schouw+co

This is a translation of Schouw & Co.'s Interim Report for the three months ended 31 March 2018. The original Danish text shall be controlling for all purposes, and in case of discrepancy, the Danish wording shall be applicable.

Highlights

- Consolidated revenue grew by 7% in the first quarter of 2018 to DKK 3,851 million
- EBITDA was up by 10% to DKK 314 million
- Fibertex Nonwovens' acquisition of Brazilian Duci completed in February 2018
- Schouw & Co. maintains full-year 2018 revenue and EBITDA guidance

2018
Interim report First quarter

Company announcement No. 06/2018
3 May 2018 – 25 pages

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Statement by Jens Bjerg Sørensen, President of Schouw & Co.:

"For Schouw & Co., the first quarter of 2018 was largely in line with expectations. We're seeing considerable growth on the back of recent years' acquisitions and business expansion, but several of our companies felt the cold winter weather in northern Europe weighing on their sales performance. Competition remains fierce, and due to volatile raw materials prices and foreign exchange rates we are operating in unpredictable markets.

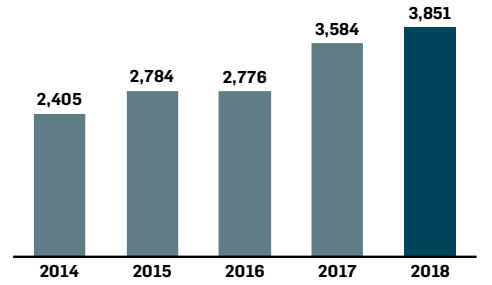
All Schouw & Co. companies operate in markets with solid long-term growth perspectives, and we have built a strong platform for continued profitability. We maintain our full-year guidance of revenue growth of about DKK 1 billion and a 5-15% increase in EBITDA relative to 2017."

Financial highlights and key ratios

GROUP SUMMARY (DKKm)	2018 YTD	2017 YTD	2017 FY
Revenue and income			
Revenue	3,851	3,584	17,032
Operating profit before depreciation (EBITDA)	314	284	1,568
Depreciation and impairment losses	131	106	475
EBIT	183	178	1,093
Profit/loss after tax in associates and joint ventures	2	0	42
Net financials	-13	-15	-30
Profit before tax	172	163	1,105
Profit for the period	118	122	875
Cash flows			
Cash flow from operating activities	2	14	763
Cash flow from investing activities	-217	-301	-2,763
Of which investment in property, plant and equipment	-135	-246	-809
Cash flows from financing activities	250	116	818
Invested capital and financing			
Invested capital (ex. goodwill)	7,665	5,778	7,337
Total assets	14,589	12,412	14,389
Working capital	2,800	1,948	2,505
Net interest-bearing debt (NIBD)	1,477	-754	1,275
Share of equity attributable to shareholders of Schouw & Co.	8,392	7,959	8,317
Non-controlling interests	14	16	15
Total equity	8,406	7,976	8,332
Financial data			
EBITDA margin (%)	8.1	7.9	9.2
EBIT margin (%)	4.8	5.0	6.4
EBT margin (%)	4.5	4.6	6.5
Return on equity (%)	10.7	18.3	10.9
Equity ratio (%)	57.6	64.3	57.9
ROIC excluding goodwill (%)	16.7	20.0	17.6
ROIC including goodwill (%)	13.0	16.6	13.8
NIBD/EBITDA ratio	0.9	-0.5	0.8
Average no. of employees	7,025	4,604	6,087
Per share data			
Earnings per share (of DKK 10)	4.94	5.20	36.85
Diluted earnings per share (of DKK 10)	4.91	5.16	36.63
Net asset value per share (of DKK 10)	349.42	334.38	346.99
Share price, end of period (per share DKK 10)	597.50	639.50	581.50
Price/Net asset value	1.71	1.91	1.68
Market capitalisation, end of period	14,350	15,222	13,939

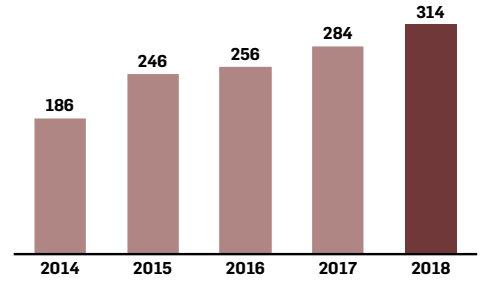
Revenue, first quarter

DKK million



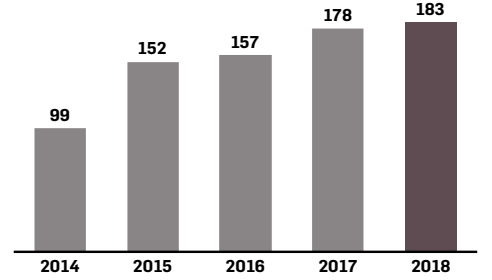
EBITDA, first quarter

DKK million



EBIT, first quarter

DKK million



Interim report – First quarter of 2018

A good first quarter of revenue improvement driven by larger volumes and acquisitions. EBITDA improvement despite more competitive markets and challenging developments in prices of components and raw materials.

Financial performance

(DKKm)	2018 YTD	2017 YTD	Change	
Revenue	3,851	3,584	267	7%
EBITDA	314	284	29	10%
EBIT	183	178	5	3%
Ass. and JVs	2	0	2	
Profit before tax	172	163	9	5%
Cash flow from operating activities	2	14	-12	-87%
Net interest-bearing debt	1,477	-754	2,231	
Working capital	2,800	1,948	852	44%
ROIC excluding goodwill	16.7%	20.0%	-3.3pp	
ROIC including goodwill	13.0%	16.6%	-3.6pp	

Overall, the companies of the Schouw & Co. Group had a good first quarter of 2018, achieving the expected revenue and EBITDA improvements. As expected, the period was characterised by tough competition in most areas, combined with higher prices of a number of components and raw materials. Climatic conditions were less favourable and the supply situation of key components and raw materials was more difficult in the first quarter of 2018 compared with the year-earlier period.

Consolidated revenue improved by 7% to DKK 3,851 million in Q1 2018 from DKK 3,584 million in Q1 2017. All portfolio businesses but BioMar contributed to the improvement, with the largest single contributor being Borg Automotive, which was not consolidated in Q1 2017.

EBITDA was up by 10% from DKK 284 million in Q1 2017 to DKK 314 million in Q1 2018. The improvement was mainly driven by Borg Automotive and to a lesser extent by Fibertex Personal Care and GPV, while the remaining businesses all reported lower EBITDA.

Associates and joint ventures contributed profit after tax in line with expectations in Q1 2018. The DKK 2 million improvement over last year was mainly based on the Salmones Austral fish farming business in Chile, which was not recognised as an associate in the Q1 2017 period.

Consolidated net financial items were an expense of DKK 13 million in Q1 2018, compared with a DKK 15 million expense in Q1 2017. The main reason for the lower expense was a reduced foreign exchange loss relative to Q1 2017, whereas actual net interest expenses were DKK 3 million higher.

Liquidity and capital resources

The consolidated operating activities generated a cash inflow of DKK 2 million in Q1 2018, compared with DKK 14 million in Q1 2017. The reduction was due to a general increase in working capital for all portfolio companies during the course of the first quarter of 2018.

Cash flows for investing activities amounted to DKK 217 million in Q1 2018, including for Fibertex Nonwovens' acquisition of the Brazilian nonwovens manufacturer Duci, but also for assets acquired in all portfolio companies. By comparison, cash flows for investing activities in Q1 2017 amounted to DKK 301 million.

The consolidated net interest-bearing debt amounted to DKK 1,477 million at 31 March 2018, compared to DKK 1,275 million at 31 December 2017. By comparison, the Group's consolidated net interest-bearing debt at 31 March 2017 was a net deposit of DKK 754 million.

