as follows:
  Management fee DKK 1.4 million.
  Interest income DKK 3.423 million
  Interest expenditure DKK 1.760 million

Note 32 – Effect of changes to accounting policies following transition to IFRS

As mentioned in the accounting policies, the annual report for Auriga Industries A/S is presented in compliance with the International Financial Reporting Standards (IFRS) as from the current financial year. The transition to presenting the financial statements in compliance with IFRS means that the IFRSs applicable as at the balance sheet date of the transition year must be applied with retrospective effect to the first financial statements presented in the annual report for the transition year.

The most recent annual report for Auriga Industries A/S for 2004 was presented in accordance with the Danish Financial Statements Act (*Årsregnskabsloven*) and other requirements laid down for Danish listed companies. In connection with the transition to presenting the financial accounts for the current year in compliance with IFRS, an opening balance as at January 1, 2004 has, in accordance with IFRS 1, been prepared in accordance with the IFRSs applicable for the financial year commencing on January 1, 2005 or later, cf. the description of the accounting policies, with the exception of the special transitional provisions and provisions on first-time adoption described below.

Financial instruments

The provisions of IAS 32 and IAS 39 concerning the disclosure and presentation and the recognition and measurement of financial instruments, respectively, have only been applied from January 1, 2005 in accordance with the provisions on first-time adoption contained in these standards. The comparative figures for 2004 and previous years have not been restated in accordance with the changed accounting policies.

Share-based payments
In pursuance of the transitional provisions of IFRS 1 and IFRS 2, the provisions in IFRS 2, Share-based payments, have not been applied to equity-settled share options granted prior to November 7, 2002 or to equity-settled share options granted after November 7, 2002 which had been vested as at January 1, 2005. Comparative figures for 2004 and previous years have been restated solely for the schemes comprised by IFRS 2 from January 1, 2005, i.e. equity-settled share options granted after November 7, 2002 which are fully vested by January 1, 2005 and cash-settled share options in force on January 1, 2005.

Currency translation adjustment of foreign enterprises
When translating independent foreign entities, currency translation adjustments in accordance with IAS 21, *The Effects of Changes in Foreign Exchange Rates*, shall be recognised as a separate item directly in equity. When a foreign entity is disposed of, the cumulative amount of the exchange differences must be recognised in the income statement. In accordance with the provisions on first-time adoption in IFRS 1, the currency translation adjustments were reset to zero as at January 1, 2004. Future exchange differences will be recognised as a separate component of equity in accordance with IAS 21. If a foreign entity is disposed of, only the exchange differences recognised as a separate component of equity after January 1, 2004 will be recognised in the income statement.

Key figures and ratios
Comparative figures in the key figures and financial ratios table for 2001-2003 have not been restated in accordance with the changed accounting policies. The corrections which would be necessary to restate the comparative key figures and ratios for the years 2001-2003 in accordance with IFRS correspond to the corrections made to the opening balance sheet as at January 1, 2004, cf. below.

Reclassifications
In addition to changes in accounting policies concerning recognition and measurement, the following material reclassifications have been made in connection with the transition to presenting the financial statements in compliance with IFRS:

- Profit-sharing is no longer presented as a separate item but distributed on the cost groups of production, sales and distribution, administration and research and development.
- The acquisition of product rights has in some cases been recognised as goodwill, which according to the definition of goodwill in IFRS 3 is not the correct classification. In connection with the acquisition of three product rights, the recognised goodwill has been reclassified as sales rights and know-how.
- Cash discounts were previously recognised under net financials. According to IAS 18, cash discounts must be deducted from revenue.
- Foreign exchange arbitrage was previously recognised under other operating income. According to IAS 32, the results of foreign exchange arbitrage must be recognised under net financials.
- Earn-out obligations in connection with the acquisition of subsidiaries were previously recognised under other long-term debt. In connection with the transition to IFRS, such obligations are reclassified under other provisions.
- Retirement benefit obligations in respect of foreign subsidiaries are reclassified from other payables to retirement benefit obligations.
- Profit-sharing payments were previously recognised as part of financing activities. The item is now reclassified as other payables.

