Announcement no. 05 - 2009/10 November 26, 2009

Interim report for the six months ended October 31, 2009

Healthy demand for new broadband products

- Thrane & Thrane recorded healthy demand for the company's broadband communication products in the second quarter of the financial year.
- Sales of new products to both the land mobile and the aeronautical markets recorded growth. Similarly, systems revenue increased considerably.
- In the maritime market, the company also generated improved sales of the new FleetBroadband products. However, the market continued to be influenced by the general economic downturn.
- Revenue for the six months ended October 31, 2009, the first half of the financial year, was DKK 481 million compared with DKK 604 million in the same period of last year.
- EBIT was DKK 36 million (DKK 73 million), equal to an operating margin of 7.5% (12.1%).
- Cash flows from operating activities increased to DKK 142 million (DKK 79 million), and the free cash flow from operating and investing activities excluding acquisitions and financing increased to DKK 90 million (DKK 21 million).
- For the 2009/10 financial year, we still expect revenue of around DKK 1,000–1,200 million (DKK 1,235 million) and an operating margin of 7–12% (12.1%).

“Our new products are selling well – in spite of the generally cautious market sentiments. This shows that our strategy is the right one,” said CEO Walther Thygesen. “We see increasing demand for high data speed communication solutions in all markets. We continue to spearhead technological developments, and we are experiencing strong demand for our new products.”

“Like other companies, Thrane & Thrane is affected by the economic environment, but we have been quick to adjust costs. Our equity is strong, and our liquidity is sound,” said Walther Thygesen, commenting on the interim report.

Thrane & Thrane will review the interim report at an investor presentation to be held at 1 p.m. today. The meeting will be held at NASDAQ OMX Copenhagen, Nikolaj Plads 6, Copenhagen K, Denmark.

For further information, please contact
John Alexandersen, Vice President, Corporate Communications & Investor Relations
Tel. (+45) 39 55 88 35 or (+45) 22 72 38 22 (mobile)
E-mail ja@thrane.com
www.thrane.com

Financial highlights and key ratios

DKKm	Q2 2009/10	Q2 2008/09	H1 2009/10	H1 2008/09	FY 2008/09
Revenue	263	308	481	604	1,235
Operating profit (before restructuring costs)	31	40	36	73	150
Operating profit (EBIT)	31	40	36	73	125
Net profit for the period	14	37	15	58	85
Total assets at end of period	1,629	1,724	1,629	1,724	1,716
Equity at end of period	808	790	808	790	816
Invested capital at end of period	1,314	1,380	1,314	1,380	1,376
Cash inflow from operating activities	67	23	142	79	198
Cash outflow from investing activities	(32)	(33)	(52)	(58)	(142)
Free cash flow (before acquisitions and financing)	35	(9)	90	21	84
Net cash inflow/(outflow)	37	(9)	61	(9)	(1)
Operating margin*	11.7%	13.0%	7.5%	12.1%	12.1%
Return on invested capital*	2.3%	3.0%	2.6%	5.5%	11.4%
Development costs incurred	36	43	71	81	159
Development costs as % of revenue	13.7%	14.0%	14.8%	13.4%	12.9%
Equity ratio	49.6%	45.8%	49.6%	45.8%	47.6%
Net interest-bearing debt as % of equity	46.4%	58.8%	46.4%	58.8%	53.3%
Average number of employees	597	700	616	701	693
Earnings per share (EPS, DKK)	2.45	6.60	2.68	10.41	15.26
Cash flow from operating activities per share (DKK)	11.95	4.10	25.25	14.10	35.35
Free cash flow per share (FCFPS, DKK) (before acquisitions and financing)	6.22	(1.62)	16.08	3.72	14.99
Proposed dividend per share (DKK)	n.a.	n.a.	n.a.	n.a.	5.50
Net asset value per share (end of period, DKK)	143.34	141.00	143.34	141.00	144.81
Share price (end of period, DKK)	138.50	222.50	138.50	222.50	162.00
Share price / net asset value (end of period)	0.97	1.58	0.97	1.58	1.12
Number of shares (1,000 shares, end of period)	5,635	5,603	5,635	5,603	5,635

* Before restructuring costs in Q3 and Q4 2008/09.