The Group's working capital increased from DKK 2,505 million at 31 December 2017 to DKK 2,800 million at 31 March 2018. By comparison, working capital amounted to DKK 1,948 million at 31 March 2017, at which time the acquisitions of Borg Automotive, Alimentsa and Duci were not consolidated.

Group developments

The consolidated performance of the first quarter of 2018 was one of continued revenue improvements that were mainly driven by larger volumes and by the acquired businesses. Earningswise, the Group has managed to achieve a relatively equivalent EBITDA improvement in spite of more competitive markets and generally challenging developments in prices of components and raw materials.

The companies of the Schouw & Co. Group have invested heavily in recent years to capitalise on opportunities for expansion. These include investing in capacity-enhancing assets, such as the production line at BioMar's factory at Karmøy, Norway, which was commissioned in July 2017, and Fibertex Personal Care's new production unit in Sendayan, Malaysia, which was commissioned in the fourth quarter of 2017. Those two investments have added substantial new production capacity that was not available in the first quarter of 2017.

Other opportunities have been company acquisitions, as particularly Borg Automotive and Alimentsa in 2017, which have expanded the Group's business volume relative to the first quarter of 2017. In addition, Fibertex Nonwovens acquired Brazilian nonwovens manufacturer Duci on 2 February 2018, and that company has been consolidated from that date.

The following is a brief review of other business developments in the portfolio companies in the first quarter of 2018. See the individual company reviews on the following pages for more information.

BioMar reported a significant increase in volumes sold, mainly due to the acquisition of Alimentsa in Ecuador, but due to lower selling prices in the Salmon division it still reported lower revenue. As expected, EBITDA fell slightly year on year, mainly due to competitive salmon markets with lower volumes sold.

→

Interim report – First quarter of 2018

Fibertex Personal Care reported a considerable revenue improvement driven mainly by an increase in volumes sold from the factory in Malaysia. EBITDA was unchanged from last year, as the positive effect of higher volumes in Malaysia was offset by the negative impact from raw materials and foreign exchange.

Fibertex Nonwovens reported a revenue improvement that was mainly due to the acquisition of Brazilian company Duci. EBITDA fell year on year, in part due to a drop in sales to the construction industry and for infrastructure projects, generally tough price competition and non-recurring costs that included the costs of acquiring the business in Brazil.

HydraSpecma grew its revenue based on improvements in a number of business segments, especially the wind turbine and the marine segments, whereas EBITDA was in line with last year.

Borg Automotive reported slightly higher revenue than last year when the company was not consolidated. EBITDA improved over last year, even when taking into account that the Q1 2017 EBITDA included non-recurring costs of DKK 22 million.

GPV reported a significant revenue improvement based on considerable contributions from new customers and new products. EBITDA improved by a similar margin.

Events after the balance sheet date

Other than as set out elsewhere in this interim report, Schouw & Co. is not aware of events occurring after 31 March 2018 which are expected to have a material impact on the Group's financial position or outlook.

Special risks

The overall risk factors the Schouw & Co. Group faces are discussed in the 2017 Annual Report. The current assessment of special risks is largely unchanged from the assessment applied in the preparation of the 2017 Annual Report.

Roundings and presentation

The amounts appearing in this interim report have generally been rounded to one decimal place using standard rounding principles. Accordingly, some additions may not add up.

Judgments and estimates

The preparation of interim financial statements requires management to make accounting judgments and estimates that affect recognised assets, liabilities, income and expenses. Actual results may differ from these judgments.

Accounting policies

The interim report is presented in accordance with IAS 34 "Interim financial reporting" as adopted by the EU and Danish disclosure requirements for consolidated and parent company financial statements of listed companies.

Effective from 1 January 2018, Schouw & Co. implemented IFRS 9 and IFRS 15. Implementation of IFRS 9 only resulted in changes to the calculation of expected losses on bad debts, as provisions for losses on bad debts has increased by DKK 15.1 million and taken directly to equity. Implementation of IFRS 15 has resulted in a review of the Group's sales contracts for the purpose of categorising them and consider whether the timing of revenue recognition should be changed. The overall effect of implementing IFRS 15 is immaterial to the Schouw & Co. Group.

See the 2017 Annual Report for a full description of the accounting policies and definitions of financial ratios.

Schouw & Co. shares

Schouw & Co. shares appreciated by 3% during the first quarter of 2018, from DKK 581.50 at 31 December 2017 to DKK 597.50 at 31 March 2018.

Outlook

All businesses of the Group maintain their full-year revenue and profit guidance.

The segments the Schouw & Co. Group businesses are involved in generally have good momentum. Healthy activity levels and low interest rates have naturally provided favourable conditions for a number of capacity-increasing investments by both the Group's businesses and by their peers.

Such movements in supply and demand do not necessarily always occur in step, and several major areas are currently seeing more competitive markets. This applies in particular to BioMar and Fibertex Personal Care, but the Group's ambition is to retain or strengthen its strategic market positions.

As a result, the Group's healthy revenue performance is not, in some areas, matched by proportionate earnings improvements. However, the Group's businesses are well positioned to take on the market challenges, and maintaining competitive strength is a key priority.

Overall, the Q1 2018 period was in line with expectations. Climatic conditions were less favourable than last year, but part of the effect is expected to crystallise as seasonal adjustments. The supply situation for a number of essential components and raw materials has become more strained, and price developments have been challenging, but all portfolio businesses maintain their revenue and EBITDA guidance.

The following brief comments provide full-year 2018 revenue and EBITDA guidance for the individual portfolio companies. See the individual company reviews on the following pages for more information.

REVENUE (DKKm)	**2018F after Q1**	**2018F orig.**	**2017 realised**
BioMar	10-10.5bn.	10-10.5bn.	9,955
Fibertex Personal Care	c. 2,100	c. 2,100	2,016
Fibertex Nonwovens	c. 1,600	c. 1,600	1,422
HydraSpecma	c. 1,900	c. 1,900	1,805
Borg Automotive	c. 1,025	c. 1,025	709
GPV	c. 1,225	c. 1,225	1,148
Other/eliminations	-	-	-23
Total revenue	c. 18.1bn	c. 18.1bn	17,032

EBITDA (DKKm)	**2018F after Q1**	**2018F orig.**	**2017 realised**
BioMar	720-770	720-770	712
Fibertex Personal Care	350-370	350-370	365
Fibertex Nonwovens	195-215	195-215	179
HydraSpecma	155-175	155-175	148
Borg Automotive	155-175	155-175	89
GPV	125-135	125-135	107
Other	c. -35	c. -35	-32
Total EBITDA	1,665-1,805	1,665-1,805	1,568
PPA depr./amort.	c. -85	c. -85	-64
Other depr./amort.	c. -470	c. -470	-411
Total EBIT	1,110-1,250	1,110-1,250	1,093
Ass. and JVs	c. 55	c. 55	42
Other financial items	c. -45	c. -45	-30
Profit before tax	1,120-1,260	1,120-1,260	1,105

BioMar maintains its full-year revenue and EBITDA guidance. However, revenue and EBITDA are, as always, subject to changes in prices of raw materials and in foreign exchange rates. BioMar also continues to expect its non-consolidated feed manufacturing companies in Turkey and China to increase their business volume.

Fibertex Personal Care maintains its full-year revenue and EBITDA guidance. However, revenue and EBITDA are, as always, subject to changes in prices of raw materials and in foreign exchange rates.

Fibertex Nonwovens maintains its revenue and EBITDA guidance, although the climatic conditions during the early months of the year have meant a drop in sales of products for the construction industry and for infrastructure projects.

HydraSpecma maintains its revenue and EBITDA guidance, in part because the extra costs of production and restructuring in China incurred in 2017 are not expected to repeat.

Borg Automotive maintains its guidance for full-year revenue and EBITDA improvements, and the company will be consolidated for the full year in 2018 instead of only nine months as was the case in 2017. In addition, EBITDA will not be impacted by non-recurring cost and PPA-related inventory adjustments as was the case in 2017.

GPV maintains its guidance for full-year revenue and EBITDA improvements, although extended lead times on a number of electronics components makes procurement and securing supplies very challenging.