Reconciliation of income statement for 2004

		Group			Parent		
Income statement for 2004	**Note**	Former accounting policies (ÅRL)	Accounting policies after IFRS	Effect of transition to IFRS	Former accounting policies (ÅRL)	Accounting policies after IFRS	Effect of transition to IFRS
Revenue	1	5,309,604	5,303,673	(5,931)	-	-	-
Cost of sales	2	3,375,531	3,387,050	11,519	-	-	-
Gross margin		1,934,073	1,916,623	(17,450)	-	-	-
Other operating income	3	21,830	16,135	(5,695)	1,581	1,581	-
Sales and distribution costs	2	691,757	696,812	5,055	-	-	-
Administrative expenses	2+4+5	379,889	382,186	2,297	18,953	18,953	-
Research and development costs	2	162,038	164,762	2,724	-	-	-
Amortisation and impairment, consolidated goodwill	5	30,020	-	(30,020)	18,497	-	(18,497)
Operating profit/loss		692,199	688,998	(3,201)	(35,869)	(17,372)	18,497
Share of profit/loss in subsidiaries	6	-	-	-	626,256	78,900	(547,356)
Share of profit/loss in associates	6	11,107	7,800	(3,307)	-	-	-
Financial income	3+7	125,208	130,557	5,349	5,329	5,329	-
Financial expenses	7	203,560	197,663	(5,897)	3,461	3,461	-
Profit-sharing	2	23,876	-	(23,876)	-	-	-
Profit/loss before tax		601,078	629,692	28,614	592,255	63,396	(528,859)
Tax on profit/loss for the year	6	199,652	196,345	(3,307)	199,652	(5,286)	(204,938)
Consolidated profit/loss	8	401,426	433,347	31,921	392,603	68,682	(323,921)
Appropriation of the profit for the year							
Auriga Industries A/S		392,603	424,524	31,921			
Minority interests' share		8,823	8,823	-			
Net profit/loss for the year, Auriga Industries' share		401,426	433,347	31,921			
Proposed appropriation of profits:							
Dividend		102,000	102,000	-			
Retained earnings		290,603	322,524	31,921			
Total		392,603	424,524	31,921			

1 – Revenue
Cash discounts in connection with sales were previously recognised under net financials. According to IAS 18, cash discounts must be deducted from revenue. The change negatively affects the consolidated revenue by DKK 5.931 million.

2 – Distribution of profit-sharing
Profit-sharing is no longer presented as a separate item but distributed on the cost groups of production, sales and distribution, administration and research and development. Profit-sharing amounting to DKK 23.876 million is distributed as follows:

Cost of sales	11,519
Sales and distribution costs	5,055
Administrative expenses	4,578
Research and development costs	2,724
Total profit-sharing	**23,876**

3 – Other operating income
The most significant change in other operating income is attributable to the fact that in accordance with IFRS the results of foreign exchange arbitrage must be recognised under net financials. The effect of the transition to IFRS for other operating income can be specified as follows:

Foreign exchange arbitrage	(5,313)
Various minor adjustments	(382)
Total change in other operating income	**(5,695)**

4 – Administrative expenses
The following adjustments have been made in respect of administrative expenses:

Profit-sharing, cf. item 2 above	4,578
Impairment of goodwill	1,799
Reversal of goodwill amortisation	(3,859)
Share-based payments	212
Various minor adjustments	(433)
Change in administrative expenses	**2,297**

5 – Amortisation and impairment of goodwill
The results are positively affected by the reversal of goodwill amortisation as follows:

Amortisation and impairment, consolidated goodwill	30,020
- of which impairment of consolidated goodwill	(1,799)
Goodwill amortisation	3,859
Change in amortisation and impairment of goodwill	**32,080**

6 – Share of profit/loss in subsidiaries and associates
According to the provisions of IAS 27, only dividend paid and any impairment losses may be recognised as share of profit/loss in subsidiaries, whereas the Danish Financial Statements Act prescribed the recognition of the subsidiaries profit/loss before tax. The change negatively affects the parent's results by DKK 547.356 million. The consolidated profit for the year is not affected by the change.

According to IAS 28, the share of profit/loss of an associate must be recognised after tax, whereas the group has previously recognised the profit/loss before tax. The change negatively affects the consolidated profit before tax by DKK 3.307 million. The consolidated profit after tax is not affected by the change as the tax for the year is reduced correspondingly by DKK 3.307 million.

7 – Net financials
Net financials are positively affected by the reclassification of the results of foreign exchange arbitrage by DKK 5.313 million and various minor adjustments amounting to DKK 36,000, the total being DKK 5.349 million.

Financial expenditure is positively affected by DKK 5.931 million as a result of the reclassification of cash discounts and negatively affected by various minor adjustments amounting to DKK 34,000. The aggregate effect on net financials is DKK 5.897 million.

8 – Profit for the year
The transition to presenting the financial statements according to IFRS positively affected the profit for the year for 2004 by DKK 31.921 million.