Demand restraint, but new products well received

Revenue for the six-month period was DKK 481 million, a decline of 20%, or DKK 123 million, relative to the year-earlier period (DKK 604 million). The performance was in line with expectations due to the still weak market.

Thrane & Thrane recorded healthy demand for the company's broadband communication products in the second quarter of the financial year, increasing sales of new terminals to the land mobile and the aeronautical markets as well as within systems.

In the maritime market, the company also increased sales of the new SAILOR FleetBroadband products. However, the market continued to be influenced by the general economic downturn.

Revenue by market

DKKm	Q2 2009/10	Q2 2008/09	Change	H1 2009/10	H1 2008/09	Change	FY 2008/09
Maritime	138.0	195.7	(29%)	277.7	386.7	(28%)	804.7
% of total revenue	52%	63%		57%	64%		65%
Land mobile	56.9	73.7	(23%)	104.9	135.6	(23%)	246.3
% of total revenue	22%	24%		22%	22%		20%
Aeronautical	15.6	8.5	84%	24.1	26.9	(10%)	44.6
% of total revenue	6%	3%		5%	5%		4%
Total terminals	**210.5**	**277.9**	(24%)	**406.7**	**549.2**	(26%)	**1,095.6**
% of total revenue	80%	90%		84%	91%		89%
Systems	**52.6**	**30.1**	75%	**74.7**	**55.1**	36%	**139.8**
% of total revenue	20%	10%		16%	9%		11%
Total	**263.1**	**308.0**	(15%)	**481.4**	**604.3**	(20%)	**1,235.4**

The maritime market

Revenue generated in the maritime market was DKK 278 million, which was 28% less than last year (DKK 387 million). Revenue broke down into DKK 189 million from satellite communication equipment and DKK 89 million from radio communication equipment (DKK 254 million and DKK 133 million, respectively).

Sales of the SAILOR FleetBroadband terminals improved, driven by increased sales of the SAILOR 500 and sales of the new SAILOR 150 terminal, which was introduced in June 2009 and primarily targets owners of leisure craft and fishing vessels.

Almost 2,500 FleetBroadband terminals were shipped in the first half of the year, including around 1,000 SAILOR 150 terminals, compared with some 1,100 terminals in the same period of last year. Since the FleetBroadband service was introduced in December 2007, we have shipped a total of more than 5,000 FleetBroadband terminals, consolidating our leading position in this market.

As was expected, the growing interest in FleetBroadband solutions had a negative effect on sales of other satellite communication products. At the same time, last year was favorably impacted by higher sales of Inmarsat-C equipment for a large fisheries project in China and by the new LRIT requirements. The general decline in, particularly, the newbuilding markets, but also in the retrofit markets, likewise had an adverse impact on sales of Inmarsat-C equipment and VHF and MF/HF equipment for radio communication.

As part of our product development activities we focus on developing tracking antennas, and Thrane & Thrane is currently in the process of finalizing the development of an antenna for the SAILOR 500. We have previously developed antennas for the SAILOR 250 and SAILOR 150, and the development of a SAILOR 500 antenna means that we will be able to source antennas in-house for all FleetBroadband products in the future. The antenna received Inmarsat type approval in October, and it is now being tested on board ships. We still expect to make the initial shipments of the antenna by the end of 2009.

The initial TV satellite antennas for commercial vessels under the SAILOR brand were shipped in the first half of the financial year. Thrane & Thrane gained access to this new product area when we acquired Naval Electronics in February 2009. We have launched a solution for small vessels and expect to introduce an additional solution in January 2010 targeting, among other customers, large commercial vessels.

Thrane & Thrane also won the first orders for FleetBroadband terminals related to new EU legislation requiring electronic logbooks (E-Log). As a result of the new requirements, which take effect on January 1, 2010, fishing vessels in the EU must carry equipment able to provide electronic catch information. Initially, the requirement applies to vessels over 24 meters in length (a total of around 4,000 vessels), but smaller vessels will become subject to the requirements at a later date. A mini-C terminal, a FleetBroadband terminal or similar equipment for satellite communication may be used for purposes of compliance with the requirements.