Schouw & Co. Group's overall guidance

Overall, the Schouw & Co. Group continues to project full-year 2018 consolidated revenue of about DKK 18.1 billion against DKK 17.0 billion in 2017, equal to a 6% increase. However, for several of the portfolio companies, revenue will heavily depend on how prices of raw materials develop, and any price fluctuations can significantly change revenue without necessarily having any notable effect on earnings.

Schouw & Co. applies a profit forecast range for each individual business, and based on a simple aggregation of these ranges, the Group continues to guide for consolidated 2018 EBITDA in the range of DKK 1,665-1,805 million compared with DKK 1,568 million in 2017.

Depreciation, amortisation and impairment charges are expected to total DKK 555 million in 2018 against DKK 475 million in 2017. As a result, the Group continues to guide for consolidated EBIT in 2018 in the range of DKK 1,110-1,250 million compared with DKK 1,093 million in 2017.

Associates and joint ventures, which are recognised at a share of profit after tax, are expected to contribute profit of about DKK 55 million in 2018 compared with DKK 42 million in 2017.

Consolidated net financial items are expected to be an expense of DKK 45 million in 2018, compared with a DKK 30 million expense in 2017. As always, guidance is provided subject to any positive or negative effects of exchange rate fluctuations.

Management Statement

To the shareholders of Aktieselskabet Schouw & Co.

The Board of Directors and Executive Management today considered and approved the interim report for the period 1 January to 31 March 2018.

The interim report, which has been neither audited nor reviewed by the company's auditors, was prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion, the interim financial statements give a true and fair view of the Group's assets and liabilities and financial position at 31 March 2018 and of the results of the Group's operations and cash flows for the period 1 January–31 March 2018.

Furthermore, in our opinion the management's report includes a fair review of the development and performance of the business, the results for the period and the Group's financial position in general and describes the principal risks and uncertainties that it faces.

Aarhus, 3 May 2018

Executive Management

Jens Bjerg Sørensen
President

Peter Kjær

Board of Directors

Jørn Ankær Thomsen
Chairman

Jørgen Wisborg
Deputy Chairman

Kjeld Johannesen

Agnete Raaschou-Nielsen

Hans Martin Smith

Kenneth Skov Eskildsen

Financial calendar for 2018

17 August 2018	Release of H1 2018 interim report
12 November 2018	Release of interim report Q3 2018

The company provides detailed information about contacts and times of conference calls held in connection with the release of its interim reports through company announcements and postings on its website, www.schouw.dk.

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Businesses

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Portfolio company financial highlights – Q1

	BioMar		Fibertex Personal Care		Fibertex Nonwovens		HydraSpecma		Borg Automotive[1]		GPV		Group	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
INCOME STATEMENT														
Revenue	1,883.5	1,996.5	540.6	473.1	406.4	382.2	499.4	476.4	242.4	236.7	283.4	260.9	3,850.7	3,583.6
Gross profit	200.2	207.5	100.4	97.0	85.5	90.0	130.8	133.0	72.1	67.7	60.4	56.2	649.1	584.5
EBITDA	80.4	86.6	83.4	83.0	44.9	51.2	49.5	50.5	37.8	12.1	25.0	23.2	313.6	284.5
Depreciation and impairment losses	45.2	35.1	29.1	27.6	24.0	21.4	14.6	15.1	8.8	3.0	8.1	6.2	130.5	106.1
EBIT	35.2	51.5	54.3	55.4	20.9	29.8	34.9	35.5	29.0	9.2	17.0	17.0	183.1	178.3
Profit after tax in assc's and joint ventures	4.5	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.9	0.1
Net financial items	-6.4	-5.8	-6.4	-4.0	-8.7	-8.4	-2.5	-4.1	-0.9	1.8	0.8	-1.0	-13.2	-15.1
Profit before tax	33.3	46.4	47.9	51.4	12.2	21.4	32.4	31.4	28.2	11.0	17.8	15.9	171.8	163.3
Tax on profit/loss for the year	-21.0	-11.6	-11.2	-12.1	-4.7	-7.9	-7.8	-7.0	-5.4	2.9	-3.2	-2.8	-53.8	-41.0
Profit before non-controlling interests	12.3	34.8	36.7	39.3	7.5	13.5	24.6	24.4	22.8	13.9	14.6	13.1	118.1	122.3
Non-controlling interests	0.0	0.0	0.0	0.0	0.7	1.1	-0.4	0.2	0.0	0.0	0.0	0.0	0.3	1.3
Profit for the year	12.3	34.8	36.7	39.3	8.2	14.6	24.2	24.6	22.8	13.9	14.6	13.1	118.4	123.6
CASH FLOWS														
Cash flow from operating activities	-60.3	-50.6	57.8	52.9	18.0	0.4	-14.2	6.3	-38.3	-43.9	16.6	6.1	1.8	13.6
Cash flow from investing activities	-41.0	-80.5	-25.0	-137.5	-102.5	-22.6	-8.9	-7.7	-5.4	1.6	-34.2	-52.4	-217.1	-300.7
Cash flows from financing activities	136.2	73.0	-36.2	97.8	81.0	20.4	24.8	-0.4	51.2	14.2	23.3	23.3	250.3	116.4
BALANCE SHEET														
Intangible assets[2]	1,233.0	398.1	83.1	82.7	153.2	161.1	273.6	312.5	347.8		18.2	16.1	3,135.0	1,480.7
Property, plant and equipment	1,216.4	1,070.7	1,367.5	1,283.3	837.6	753.1	188.9	188.7	75.6		268.4	223.4	4,024.3	3,603.3
Other non-current assets	511.1	397.8	62.4	35.6	4.4	4.4	10.0	7.8	56.3		43.9	25.5	705.0	544.7
Cash and cash and cash equivalents	270.3	603.2	74.4	36.3	33.7	46.4	24.8	103.2	18.4		32.4	31.0	509.0	1,513.4
Other current assets	2,981.3	2,804.4	682.0	592.5	724.4	615.7	954.2	805.0	562.2		586.9	457.6	6,215.7	5,269.9
Total assets	6,212.1	5,274.2	2,269.4	2,030.4	1,753.3	1,580.7	1,451.5	1,417.2	1,060.3		949.8	753.6	14,589.0	12,412.0
Shareholders' equity	2,451.3	2,185.7	888.3	819.9	547.7	516.3	447.1	433.5	477.0		262.2	187.0	8,406.2	7,975.8
Interest-bearing liabilities	1,344.2	768.7	905.7	806.8	924.9	794.9	632.1	603.6	206.2		401.7	327.2	2,037.5	827.7
Other liabilities	2,416.6	2,319.8	475.4	403.7	280.7	269.5	372.3	380.1	377.1		285.9	239.4	4,145.3	3,608.5
Total equity and liabilities	6,212.1	5,274.2	2,269.4	2,030.4	1,753.3	1,580.7	1,451.5	1,417.2	1,060.3		949.8	753.6	14,589.0	12,412.0
Average no. of employees	1,171	901	695	621	947	841	1,200	1,092	1,560	1,402	1,440	1,138	7,025	4,604
FINANCIAL KEY FIGURES														
EBITDA margin	4.3%	4.3%	15.4%	17.5%	11.0%	13.4%	9.9%	10.6%	15.6%	5.1%	8.8%	8.9%	8.1%	7.9%
EBIT margin	1.9%	2.6%	10.0%	11.7%	5.1%	7.8%	7.0%	7.4%	12.0%	3.9%	6.0%	6.5%	4.8%	5.0%
ROIC excluding goodwill	27.0%	38.2%	15.5%	15.3%	6.9%	8.3%	12.7%	16.8%	24.2%		16.0%	15.7%	16.7%	20.0%
ROIC including goodwill	17.4%	25.8%	14.7%	14.3%	6.3%	7.6%	10.8%	14.2%	13.3%		15.6%	15.5%	13.0%	16.6%
Working capital	773.7	514.3	366.4	315.7	486.8	410.8	604.9	491.2	259.0		305.9	221.0	2,799.5	1,947.5
Net interest-bearing debt	833.2	97.8	811.8	770.5	891.1	748.5	573.1	500.4	187.7		369.3	296.2	1,477.2	-753.6

Notes: 1) Pro-forma figures for Borg Automotive in Q1 2017 are not consolidated. 2) Intangible assets in portfolio businesses stated exclusive of consolidated goodwill in Schouw & Co.