Reconciliation of equity as at January 1, 2004 (opening balance sheet) and December 31, 2004

		Group					
		January 1, 2004			December 31, 2004		
Balance sheet		Former accounting policies (ÅRL)	Accounting policies after IFRS	Effect of transition to IFRS	Former accounting policies (ÅRL)	Accounting policies after IFRS	Effect of transition to IFRS
Assets							
Non-current assets							
Intangible assets	1						
Goodwill		376,145	344,559	(31,586)	341,258	346,100	4,842
Sales and registration rights etc.		94,756	96,280	1,524	81,628	82,983	1,355
Know-how		161,108	191,170	30,062	141,448	167,363	25,915
Total intangible assets		632,009	632,009	-	564,334	596,446	32,112
Property, plant and equipment							
Land and buildings		476,633	476,633	-	458,825	458,825	-
Technical plant and machinery		576,945	576,945	-	499,755	499,755	-
Fixtures and fittings, tools and equipment		50,690	50,690	-	48,803	48,803	-
Plant under construction		43,396	43,396	-	27,322	27,322	-
Total property, plant and equipment		1,147,664	1,147,664	-	1,034,705	1,034,705	-
Financial assets							
Investments in associates		33,190	33,190	-	39,038	39,038	-
Other fixed asset investments		994	994	-	6,001	6,001	-
Deferred tax asset	2	67,387	68,197	810	119,340	121,303	1,963
Total fixed asset investments		101,571	102,381	810	164,379	166,342	1,963
Total non-current assets		1,881,244	1,882,054	810	1,763,418	1,797,493	34,075
Current assets							
Inventories		1,205,266	1,205,266	-	1,383,216	1,383,216	-
Receivables							
Trade receivables		1,133,163	1,133,163	-	1,391,451	1,391,451	-
Income taxes receivable		3,950	3,950	-	2,856	2,856	-
Other receivables		402,939	402,939	-	232,007	232,007	-
Total receivables		1,540,052	1,540,052	-	1,626,314	1,626,314	-
Investments		9,393	9,393	-	7,937	7,937	-
Cash and cash equivalents		261,291	261,291	-	543,025	543,025	-
Total current assets		3,016,002	3,016,002	-	3,560,492	3,560,492	-
Total assets		4,897,246	4,898,056	810	5,323,910	5,357,985	34,075

1 – Intangible assets

The acquisition of product rights has in some cases been recognised as goodwill, which according to the definition of goodwill in IFRS 3 is not the correct classification. In connection with the acquisition of three product rights, the recognised goodwill as at January 1, 2004 has been reclassified as sales rights and know-how as follows:

	Beginning 2004	End 2004
Goodwill	(31,586)	(27,270)
Sales and registration rights	1,524	1,355
Know-how	30,062	25,915
Total effect on intangible assets	**-**	**-**

In 2004, amortisation of goodwill has, in accordance with IAS 36, been reversed, and instead an impairment test of goodwill has been performed. The impairment test carried out as at December 31, 2004 resulted in a total impairment of DKK 1.799 million. As at December 31, 2004, goodwill can be balanced as follows:

Goodwill as at December 1, 2004 according to IFRS	344,559
Impairment of goodwill	(1,799)
Addition of goodwill	3,289
Currency translation adjustments	51
Goodwill as at December 31, 2004 according to IFRS	**346,100**

2 – Change in deferred tax asset
The transition to IFRS has resulted in the following changes to the deferred tax asset:

	Beginning 2004	End 2004
Adjustment concerning provision for staff benefits, including anniversary bonuses etc.	810	810
Adjustment in respect of foreign subsidiaries in 2004		1,153
Change in deferred tax asset	**810**	**1,963**