Thrane & Thrane is still in the start-up phase as far as the Ku-band market is concerned. We sold a small number of systems in the first six months of the year, and several partners were certified to sell and service our SAILOR 700 Ku-band solution.

In the radio communication equipment area, we are developing a range of new VHF and MF/HF products, including a new series of fixed VHF radios for fishing vessels and workboats. We expect to make the initial shipments of these products by the end of 2009.

The land mobile market

Revenue generated in the land mobile market was down by 23% to DKK 105 million (DKK 136 million).

The first six months recorded increased sales of the vehicular EXPLORER 727 terminal. The lower revenue was therefore attributable to revenue in the same period of last year being positively impacted by large orders relating to the earthquake in China last May and the Beijing Olympic Games last summer.

Thrane & Thrane shipped around 500 terminals for installation in Russian trains in the first six months of the financial year. The terminals have been developed for use with GLONASS, the Russian equivalent of the GPS positioning system. As we also experienced demand for systems for use on rivers in Russia, we developed and shipped GLONASS-based solutions for that market. Thrane & Thrane is currently the only player offering Inmarsat terminals that support GLONASS positioning.

We have also begun developing an EXPLORER 325 terminal, a slightly smaller version of the EXPLORER 727 terminal. The EXPLORER 325 will be the successor to our existing vehicular land mobile mini-M terminal. It is partly based on technology from the most recent maritime terminal, the SAILOR 150. We expect the initial shipments of the terminal to take place sometime in the summer of 2010.

In the reporting period, we made the initial shipments of our new cordless VOIP handset for land mobile and maritime use.

The aeronautical market
Revenue generated in the aeronautical market was down by 10% to DKK 24 million (DKK 27 million).

The second quarter recorded increased revenue, mainly attributable to higher sales of the new Aero-SB Lite broadband solution, which was very well received by the market. A large order for Aero-M systems for use in pilotless planes also lifted Q2 revenue.

Thrane & Thrane presented its Aero-SB Lite and its upcoming Aero-SB+ solution in October at the NBAA, the largest aeronautical convention held in the USA each year. We expect to introduce the latter solution in January 2010. Installation centers as well as aircraft manufacturers showed strong interest in the new products, and in connection with the NBAA we announced that Brazilian company Embraer, one of the world's largest aircraft manufacturers, had added the Aero-SB Lite as an option for their upcoming Legacy 450 and Legacy 500 business jets. We expect that these new aircraft types will be introduced as from 2012.

In October, we also received Parts Manufacturer Approval for our Iridium filter. The new filter will eliminate the problems previously associated with the simultaneous installation of an Iridium and an Inmarsat based system. We expect to make the initial shipments in the very near future.

Furthermore, we are developing a cordless VOIP handset for the aeronautical market. We expect to introduce that product sometime in the summer of 2010.

The systems market
Systems revenue increased by 36% to stand at DKK 75 million (DKK 55 million).

The improved revenue was attributable, among other factors, to the DKK 12 million order which Thrane & Thrane won in September for an Inmarsat-M/B capacity increase of Telecom Italia's land earth station at Fucino, Italy. The initial shipments were made later in September, and we expect to complete shipment by the end of 2009.

In October, Thrane & Thrane also won a DKK 15 million contract from Vizada, which, like Telecom Italia, is an operator of Inmarsat based services. The contract relates to an upgrade of two land earth stations in France and Norway, respectively. The upgrade will enable Vizada to handle increased traffic on the land earth stations caused by the new LRIT requirements and other factors. We expect to complete shipment of the Vizada order by the end of 2009.

Service contracts accounted for some DKK 23 million of H1 revenue (DKK 27 million).

Financial review

Revenue in H1 was DKK 481 million, a decline of 20%, or DKK 123 million, relative to the year-earlier period (DKK 604 million).

Sales of terminals, accounting for 84% of consolidated revenue, were down by 26% to DKK 407 million (DKK 549 million), while systems revenue (16% of revenue) at DKK 75 million (DKK 55 million) was 36% higher.

Cost of goods sold amounted to DKK 278 million (DKK 345 million), equivalent to 57.8% of revenue (57.1%). The product margin improved in H1, and the higher ratio of cost of goods sold to revenue was therefore mainly explained by the fact that overheads had a greater impact on the lower revenue than they did last year.