BioMar

Alimentsa acquisition triggers volume increase, but revenue drops du to changes in foreign exchange rates, product mix and increased competition. Full-year 2018 revenue and EBITDA guidance maintained.

BioMar	2018 YTD	2017 YTD	2017 FY
Revenue	1,884	1,996	9,955
EBITDA	80	87	712
EBIT	35	51	559
Assc. and JVs	4	1	38

See financial highlights and key ratios on p. 8

BioMar is one of the world's largest manufacturers of quality feed for the shrimp and fish farming industry. The company's operations are divided into three divisions:

- The Salmon division covering operations in Norway, Scotland, Chile and Australia. The division supplies high-yielding feed for trout, Atlantic salmon, Pacific salmon and other species.
- The EMEA division covering the EMEA region and involving all operations other than salmon. The division has production facilities in Denmark, France, Spain, Greece and Turkey.
- The Emerging Markets division covering new territories and business development activities.

The Emerging Markets division has three production facilities, in Ecuador, Costa Rica and China. The operations in Ecuador, acquired in September 2017, are dedicated to shrimp feed, while the facility in Costa Rica manufactures feed for both fish and shrimp. The current fish feed production facility in China is located at Haiwei near Hong Kong, and a new facility is currently being built in Wuxi just outside Shanghai.

BioMar	2018 YTD	2017 YTD	2017 FY
Volume ('000 of tonnes)	223	205	1,156
Revenue (DKKm)	1,884	1,996	9,955
- of which salmon north	906	1,038	5,420
- of which salmon south	450	603	1,957
- other divisions	528	355	2,578

Financial performance

BioMar reported a 9% year-on-year increase in volumes sold in the first quarter of 2018 that was mainly due to the acquisition of Alimentsa in Ecuador.

The Salmon division suffered a drop in volumes sold due to a drop in water temperatures in northern Europe and warmer water temperatures in Australia relative to the first quarter of last year. BioMar expects to make up a part of the volume decline that was due to weather conditions in the remaining part of 2018.

The EMEA division reported volume improvements in southern Europe, but not in northern Europe where this year's long and cold winter meant that volumes sold were in line with those of Q1 2017. The Turkish joint venture grew its business activity by a significant margin year on year, but the Turkish operations are not consolidated.

The Emerging Markets division reported a significant increase in volumes sold in the first quarter of 2018 as a result of the acquisition of Alimentsa in Ecuador. The Chinese joint venture also grew its business activity year on year, but the Chinese operations are not consolidated.

Despite the increase in volumes sold, total revenue amounted to DKK 1,884 million, which was almost a 6% decline from DKK 1,996 million in Q1 2017. The drop in revenue was attributable to the Salmon division, as changes in foreign exchange rates and product mix and increased competition have reduced average selling prices.

The Q1 2018 EBITDA was DKK 80 million, compared with DKK 87 million in Q1 2017. A reduction in EBITDA had been expected, and it was due to a setback in the Salmon division that was only partially offset by the acquisition of Alimentsa and a modest improvement by the EMEA division.

Profit after tax from associates and joint ventures rose from DKK 1 million in Q1 2017 to DKK 4 million in Q1 2018. The improvement was mainly based on the Salmones Austral fish farming business in Chile, which was not recognised as an associate in the Q1 2017 period.

The non-consolidated feed businesses in Turkey and China reported combined (100% basis) revenue of DKK 137 million in Q1 2018, up from DKK 120 million in Q1 2017. EBITDA for Q1 2018 was DKK 14 million, compared with DKK 4 million in Q1 2017.

Tax on the profit for the period was up by DKK 9 million to DKK 21 million in Q1 2018, the increase being due to deferred tax in Ecuador resulting from an increase in Ecuador's corporate tax rates.

BioMar's working capital grew from DKK 514 million at 31 March 2017 to DKK 774 million at 31 March 2018. The increase was mainly due to the acquisition of Alimentsa and reduced use of supply chain financing. ROIC excluding goodwill fell from 38.2% at 31 March 2017 to 27.0% at 31 March 2018 due to lower earnings combined with higher average invested capital, partly due to the acquisition of Alimentsa.

Business development

BioMar's acquisition of the Ecuadorian shrimp feed producer Alimentsa closed in September 2017, at which time the company was consolidated. The acquisition has progressed as planned, and Alimentsa is generating revenue and profit in line with expectations. Alimentsa has been successfully integrated with the rest of the BioMar businesses, although there are still positive synergies and additional potential to be achieved. While retaining its focus on tilapia and shrimp feed for the Central American market, the business in Costa Rica is one of the BioMar units that are readily expected to benefit from the synergy potential with Alimentsa.

BioMar is almost ready to launch a project to establish a research center in Ecuador, the Aquaculture Technology Center (ATC), dedicated to shrimp farming. The ATC will be a value creator in BioMar's production of shrimp feed and for the company's customers. In addition, the ATC will complement BioMar's product development capabilities in other geographical markets.

In China, BioMar is currently building a new fish feed factory in Wuxi near Shanghai in a joint venture with Chinese partner Tongwei Co. Ltd. The

BioMar

new facility will have an annual capacity of 50,000 tonnes of fish feed. Unfortunately, construction of the plant has been further delayed by a few months due to challenges arising in the cooperation with a local contractor, and the plant is now expected to be commissioned towards the end of the third quarter of 2018.

In March 2017, BioMar announced an almost DKK 300 million investment in a new feed factory in Tasmania, Australia. Preparations at the site are progressing to plan, including obtaining local regulatory approval, and BioMar continues to expect the new facility to be ready by the end of 2019 with an annual fish feed capacity of about 110,000 tonnes.

Outlook

BioMar anticipates moderate growth rates in its core markets in 2018. In addition, the group expects to increase volumes sold in emerging markets, such as Ecuador and China. Unlike in 2017, Alimentsa will contribute full-year revenue and earnings in 2018, and the new factory at Wuxi in China is scheduled to begin production later in the year. It should be noted, however, that the operations in China are not consolidated.

General market conditions are expected to be challenging in 2018, as moderate growth will combine with intense competition in core markets. Competition accelerated considerably in the Norwegian market in 2017, and the effects will also impact 2018 earnings. Competition in Scotland will also intensify in 2018, as Marine Harvest is expected to start up its own fish feed production, which will reduce the accessible market.

BioMar will defend its market share and expand its position by developing and implementing new products and continuing to strongly focus on enhancing efficiency and on customer orientation.

BioMar retains its expectations of a 2018 revenue in the range of DKK 10.0-10.5 billion, but as always changes in raw materials prices and foreign exchange rates may impact revenue. BioMar maintains its guidance of 2018 EBITDA in the range of DKK 720-770 million compared with DKK 712 million in 2017.

Profit from associates and joint ventures, which is recognised at a share of profit after tax, continues to be expected at the level of approximately DKK 50 million, compared with DKK 38 million in 2017.

Fibertex Personal Care

Malaysia volumes up after eighth nonwovens line commissioned, but bottom line effect offset by negative impact on raw materials and foreign exchange. Guidance for 2018 unchanged.

Fibertex Personal Care	2018 YTD	2017 YTD	2017 FY
Revenue	541	473	2,016
EBITDA	83	83	365
EBIT	54	55	251

See financial highlights and key ratios on p. 8

Fibertex Personal Care is one of the world's largest manufacturers of spunbond/spunmelt nonwovens for the personal care industry. The company has nonwovens production facilities in Denmark and Malaysia.