		Group					
		January 1, 2004			December 31, 2004		
Balance sheet		Former accounting policies (ÅRL)	Accounting policies after IFRS	Effect of transition to IFRS	Former accounting policies (ÅRL)	Accounting policies after IFRS	Effect of transition to IFRS
Liabilities							
Equity	3						
Share capital		255,000	255,000	-	255,000	255,000	-
Retained earnings		1,932,223	1,821,512	(110,711)	2,078,127	1,999,337	(78,790)
Accumulated translation adjustments		(92,695)	-	92,695	(111,317)	(18,622)	92,695
Proposed dividend for the financial year		61,200	61,200	-	102,000	102,000	-
Auriga's share of equity		2,155,728	2,137,712	(18,016)	2,323,810	2,337,715	13,905
Minority interests		29,487	29,487	-	32,487	32,487	-
Total equity		2,185,215	2,167,199	(18,016)	2,356,297	2,370,202	13,905
Non-current liabilities							
Mortgage debt		158,947	158,947	-	132,982	132,982	-
Employee bonds		17,690	17,690	-	15,743	15,743	-
Lease obligations		5,666	5,666	-	4,473	4,473	-
Credit institutions	4	700,475	686,584	(13,891)	770,027	756,136	(13,891)
Deferred tax	5	159,180	151,308	(7,872)	86,940	80,222	(6,718)
Pension obligations	6	7,214	11,605	4,391	9,287	11,593	2,306
Other provisions	7	14,008	54,785	40,777	17,577	60,265	42,688
Total non-current liabilities		1,063,180	1,086,585	23,405	1,037,029	1,061,414	24,385
Current liabilities							
Long-term debt falling due within one year		262,024	262,024	-	112,572	112,572	-
Credit institutions		569,434	569,434	-	672,386	672,386	-
Trade payables		438,765	438,765	-	605,165	605,165	-
Payables to associates		132	132	-	49	49	-
Income taxes payable		18,399	18,399	-	101,750	101,750	-
Other payables	8	349,715	345,136	(4,579)	413,810	409,595	(4,215)
Profit-sharing for the financial year		10,382	10,382	-	24,852	24,852	-
Total current liabilities		1,648,851	1,644,272	(4,579)	1,930,584	1,926,369	(4,215)
Total liabilities		2,712,031	2,730,857	18,826	2,967,613	2,987,783	20,170
Total liabilities		4,897,246	4,898,056	810	5,323,910	5,357,985	34,075

3 – Equity
As a result of the change in accounting policies, retained earnings have been adjusted as follows:

	Beginning 2004	End 2004
Cumulative currency translation adjustments reset to zero	(92,695)	(110,711)
Provision for holidays not finally earned, anniversary bonuses, reestablishment obligations etc.	(19,358)	-
Share-based payments	212	-
Recognition of tax in subsidiaries following transition to IFRS	- 1,130	-
Change in the profit/loss for the year	-	31,921
Change in retained earnings	**(110,711)**	**(78,790)**

The change in retained earnings of DKK 31.921 million as at December 31, 2004 can be attributed to the change in the profit for the year following the transition to IFRS.

4 – Credit institutions
An earn-out obligation amounting to DKK 13.891 million in connection with the acquisition of subsidiaries has previously been recognised under payables to credit institutions. Following the transition to IFRS, the obligation has been reclassified under other provisions.

5 – Deferred tax
As a result of provisions and the recognition of tax in subsidiaries in equity, the deferred tax obligation has been reduced by DKK 7.872 million.

6 – Retirement benefit obligation
The transition to IFRS has resulted in the following change to the group's retirement benefit obligations:

	Beginning 2004	End 2004
Reclassification from other payables to retirement benefit obligation	4,391	4,391
Reclassification of provision made in 2004		(1,911)
Change in retirement benefit obligation	**4,391**	**2,480**

7 – Other provisions
The following adjustments have been made in respect of other provisions:

	Beginning 2004	End 2004
Provision for holidays not finally earned, anniversary bonuses, reestablishment obligations	26,886	26,886
Earn-out in connection with the acquisition of subsidiaries	13,891	13,891
Reclassification of retirement benefit obligations	-	1,911
Change in other provisions	**40,777**	**42,688**

8 – Other payables
Other payables as at the beginning of 2004 are affected by the reclassification of retirement benefit obligations in the amount of DKK 4.391 million. Furthermore, various minor adjustments of other payables amounting to DKK 0.188 million were made in 2004.

Cash-flow statement
The implementation of IFRS has not affected the consolidated cash flow statement.

Reconciliation of equity as at January 1, 2004 (opening balance sheet) and December 31, 2004 (parent)
In the parent, the only change following from the transition to IFRS is that in accordance with IAS 27 investments in subsidiaries must be recognised at cost price rather than in accordance with the equity method as required by the Danish Financial Statements Act. The change results in a reduction in the parent's investments in subsidiaries and equity at the beginning of 2004 by DKK 868.510 million. At the end of 2004, the two items are reduced by DKK 1,021.928 million.

Statement by the Boards

The Board of Directors and the Board of Executives have today reviewed and approved the financial statements for 2005 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 and financial position and results as well as the cash flows of the group and the parent.

Harboøre, March 21, 2006

Board of Executives:
Mogens Nehen-Hansen   Bjørn Albinus   Niels-Jørn Rahbek   Kurt Pedersen Kaalund

Board of Directors:
Povl U. Skifter   Ole Steen Andersen   Johannes Jacobsen   Povl Krogsgaard-Larsen
Chairman   *Deputy Chairman*

Ernst Lunding   Jan Stranges   Helle Krøll   Bjarne Damgaard   Jørn Sand Madsen