Development costs incurred amounted to DKK 71 million (DKK 81 million), equal to 14.8% of revenue (13.4%). Of this amount, capitalized development costs were DKK 51 million (DKK 51 million), while DKK 20 million (DKK 30 million) related to maintenance of existing products.

Amortization of development costs capitalized in prior years amounted to DKK 54 million (DKK 51 million). Part of the DKK 3 million increase over last year was attributable to higher amortization charges on the company’s radio products.

Development costs charged to the income statement in H1 amounted to DKK 74 million (DKK 81 million).

Distribution costs amounted to DKK 54 million (DKK 58 million), while administrative expenses were DKK 39 million (DKK 47 million).

Profit for the period
The anticipated cost savings were achieved in H1, enabling us to generate EBIT of DKK 36 million (DKK 73 million) despite lower revenue. This performance was equivalent to an operating margin of 7.5% (12.1%).

The Group had net financial expenses of DKK 15 million in H1 against net financial income of DKK 2 million in the year-earlier period. Exchange adjustments of balances with subsidiaries were an expense of DKK 5 million against an income of DKK 14 million last year.

The pre-tax profit amounted to DKK 21 million (DKK 75 million).

The estimated tax charge was DKK 6 million (DKK 17 million). The company thus reported a profit of DKK 15 million for the reporting period (DKK 58 million).

Cash flows

The company reported a cash inflow from operating activities before changes in working capital of DKK 109 million (DKK 140 million).

We continue to focus on optimizing cash flows. The amount of capital tied up in inventories decreased by DKK 57 million. As receivables fell by DKK 40 million and trade payables etc. decreased by DKK 50 million, working capital was reduced by DKK 48 million in H1. By comparison, working capital increased by DKK 66 million in the same period of last year.

After net financial expenses of DKK 15 million (net financial income of DKK 4 million), the company reported a net cash inflow from operating activities of DKK 142 million (DKK 79 million).

Investments totalled DKK 52 million (DKK 58 million). The lower level was owing to the organizational adjustments implemented in early 2009.

The free cash flow before financing thus amounted to DKK 90 million (DKK 21 million).

After payment of DKK 31 million in dividends in June 2009 (see below), the company reported a total net cash inflow of DKK 61 million (outflow of DKK 8 million).

Performance by quarter

DKKm	Q2 07/08	Q3 07/08	Q4 07/08	Q1 08/09	Q2 08/09	Q3 08/09	Q4 08/09	Q1 09/10	**Q2 09/10**
Revenue	331	286	385	296	308	302	329	218	**263**
Operating profit (EBIT) *	62	29	80	34	40	31	45	5	**31**
Operating margin *	18.6%	10.0%	20.9%	11.4%	13.0%	10.3%	13.7%	2.5%	**11.7%**
Cash flows:									
Operations	49	40	30	56	23	27	92	75	**67**
Investments	(60)	(49)	(32)	(26)	(33)	(25)	(58)	(19)	**(32)**
Free cash flow (before acquisitions and financing)	(11)	(10)	-	30	(9)	1	62	55	**35**

* Before integration and restructuring costs.

Capital

Equity amounted to DKK 808 million at October 31, 2009, as compared with DKK 816 million at May 1, 2009.

Dividends of DKK 5.50 per share, or a total of DKK 31 million, were paid after the annual general meeting held on June 26, 2009. On the other hand, the profit for the year lifted equity by DKK 15 million.

The equity ratio was 49.6 at October 31, 2009 as compared with 47.6 at April 30, 2009.

The ratio of net interest-bearing debt to equity was 46.4, as compared with 53.3 at May 1, 2009.

Invested capital amounted to DKK 1,314 million at October 31, 2009 (DKK 1,376 million at April 30, 2009).

Subsequent events

No events have occurred since October 31, 2009 which materially change the company's financial position.

Outlook

For the 2009/10 financial year ending on April 30, 2010, we still expect revenue of around DKK 1,000–1,200 million (DKK 1,235 million) and an operating margin of 7–12% (12.1%).

Accounting policies

The interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and additional Danish requirements for interim reports of listed companies.

The accounting policies are unchanged from the policies applied in the 2008/09 annual report, to which reference is made. The annual report contains the full description of the accounting policies.