Its operations also include Innowo Print, a market leader in direct printing on nonwoven textiles for the personal care industry. The nonwoven printing operations are based in Germany and Malaysia, but the company is currently also setting up production facilities in the USA.

Financial performance

Fibertex Personal Care reported a 14% revenue increase to DKK 541 million in Q1 2018, up from DKK 473 million in Q1 2017. The improvement was mainly driven by increased volumes in Malaysia after the company's eighth nonwovens line was commissioned at the end of 2017.

EBITDA for Q1 2018 was DKK 83 million, which was in line with the Q1 2017 figure, as the positive effect of higher volumes in Malaysia was offset, as expected, by the negative impact on raw materials and foreign exchange.

Fibertex Personal Care	2018 YTD	2017 YTD	2017 FY
Revenue (DKKm)	541	473	2,016
- of which from Denmark	177	174	730
- of which from Malaysia	300	250	1,093
- of which from Germany	64	49	194

Working capital increased from DKK 316 million at 31 March 2017 to DKK 366 million at 31 March 2018, mainly due to the greater volume of business activity in Malaysia. ROIC excluding goodwill increased from 15.3% at 31 March 2017 to 15.5% at 31 March 2018.

Business development

Fibertex Personal Care's focus is to strengthen its market position through a commitment to constant customer attention and on being the standard-setting supplier in terms of quality, service and innovation. This commitment is underpinned by the recent investments in the new nonwovens factory at Sendayan, some 25 kilometres south of the existing factory at Nilai, outside Kuala Lumpur, Malaysia. Commencing operations in the fourth quarter of 2017, the new production site has space for an additional three production lines and so is ready for further expansion in the crucial Asian growth market. With growth rates in Europe being much lower than they are in Asia, Fibertex Personal Care has invested heavily in recent years to upgrade plant and machinery at the factory site in Denmark, particularly with a view to accommodating demand for specialty products.

After several years of intense development efforts, Fibertex Personal Care has now added a new leg to its product portfolio. Fibertex LOFT is a brand new technology based on the traditional spunbond platform that enables the production of nonwovens with unique textile-like characteristics. The new platform is consistent with the strategic goals of innovation and an increased focus on specialty products. Protected through patents, the Fibertex LOFT technology strengthens Fibertex Personal Care's position in a highly competitive market.

The printing techniques developed in-house have also increased the company's competitive strength. Customers increasingly demand direct print on nonwovens materials instead of the traditional solution of having a design print on a thin film. Innowo Print's print technology allows its customers' designers to enhance the visual expression, which facilitates a range of differentiation options.

In 2017, Fibertex Personal Care acquired an industrial site in Asheboro, North Carolina. The company has launched a project to build a new nonwovens printing facility that is scheduled for completion at the end of 2018. Once the new facility is in place, the company will be strategically well-positioned with respect to production and delivery in three key markets: Europe, Asia and the USA. In addition to the construction project in the USA, Fibertex Personal Care expanded its printing facilities in Malaysia in the first quarter when the second printing line at the Nilai facility was commissioned.

Outlook

Fibertex Personal Care has generated high growth rates in recent years, and the company is a good example of how innovation-focused volume production can be combined with different niches on a global scale.

Limited growth and tough competition remain characteristics of the European market. Investing in new technology and upgrading existing production lines are necessary steps in order to accommodate customer demands for innovative products combined with a high level of quality and service.

The Asian markets have experienced high growth rates in recent years. Through dedicated investment, launches of innovative new products and close collaboration with strategical customers, Fibertex Personal Care has successfully expanded its market position as one of the largest suppliers to the Asian market.

Fibertex Personal Care continues to expect to generate full-year 2018 revenue of DKK 2.1 billion. As always, however, changes in raw materials prices and foreign exchange rates may impact revenue and profit performance. Based on the current outlook, Fibertex Personal Care maintains its guidance of full-year 2018 EBITDA in the range of DKK 350-370 million compared with DKK 365 million in 2017.

Fibertex Nonwovens

Revenue up after acquisition in Brazil. Full-year 2018 guidance unchanged despite challenging raw materials prices and reduced sales to the construction industry and for infrastructure projects in the early months of the year.

Fibertex Nonwovens	2018 YTD	2017 YTD	2017 FY
Revenue	406	382	1,422
EBITDA	45	51	179
EBIT	21	30	88

See financial highlights and key ratios on p. 8

Fibertex Nonwovens is among Europe's leading manufacturers of nonwovens, i.e. non-woven textiles used for a number of different industrial purposes. The company's core markets are in Europe and North America and its secondary markets are in Africa and Asia. Effective from February 2018, Fibertex Nonwovens established operations in Brazil by acquiring nonwovens manufacturer Duci.

Financial performance

Fibertex Nonwovens grew its revenue by 6% in Q1 2018 to DKK 406 million from DKK 382 million in Q1 2017, whereas EBITDA dropped to DKK 45 million from DKK 51 million last year. The acquisition in Brazil added DKK 21 million to revenue and DKK 3 million to EBITDA before acquisition costs.

The revenue improvement was mainly due to the acquisition in Brazil and improvements in North America. Q1 2018 sales of products for the construction industry and for infrastructure projects in the European market were a bit lower than last year, when sales increased during the much milder winter season.

The reduced sales of products for the construction industry and for infrastructure projects and the generally tough price competition all weighed on Q1 EBITDA. In addition, non-recurring costs were incurred in connection with the migration to a new ERP system in Turkey and relating to the acquisition of the business in Brazil.

The company reported high capacity utilisation at its European and US production facilities in the first quarter. The US operations have continued the positive developments of increasing sales to new and existing customers. Unlike in 2017, raw materials prices have apparently stabilised, although still at a high level.

The higher business activity and the acquisition in Brazil drove up working capital from DKK 411 million at 31 March 2017 to DKK 487 million at 31 March 2018, of which Brazil accounted for DKK 51 million. ROIC excluding goodwill fell from 8.3% at 31 March 2017 to 6.9% at 31 March 2018, due to high capex levels in 2017 and 2018, including the acquisition in Brazil and combined with lower earnings in Q1 2018.

Business development

In recent years, Fibertex Nonwovens has consolidated its position as a leading manufacturer of industrial nonwovens. In terms of development and innovation, the company has built a solid portfolio of new projects, including products for the automotive and composite industries and for filtration and acoustic applications. In order to capitalise on future growth potential, the company has expanded operations and upgraded lines in order to increase the proportion of value-added products.

The spunlacing facility in Turkey has now been almost fully integrated with the other European production sites, and the facility in South Africa has become more closely integrated with the global sales organisation.

Fibertex Nonwovens' US subsidiary has continued the positive developments in 2018, reporting a revenue increase and improved earnings. The company has also built a stronger customer portfolio in the USA, which is considered an attractive growth market.

Fibertex Nonwovens has secured a strategic position in Brazil by acquiring the nonwovens manufacturer Duci. Established in 2001, Duci is based in an industrial district west of São Paulo. The company has about 100 employees and generated revenue of almost DKK 115 million and EBITDA of about DKK 15 million in 2017. The Brazilian market for industrial nonwovens is the sixth largest in the world and accounts for about 120,000 tonnes a year, equivalent to about half of the overall South American market. Duci has a relatively new production platform for spunlacing technology, and the transaction has given Fibertex Nonwovens a solid foothold in the growing South American market. The integration of the company is progressing to plan.

Outlook

Fibertex Nonwovens expects moderately rising business activity in 2018 with generally stable market conditions in most segments. In addition, the acquisition in Brazil will be consolidated from 2 February 2018.

Prices of the most used commodities rose in 2017, but now appear to have stabilised at a relatively high level. These developments have necessitated several price increases, making already competitive markets even more challenging.

Fibertex Nonwovens expects to improve its financial performance in 2018, with support from the upgraded production lines and the increase in production capacity. South Africa will still be experiencing a slumping economy in 2018, but the South African operations are expected to improve earnings through integration with the other companies of the group.