The preparation of interim reports requires management to make accounting judgments and estimates that affect the use of accounting policies and recognized assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant estimates made by management when using the Group's accounting policies to prepare the interim report, and the significant judgment uncertainty related thereto, are the same as those used to prepare the 2008/09 annual report.

In connection with the preparation of the interim report, Thrane & Thrane tested the value of the intangible assets for impairment other than normal amortization. The test showed no indications of a need for extraordinary write-offs.

Financial calendar

Feb. 25, 2010	Interim report Q3 2009/10
June 17, 2010	Annual report 2009/10
June 28, 2010	Annual general meeting

About Thrane & Thrane

Thrane & Thrane is the world's leading manufacturer of equipment and systems for global mobile communication based on sophisticated satellite and radio technology. Since its incorporation in 1981, the company has achieved a strong position within global mobile communication solutions, mainly based on the Inmarsat system, and today Thrane & Thrane provides equipment for maritime, land-based and aeronautical use. The company's products are marketed worldwide under the brands Thrane & Thrane, EXPLORER® and SAILOR® through distributors and partners. The company's shares are listed on NASDAQ OMX Copenhagen (THRAN). www.thrane.com.

Statement by the Board of Directors and the Management Board

The Board of Directors and the Management Board today considered and approved the interim report for the period May 1, 2009–October 31, 2009, the first half of the current financial year.

The interim report is presented in accordance with IAS 34 “Interim financial reporting” as adopted by the EU and additional Danish requirements for interim reports of listed companies. The interim report is unaudited.

We consider the accounting policies used to be appropriate. Accordingly, the interim report gives a true and fair view of the Group’s assets, liabilities and financial position at October 31, 2009 and of the results of the Group’s operations and cash flows for the period May 1, 2009–October 31, 2009.

In our opinion, the management’s report gives a true and fair view of developments in the activities and financial position of the Group, the results for the period and of the Group’s financial position in general and gives a fair description of significant risk and uncertainty factors that may affect the Group.

Kgs. Lyngby, November 26, 2009

Management Board

Walther Thygesen CEO	Svend Åge Lundgaard Jensen CFO	Lars Thrane

Board of Directors

Waldemar Schmidt (Chairman)	Morten Eldrup-Jørgensen	Jim Hagemann Snabe
Lars Thrane	Morten Jagd Christensen	Gert Hejne Jensen

Income statement

DKK '000	Q2 2009/10	Q2 2008/09	H1 2009/10	H1 2008/09	FY 2008/09
Revenue	**263,052**	**307,965**	**481,388**	**604,264**	**1,235,370**
Cost of sales					
- Cost of goods sold	(151,285)	(176,734)	(277,991)	(345,289)	(716,886)
- Development costs	(34,920)	(40,734)	(73,727)	(81,124)	(159,335)
Gross profit	**76,847**	**90,497**	**129,670**	**177,851**	**359,149**
Distribution costs	(26,527)	(30,496)	(54,207)	(57,786)	(115,934)
Administrative expenses	(19,580)	(20,400)	(39,232)	(46,647)	(93,682)
Operating profit before restructuring costs	**30,740**	**39,601**	**36,231**	**73,418**	**149,533**
Restructuring costs	-	-	-	-	(24,660)
Operating profit (EBIT)	**30,740**	**39,601**	**36,231**	**73,418**	**124,873**
Value adjustment of assets held for sale	-	(2,234)	-	(2,234)	(2,234)
Financial income	49	15,786	3,000	18,804	21,683
Financial expenses	(11,592)	(6,987)	(17,867)	(15,044)	(33,249)
Profit before tax	**19,197**	**46,166**	**21,364**	**74,944**	**111,073**
Income tax	(5,419)	(9,207)	(6,282)	(16,705)	(25,606)
Net profit for the period	**13,778**	**36,959**	**15,082**	**58,239**	**85,467**
Earnings per share (EPS, DKK)	2.45	6.60	2.68	10.41	15.26
Diluted earnings per share (EPS-D, DKK)	2.29	6.15	2.50	9.69	14.24