On that background, Fibertex Nonwovens still expects to generate revenue of approximately DKK 1.6 billion, corresponding to about a 13% increase over 2017, and EBITDA in the range of DKK 195-215 million in 2018 compared with DKK 179 million in 2017.

HydraSpecma

Revenue improvements in several segments followed by capacity expansion and enhanced production efficiency. Rising component prices and longer lead times. Forecast of improvements in 2018 maintained.

HydraSpecma	2018 YTD	2017 YTD	2017 FY
Revenue	499	476	1,805
EBITDA	49	51	148
EBIT	35	35	88

See financial highlights and key ratios on p. 8

HydraSpecma is a specialised manufacturing, trading and engineering company whose core business is hydraulic components and systems for industry and the aftermarket. The company is a hydraulics market leader in the Nordic region, which is the base of its core production facilities and most of its operations. The company also serves customers from its own businesses in Poland, England, China, India, Brazil and the USA.

Financial performance

HydraSpecma reported Q1 2018 revenue of DKK 499 million, a 5% improvement on DKK 476 million in Q1 2017. The high level of business activity from 2017 has continued for wheeled machinery in the building and construction segments, agriculture, mining and the automotive segment (lorries and buses). In addition, the wind turbine and marine segment has experienced a much higher level of activity than it did in the first quarter of 2017, whereas activity in the defence and offshore segments and material handling have been muted.

As expected, the Q1 2018 EBITDA of DKK 49 million was in line with the year-before EBITDA of DKK 51 million.

Working capital grew by DKK 114 million from DKK 491 million at 31 March 2017 to DKK 605 million at 31 March 2018. The increase was attributable to, among other things, larger inventories to stock a new warehouse being established in the USA and a strategic decision to increase inventories of key products in response to longer supplier lead times. The higher average working capital and the lower LTM earnings relative to the previous year meant that the return on invested capital, ROIC, excluding goodwill fell to 12.7% at 31 March 2018 from 16.8% at 31 March 2017.

Business development

Experiencing continuing growth in demand, HydraSpecma faces a need to expand its output capacity while also reducing production costs. To accommodate this, the company invested to expand its output capacity of hydraulic hoses in Sweden and opened new production facilities in Denmark. In the upcoming period, HydraSpecma will also be investing in production machinery and facilities for the purpose of automating processes and increasing output capacity.

HydraSpecma is currently building new facilities to be fitted with modern production machinery at Stargard, Poland, where the company has experienced strong growth. Originally planned for about 5,000 m^2, the project has now been expanded to cover 7,000 m^2 in order to ensure adequate flexibility going forward. This is an area where HydraSpecma serves many Swedish industrial companies that have relocated production to Poland.

HydraSpecma allocates resources for developing and testing new products in collaboration with customers. In the wind turbine industry, for example, the company regularly participates in major development projects. A supplier to the wind turbine industry must be capable of delivering complete units rather than just individual components, and HydraSpecma is prepared to make the necessary investments to emain an attractive supplier to this industry.

HydraSpecma continues its efforts to optimise business activities in China. A joint management has been appointed for the two businesses in China, which has strengthened the initiatives and collaboration between the two to achieve procurement and construction synergies. The businesses in China constitute an important part of HydraSpecma's growth plan for 2020 and they represent a strong production platform in respect of strategically important customers.

In Brazil, activities are growing in the automotive segment. The lorry segment, in particular, is expected to become an important market in the years ahead, and as at its other sites, HydraSpecma plans to invest in quality assurance and efficiency improvements.

Outlook

HydraSpecma expects to increase sales to its core customer segments in hydraulics for vehicles and in sales to customers in the wind turbine segment. Stable markets are expected in other segments.

HydraSpecma's business activities in China continue to be characterised by weak growth with the exception of the wind turbine segment, where the growing business activity and completed and planned optimisation steps are expected to produce earnings improvements in the Chinese operations.

The hydraulics market is currently seeing rising component prices and longer lead times and, in certain product areas, an actual shortage of goods which could dampen the anticipated growth. Obviously, HydraSpecma is working to mitigate the effects of this situation, and the company remains focused on optimising its output capacity and on developing its organisation and cross-organisational projects. While these efforts will increase costs in the short term, they are essential for the company to achieve its future goals.

On that background, HydraSpecma maintains its guidance for revenue of approximately DKK 1.9 billion, corresponding to about a 5% increase over 2017, and EBITDA in the range of DKK 155-175 million in 2018 compared with DKK 148 million in 2017.

Borg Automotive

Strong market position, large product range and good capacity provide a platform for growth. Stronger demand from private-label customers in first quarter. Forecast of improvements in 2018 maintained.

Borg Automotive	2018 YTD	2017 YTD	2017 FY
Revenue	242	237	946
EBITDA	38	12	102
EBIT	29	9	73

See financial highlights and key ratios on p. 8

Europe's largest independent remanufacturing company, Borg Automotive produces, sells and distributes remanufactured automotive parts to the European market.

Borg Automotive sells its products under three different brands: Lucas, Elstock and DRI, with Elstock and DRI being proprietary brands. The company's main products are starters, alternators, brake calipers, air-condition compressors, EGR valves, steering racks and pumps. Headquartered in Silkeborg, Denmark, Borg Automotive operates production facilities in Poland and England and a sales and development subsidiary in Belgium.

Schouw & Co. acquired Borg Automotive at 3 April 2017, and the company was consolidated effective from the second quarter of 2017. Pre-acquisition balance sheet figures are not directly comparable and are therefore not reviewed.

Financial performance

Borg Automotive reported Q1 2018 revenue of DKK 242 million, compared with DKK 237 million in Q1 2017 when the company was not consolidated. The moderate year on year improvement was in line with expectations.

The Q1 2018 EBITDA was DKK 38 million, compared with DKK 12 million in Q1 2017. However, in the comparison with last year, it should be noted that the Q1 2017 EBITDA included non-recurring costs of DKK 22 million.

Working capital amounted to DKK 259 million at 31 March 2018 and ROIC excluding goodwill was 24.2% at 31 March 2018.

Business development

Borg Automotive reported positive growth in demand in the first quarter of 2018. Borg Automotive has two sales departments: based in Denmark, Elstock sells to the independent aftermarket, while CPI, based in Belgium, sells to private label customers, including OES (Original Equipment Service) customers. Particularly CPI in the quarter reported very positive trends in demand across virtually the entire product range.

Developing the product programme, optimising production and ensuring complementary operations at the two production units in Poland and England remain ongoing priorities at Borg Automotive. The production organisation was strengthened on some important points during the first quarter. Work continues to enhance digitisation of services and transactions with customers.

After Schouw & Co. took over the business, the company has accelerated its strategy work in order to explore business opportunities in the market. The financial leverage that comes with long-term ownership is expected to provide a platform for both geographical and product expansion.

Over the past few years, Borg Automotive has generated stable organic growth in terms of both sales volume and revenue. Ongoing negotiations with major customers for additional long-term agreements support the outlook for further positive developments.

The results of these efforts make it relevant to increase capacity. Work continues on planning upcoming production expansion in eastern Europe, and management believes there is a potential to expand capacity at the existing production unit in Zdunska Wola. The purpose of the upcoming expansion will be to build the capacity to manage a wider product range and a broader geographical footprint, while also maintaining a level of service of the current customer base that can accommodate the ever-growing demand for speed of delivery, precision and quality.

Outlook

The market Borg Automotive serves has experienced considerable customer consolidation in recent years, as many other industries have. Obviously, the consolidating businesses achieve higher procurement volumes, leading to a change in trade patterns. On the positive side, consolidation also facilitates higher sales volumes. Borg Automotive has a broad product portfolio and a strong pipeline that will continue to support positive sales developments to the independent aftermarket and to the OES segment.

Borg Automotive retains its full-year guidance of revenue of around DKK 1,025 million, for an 8% increase relative to the full-year 2017 period. While the company's production costs depend strongly on the developments of the PLZ-DKK and GBP-DKK exchange rates, Borg Automotive maintains its guidance for full-year 2018 EBITDA in the range of DKK 155-175 million compared with DKK 102 million in the 2017 calendar year when non-recurring costs and inventory adjustments due to the purchase price allocation affected EBITDA by a total of DKK 53 million.

GPV

New customers and new products offsetting effects of slowdown experienced by a few major customers. Capacity expansion ensures considerable flexibility, but sourcing of components requires more ressources. Outlook for improvements in 2018 maintained.

GPV	2018 YTD	2017 YTD	2017 FY
Revenue	283	261	1,148
EBITDA	25	23	107
EBIT	17	17	81

See financial highlights and key ratios on p. 8

GPV is Denmark's largest EMS (Electronic Manufacturing Services) company and a significant international player in its field. The company is a high-mix/low-medium (HMLM) volume manufacturer for the B2B market. GPV's core products are electronics, mechatronics (combination of electronics, software and mechanical technology) and high precision mechanics. Headquartered in Denmark, GPV has production facilities in Denmark, Thailand and Mexico.

Its customers are primarily major international businesses typically headquartered in Europe or North America. GPV sells its products to its customers' international units in large parts of the world and has in recent years shipped products to customers in more than 30 countries.

Financial performance

GPV reported a 9% revenue increase to DKK 283 million in Q1 2018 from DKK 261 million in Q1 2017. EBITDA rose by a similar margin, to DKK 25 million in Q1 2018 from DKK 23 million in Q1 2017.

The acquisition of BHE, an electronics manufacturing services company, in March 2017 in addition to new customers and new products had a positive effect on revenue, offsetting the fact that a few large customers experienced business activity at a lower level in Q1 2018 than in the year-earlier period.

Working capital amounted to DKK 306 million at 31 March 2018, compared with DKK 221 million at 31 March 2017, but it is important to note that the revenue improvement, the start up of the new facility in Mexico and generally larger inventories of components with long lead times were main drivers of the increase. ROIC excluding goodwill improved from 15.7% at 31 March 2017 to 16.0% at 31 March 2018, despite an increase in capital expenditure during the reporting period, which included setting up in Mexico and a considerable capacity expansion.

Business development

Meeting customer requirements for high quality standards and reliability of supply is a big priority for GPV. To ensure adequate flexibility, the company has a current investment programme for additional automation and an increase in production capacity at its electronics and mechanics facilities. The company is also currently expanding factory space at its facility in Thailand, which will increase capacity by about 50%. The new factory expansion will become operational in successive stages and is scheduled for final completion in 2020.

With the electronics factory established recently in Mexico, GPV has become strategically well-positioned in terms of manufacturing and shipping in Asia, Europe and the Americas. Commissioned in the first quarter of 2017, the new factory will enable GPV to share in its existing customers' growth in North America and to expand its share of the HMLM volume technical electronics market.

An expansion of the capacity in Mexico is expected to be commissioned in 2018, and work is currently ongoing to extend the production space at the electronics factory in Denmark.

Major investments have been made during the past year to expand production capacity at all GPV factory sites. The largest expansion project was at the electronics factory in Thailand. All new production lines feature the latest automation standards (Industry 4.0).

Operational excellence and supply chain innovation remains major priorities for GPV in its efforts to meet market demands and expectations for quality and efficiency. Accordingly, GPV will continue to implement flexible automation and robotics.

Outlook

The trend of outsourcing production in the sectors in which GPV operates is expected to continue, as customers increasingly focus on their core competencies and on cutting back on capital expenditure and inventories while through GPV having access to flexibility and an outsourcing partner capable of handling all aspects of complex production.

GPV believes the European market will be relatively flat in the short term. The same applies to the US market, although market conditions there are more volatile.

The positive market trends seen in 2017 have resulted in longer lead times for certain electronic components. As a result, GPV will give greater priority and allocate more ressources to sourcing components and raw materials in order to be able to supply products to customers.

The guidance for full-year 2018 revenue reflects expectations that sales to a few large customers look to be a little lower than previously anticipated, but also that GPV has positive expectations for sales of new products and sales to new customers. The substantial costs of starting up operations in Mexico will continue to weigh on earnings.

On that background, GPV maintains its guidance of full-year 2018 revenue of around DKK 1,225 million, corresponding to about a 7% increase over 2017, and full-year 2018 EBITDA in the range of DKK 125-135 million compared with DKK 107 million in 2017.

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Statements of income and comprehensive income

Note	Income statement	2018 YTD	2017 YTD	2017 FY
1	Revenue	3,850.7	3,583.6	17,032.2
	Cost of sales	-3,201.6	-2,999.1	-14,192.1
	Gross profit	649.1	584.5	2,840.1
	Other operating income	12.2	2.8	51.2
	Distribution costs	-291.3	-239.5	-1,097.9
2	Administrative expenses	-186.4	-169.2	-693.2
	Other operating expenses	-0.5	-0.3	-7.5
	EBIT	183.1	178.3	1,092.7
	Profit after tax in associates	3.4	0.9	31.7
	Profit after tax in joint ventures	-1.4	-0.8	10.2
	Financial income	16.9	4.3	78.4
	Financial expenses	-30.1	-19.4	-108.4
	Profit before tax	171.8	163.3	1,104.6
	Tax on profit/loss for the year	-53.8	-41.0	-230.1
	Profit for the year	118.1	122.3	874.5
	Shareholders of Schouw & Co.	118.4	123.6	879.5
	Non-controlling interests	-0.3	-1.3	-5.0
	Profit for the year	118.1	122.3	874.5
5	Earnings per share (DKK)	4.94	5.20	36.85
5	Diluted earnings per share (DKK)	4.91	5.16	36.63

Note	Statement of comprehensive income	2018 YTD	2017 YTD	2017 FY
	Items that can be reclassified to the income statement:			
	Foreign exchange adjustments of foreign units, etc.	-51.1	14.3	-225.5
	Value adjustment of hedging instruments for the year	0.3	1.9	-4.2
	Hedging instruments transferred to cost of sales	1.6	0.3	0.4
	Hedging instruments transferred to financials	4.9	1.2	4.8
	Other comprehensive income from associates and JVs	-2.8	-0.8	-22.3
	Other adjustments to other comprehensive income	0.7	0.7	-7.5
	Tax on other comprehensive income	-1.7	-0.7	0.1
	Other comprehensive income after tax	-48.1	16.9	-254.2
	Profit for the year	118.1	122.3	874.5
	Total recognised comprehensive income	70.0	139.2	620.3
	Attributable to			
	Shareholders of Schouw & Co.	70.1	140.3	625.4
	Non-controlling interests	-0.1	-1.1	-5.1
	Total recognised comprehensive income	70.0	139.2	620.3

Amounts in DKK million

Balance sheet · Assets and liabilities

Note	Total assets	2018 31/3	2017 31/12	2017 31/3	2016 31/12
	Goodwill	2,180.3	2,207.7	1,180.6	1,168.6
	Customer relations	371.0	379.1	118.7	123.0
	Brands	177.2	182.8	53.2	54.6
	Know-how	314.2	326.3	35.3	36.2
	Other intangible assets	92.3	99.0	92.9	99.1
	Intangible assets	3,135.0	3,194.9	1,480.7	1,481.5
	Land and buildings	1,778.2	1,776.4	1,401.9	1,420.6
	Plant and machinery	1,796.1	1,836.1	1,388.8	1,328.0
	Other fixtures and fittings, tools and equipment	133.8	120.3	118.3	93.5
	Assets under construction, etc.	316.2	226.4	694.3	608.0
	Property, plant and equipment	4,024.3	3,959.2	3,603.3	3,450.1
	Equity investments in associates	338.8	342.0	86.9	62.6
	Equity investments in joint ventures	164.0	168.6	168.2	171.2
	Securities	5.1	4.7	119.8	121.3
	Deferred tax	72.9	57.6	40.0	35.5
	Receivables	124.2	137.0	129.8	138.9
	Other non-current assets	705.0	709.9	544.7	529.5
	Total non-current assets	7,864.3	7,864.0	5,628.7	5,461.1
	Inventories	2,979.6	2,811.2	2,264.5	1,970.5
3	Receivables	3,185.9	3,180.0	2,942.1	3,103.7
	Income tax receivable	50.2	55.7	63.3	55.3
	Cash and cash and cash equivalents	509.0	478.2	1,513.4	1,682.4
	Total current assets	6,724.7	6,525.1	6,783.3	6,811.9
	Total assets	14,589.0	14,389.1	12,412.0	12,273.0