Balance sheet

DKK '000	October 31 2009	October 31 2008	April 30 2009
ASSETS			
Non-current assets			
Intangible assets			
Software	12,779	10,850	11,597
Customer files	178,417	179,167	183,917
Completed development projects	210,289	242,709	210,354
Development projects in progress	150,105	121,872	159,506
Goodwill	457,310	447,299	457,310
Intangible assets	**1,008,900**	**1,001,897**	**1,022,684**
Property, plant and equipment			
Land and buildings	15,434	16,519	15,976
Airplanes	642	757	731
Plant and machinery	21,108	19,529	18,441
Other fixtures and fittings, tools and equipment	11,886	13,304	13,509
Plant and equipment in progress	1,602	2,829	3,570
Property, plant and equipment	**50,672**	**52,938**	**52,227**
Financial assets			
Deposits	7,522	7,378	7,668
Other receivables	4,604	4,942	5,420
Deferred tax asset	21,371	27,751	24,024
Financial assets	**33,497**	**40,071**	**37,112**
Total non-current assets	**1,093,069**	**1,094,906**	**1,112,023**
Current assets			
Inventories	**250,969**	**330,575**	**307,917**
Receivables			
Trade receivables	190,270	233,286	231,610
Contract work in progress	3,535	4,589	-
Other receivables	2,240	15,163	1,778
Prepayments	7,756	9,280	9,905
Receivables	**203,801**	**262,318**	**243,293**
Cash and cash equivalents	**81,081**	**36,038**	**52,454**
Assets classified as held for sale	**-**	**44**	**43**
Total current assets	**535,851**	**628,975**	**603,707**
TOTAL ASSETS	**1,628,920**	**1,723,881**	**1,715,730**

Balance sheet

DKK '000	October 31 2009	October 31 2008	April 30 2009
EQUITY AND LIABILITIES			
Equity			
Share capital	112,695	112,060	112,695
Reserves	695,009	677,970	672,376
Proposed dividend	-	-	30,991
Total equity	**807,704**	**790,030**	**816,062**
Non-current liabilities			
Pensions and similar liabilities	20,852	12,456	20,550
Deferred tax	137,396	130,013	137,964
Loans	389,094	414,480	387,920
Non-current liabilities	**547,342**	**556,949**	**546,434**
Current liabilities			
Loans	53,762	50,209	53,762
Overdraft facility	13,018	37,171	45,767
Provisions	10,124	12,380	10,823
Prepayment from contract work in progress	-	817	2,068
Prepayments from customers	1,863	6,454	1,325
Trade payables	90,597	167,049	103,482
Income taxes	20,075	26,983	16,113
Other payables	77,052	63,514	112,816
Deferred income	7,383	12,325	7,078
Current liabilities	**273,874**	**376,902**	**353,234**
Total liabilities	**821,216**	**933,851**	**899,668**
TOTAL EQUITY AND LIABILITIES	**1,628,920**	**1,723,881**	**1,715,730**

Specification of equity

DKK '000	Share capital	Translation adjustment reserve	Hedge transaction reserve	Retained earnings	Proposed dividend	Total
Equity at May 1, 2009	**112,695**	**(5,626)**	**(4,804)**	**682,806**	**30,991**	**816,062**
Fair value adjustment of hedging instruments before tax	-	-	626	-	-	626
Translation adjustment of subsidiaries	-	2,867	-	-	-	2,867
Share-based payment	-	-	-	4,117	-	4,117
Tax on equity entries	-	-	(156)	-	-	(156)
Net gain/(loss) recognized directly in equity	**-**	**2,867**	**470**	**4,117**	**-**	**7,454**
Net profit for the period	-	-	-	15,082	-	15,082
Total recognized gains and losses	**-**	**2,867**	**470**	**19,199**	**-**	**22,536**
Dividend to shareholders	-	-	-	97	(30,991)	(30,894)
Equity at October 31, 2009	**112,695**	**(2,759)**	**(4,334)**	**702,102**	**-**	**807,704**
Equity at May 1, 2008	**112,060**	**(1,218)**	**1,709**	**614,196**	**30,816**	**757,563**
Fair value adjustment of hedging instruments before tax	-	-	(860)	-	-	(860)
Hedging of cash flows	-	-	(192)	-	-	(192)
Translation adjustment of subsidiaries	-	(488)	-	-	-	(488)
Share-based payment	-	-	-	5,439	-	5,439
Tax on equity entries	-	-	263	-	-	263
Net gain/(loss) recognized directly in equity	**-**	**(488)**	**(789)**	**5,439**	**-**	**4,162**
Net profit for the period	-	-	-	58,239	-	58,239
Total recognized gains and losses	**-**	**(488)**	**(789)**	**63,678**	**-**	**62,401**
Dividend to shareholders	-	-	-	47	(30,816)	(30,769)
Other adjustments (warrants treasury shares)	-	-	-	835	-	835
Equity at October 31, 2008	**112,060**	**(1,706)**	**920**	**678,756**	**-**	**790,030**

Cash flow statement

DKK '000	Q2 2009/10	Q2 2008/09	H1 2009/10	H1 2008/09	FY 2008/09
Operations					
Revenue	263,052	307,965	481,388	604,264	1,235,370
Costs	(195,867)	(239,285)	(371,953)	(464,195)	(966,549)
Cash generated from operations (operating activities) before change in working capital	**67,185**	**68,680**	**109,435**	**140,069**	**268,821**
Change in inventories	39,027	(20,469)	56,948	(32,023)	(4,860)
Change in receivables	(23,528)	(17,523)	40,454	29,747	48,239
Change in trade payables	(4,110)	(17,559)	(49,644)	(64,066)	(89,717)
Change in working capital	**11,389**	**(55,551)**	**47,758**	**(66,342)**	**(46,338)**
Cash generated from operations (operating activities)	**78,574**	**13,129**	**157,193**	**73,727**	**222,483**
Financial income	49	15,786	3,000	18,804	21,683
Financial expenses	(11,592)	(6,988)	(17,867)	(15,044)	(33,249)
Cash generated from operations (ordinary activities)	**67,031**	**21,927**	**142,326**	**77,487**	**210,917**
Income tax paid	325	1,524	(55)	1,494	(12,976)
Cash inflow from operating activities	**67,356**	**23,451**	**142,271**	**78,981**	**197,941**
Investments					
Intangible assets	(28,580)	(28,836)	(46,593)	(52,928)	(102,819)
Property, plant and equipment	(3,783)	(3,667)	(5,262)	(5,251)	(11,170)
Acquisition of activities	-	-	-	-	(28,337)
Cash outflow from investing activities	**(32,363)**	**(32,503)**	**(51,855)**	**(58,179)**	**(142,326)**
Cash inflow before financing	**34,993**	**(9,052)**	**90,416**	**20,802**	**55,615**
Financing					
Sale of shares	-	(2,234)	-	(2,234)	(2,234)
Debt repayment	1,093	-	1,018	-	(49,416)
Proceeds from borrowings	-	(301)	-	370	26,779
New subscription of shares upon exercise of warrants	-	-	-	-	981
Dividend paid	-	-	(30,894)	(30,769)	(30,769)
Other adjustments	42	2,896	45	3,763	(478)
Cash inflow/(outflow) from financing activities	**1,135**	**361**	**(29,831)**	**(28,870)**	**(55,137)**
Net cash inflow/(outflow)	**36,128**	**(8,691)**	**60,585**	**(8,068)**	**478**
Exchange adjustment of cash and cash equivalents at beginning of period	885	(415)	791	(581)	(1,307)
Cash inflow/(outflow) for the period	**37,013**	**(9,106)**	**61,376**	**(8,649)**	**(829)**
Cash and cash equivalents at beginning of period	31,050	7,973	6,687	7,516	7,516
Cash and cash equivalents at end of period	**68,063**	**(1,133)**	**68,063**	**(1,133)**	**6,687**
Cash flow from operating activities	**67,356**	**23,451**	**142,271**	**78,981**	**197,941**
Investments in intangible assets	(28,580)	(28,836)	(46,593)	(52,928)	(102,819)
Investments in property, plant and equipment	(3,783)	(3,667)	(5,262)	(5,251)	(11,170)
Free cash flow before acquisitions and financing	**34,993**	**(9,052)**	**90,416**	**20,802**	**83,952**
In the cash flow statement, bank overdrafts are offset against cash and cash equivalents as					
Cash and cash equivalents	81,081	36,038	81,081	36,038	52,454
Bank overdrafts	(13,018)	(37,171)	(13,018)	(37,171)	(45,767)
Cash and cash equivalents, net	**68,063**	**(1,133)**	**68,063**	**(1,133)**	**6,687**

Segments

DKK '000	Terminals* 09/10	Terminals* 08/09	Systems 09/10	Systems 08/09	Non-allocated 09/10	Non-allocated 08/09	Total 09/10	Total 08/09
Q2								
Revenue	210,409	277,944	52,643	30,021	-	-	263,052	307,965
Gross profit	48,540	77,908	28,307	12,589	-	-	76,847	90,497
Operating profit (EBIT)	9,191	30,266	21,549	9,335	-	-	30,740	39,601
Profit before tax	(2,021)	36,137	21,218	10,029	-	-	19,197	46,166
Net profit for the period	**(2,136)**	**29,438**	**15,914**	**7,521**	**-**	**-**	**13,778**	**36,959**
Non-current assets	1,092,115	1,093,548	954	1,358	-	-	1,093,069	1,094,906
Current assets	480,763	581,204	55,088	47,771	-	-	535,851	628,975
Segment assets	**1,572,878**	**1,674,752**	**56,042**	**49,129**	**-**	**-**	**1,628,920**	**1,723,881**
Capital investments	32,363	32,400	-	103	-	-	32,363	32,503
Depreciation and amortization	32,819	33,089	109	205	-	-	32,928	33,294
Impairment write-downs	-	-	-	-	-	-	-	-
Non-current liabilities	501,487	518,508	45,855	38,441	-	-	547,342	556,949
Current liabilities	250,319	323,529	13,520	21,640	10,035	31,733	273,874	376,902
Segment liabilities	**751,806**	**842,037**	**59,375**	**60,081**	**10,035**	**31,733**	**821,216**	**933,851**
Cash inflow/(outflow) from operating activities	64,290	26,829	3,066	(3,378)	-	-	67,356	23,451
Cash inflow/(outflow) from investing activities	(32,363)	(32,400)	-	(103)	-	-	(32,363)	(32,503)
Operating margin	4.4%	10.9%	40.9%	31.1%	-	-	11.7%	13.0%
Average number of employees	548	655	49	45	-	-	597	700
H1								
Revenue	406,678	549,180	74,710	55,084	-	-	481,388	604,264
Gross profit	94,736	155,533	34,934	22,318	-	-	129,670	177,851
Operating profit (EBIT)	12,806	58,555	23,425	14,863	-	-	36,231	73,418
Profit before tax	(821)	59,889	22,185	15,055	-	-	21,364	74,944
Net profit for the period	**(1,557)**	**46,948**	**16,639**	**11,291**	**-**	**-**	**15,082**	**58,239**
Non-current assets	1,092,115	1,093,548	954	1,358	-	-	1,093,069	1,094,906
Current assets	480,763	581,204	55,088	47,771	-	-	535,851	628,975
Segment assets	**1,572,878**	**1,674,752**	**56,042**	**49,129**	**-**	**-**	**1,628,920**	**1,723,881**
Capital investments	51,855	58,076	-	103	-	-	51,855	58,179
Depreciation and amortization	67,097	65,857	229	415	-	-	67,326	66,272
Impairment write-downs	-	-	-	-	-	-	-	-
Non-current liabilities	501,487	518,508	45,855	38,441	-	-	547,342	556,949
Current liabilities	250,319	323,529	13,520	21,640	10,035	31,733	273,874	376,902
Segment liabilities	**751,806**	**842,037**	**59,375**	**60,081**	**10,035**	**31,733**	**821,216**	**933,851**
Cash inflow/(outflow) from operating activities	133,412	66,286	8,859	12,695	-	-	142,271	78,981
Cash inflow/(outflow) from investing activities	(51,855)	(58,076)	-	(103)	-	-	(51,855)	(58,179)
Operating margin	3.1%	10.7%	31.4%	27.0%	-	-	7.5%	12.1%
Average number of employees	568	653	48	48	-	-	616	701

* The terminal segment includes the maritime, land mobile and aeronautical business areas.