Note	Liabilities and equity	2018 31/3	2017 31/12	2017 31/3	2016 31/12
5	Share capital	255.0	255.0	255.0	255.0
	Hedge transaction reserve	-5.2	-10.5	-7.8	-10.7
	Exchange adjustment reserve	-57.9	-6.6	254.5	240.4
	Retained earnings	7,868.3	7,748.0	7,151.6	7,006.1
	Proposed dividend	331.5	331.5	306.0	306.0
	Equity attributable to parent company shareholders	8,391.7	8,317.4	7,959.3	7,796.8
	Non-controlling interests	14.4	14.5	16.5	17.6
	Total equity	8,406.1	8,331.9	7,975.8	7,814.4
	Deferred tax	319.6	308.9	186.2	188.6
	Other payables	373.1	360.9	91.9	100.4
	Interest-bearing debt	1,552.7	1,365.7	516.0	402.2
	Non-current liabilities	2,245.4	2,035.5	794.1	691.2
	Current portion of non-current interest-bearing debt	286.3	291.1	139.2	152.1
	Interest-bearing debt	198.5	148.6	172.5	168.8
	Trade payables and other payables	3,360.3	3,492.7	3,252.2	3,339.4
	Income tax	92.4	89.3	78.2	107.1
	Current liabilities	3,937.5	4,021.7	3,642.1	3,767.4
	Total liabilities	6,182.9	6,057.2	4,436.2	4,458.6
	Total equity and liabilities	14,589.0	14,389.1	12,412.0	12,273.0

Notes without reference 6-8.

Amounts in DKK million

Cash flow statement

Note		2018 YTD	2017 YTD	2017 FY
	Profit before tax	171.8	163.3	1,104.6
	Adjustment for non-cash operating items, etc.:			
	Depreciation and impairment losses	130.5	106.1	475.1
	Other non-cash operating items, net	-22.9	-16.6	66.1
	Provisions	0.6	1.3	0.9
	Profit/loss after tax in associates and joint ventures	-1.9	-0.1	-41.9
	Financial income	-16.9	-4.3	-78.4
	Financial expenses	30.1	19.4	108.4
	Cash flows from operations before changes in working capital	291.2	269.1	1,634.8
	Changes in working capital	-252.1	-194.1	-546.0
	Cash flows from operations	39.1	75.0	1,088.8
	Interest received	20.3	2.6	18.2
	Interest paid	-26.4	-12.9	-52.7
	Cash flows from ordinary activities	33.1	64.7	1,054.3
	Income tax paid	-31.3	-51.1	-291.1
	Cash flows from operating activities	1.8	13.6	763.2
	Purchase of intangible assets	-2.9	-1.9	-24.5
	Disposal of intangible assets	0.0	0.0	2.1
	Purchase of property, plant and equipment	-135.2	-246.4	-809.1
	Sale of property, plant and equipment	0.4	1.1	20.1
4	Acquisitions	-80.3	-30.0	-1,863.6
	Acquisition of non-controlling interests	0.0	0.0	-1.5
	Acquisition of/capital contribution to associates and joint ventures	-0.3	-23.5	-87.4
	Dividends received from associates	0.0	0.0	2.5
	Additions/disposals of other financial assets	1.3	0.0	-1.6
	Cash flows from investing activities	-217.1	-300.7	-2,763.0

Note		2018 YTD	2017 YTD	2017 FY
	Loan financing:			
	Repayment of non-current liabilities	-23.6	-26.9	-142.3
	Proceeds from incurring non-current financial liabilities	6.4	136.1	231.2
	Increase (repayment) of bank overdrafts	250.7	-12.3	946.4
	Cash flows from debt financing	233.5	96.9	1,035.3
	Shareholders:			
	Dividends paid	0.0	0.0	-285.6
	Purchase/sale of treasury shares, net	16.8	19.5	68.6
	Cash flows from financing activities	250.3	116.4	818.3
	Cash flows for the year	35.0	-170.7	-1,181.5
	Cash and cash equivalents at 1 January	478.2	1,682.4	1,682.4
	Value adjustment of cash and cash equivalents	-4.3	1.7	-22.7
	Cash and cash equivalents at 31 December	509.0	1,513.4	478.2

Statement of changes in equity

	Share capital	Hedge transaction reserve	Exchange adjustment reserve	Retained earnings	Proposed dividend	Total	Non-controlling interests	Shareholders' equity
Equity at 1 January 2017	255.0	-10.7	240.4	7,006.1	306.0	7,796.8	17.6	7,814.4
Profit and other comprehensive income								
Foreign exchange adjustments of foreign subsidiaries	0.0	0.0	14.1	0.0	0.0	14.1	0.2	14.3
Value adjustment of hedging instruments for the year	0.0	1.9	0.0	0.0	0.0	1.9	0.0	1.9
Hedging instruments transferred to cost of sales	0.0	0.3	0.0	0.0	0.0	0.3	0.0	0.3
Hedging instruments transferred to financials	0.0	1.2	0.0	0.0	0.0	1.2	0.0	1.2
Other comprehensive income from associates and joint ventures	0.0	0.0	0.0	-0.8	0.0	-0.8	0.0	-0.8
Other adjustments to other comprehensive income	0.0	0.0	0.0	0.7	0.0	0.7	0.0	0.7
Tax on other comprehensive income	0.0	-0.5	0.0	-0.2	0.0	-0.7	0.0	-0.7
Profit for the year	0.0	0.0	0.0	123.6	0.0	123.6	-1.3	122.3
Total recognised comprehensive income	0.0	2.9	14.1	123.3	0.0	140.3	-1.1	139.2
Transactions with the owners								
Share-based payments, net	0.0	0.0	0.0	2.6	0.0	2.6	0.0	2.6
Sale of treasury shares	0.0	0.0	0.0	19.6	0.0	19.6	0.0	19.6
Total transactions with owners during the year	0.0	0.0	0.0	22.2	0.0	22.2	0.0	22.2
Equity at 31 March 2017	255.0	-7.8	254.5	7,151.6	306.0	7,959.3	16.5	7,975.8
Equity at 1 January 2018	255.0	-10.5	-6.6	7,748.0	331.5	8,317.4	14.5	8,331.9
Changes in accounting policies	0.0	0.0	0.0	-11.5	0.0	-11.5	0.0	-11.5
Profit and other comprehensive income								
Foreign exchange adjustments of foreign subsidiaries	0.0	0.0	-51.3	0.0	0.0	-51.3	0.2	-51.1
Value adjustment of hedging instruments for the year	0.0	0.3	0.0	0.0	0.0	0.3	0.0	0.3
Hedging instruments transferred to cost of sales	0.0	1.6	0.0	0.0	0.0	1.6	0.0	1.6
Hedging instruments transferred to financials	0.0	4.9	0.0	0.0	0.0	4.9	0.0	4.9
Other comprehensive income from associates and joint ventures	0.0	0.0	0.0	-2.8	0.0	-2.8	0.0	-2.8
Other adjustments to other comprehensive income	0.0	0.0	0.0	0.7	0.0	0.7	0.0	0.7
Tax on other comprehensive income	0.0	-1.5	0.0	-0.2	0.0	-1.7	0.0	-1.7
Profit for the year	0.0	0.0	0.0	118.4	0.0	118.4	-0.3	118.1
Total recognised comprehensive income	0.0	5.3	-51.3	116.1	0.0	70.1	-0.1	70.0
Transactions with the owners								
Share-based payment	0.0	0.0	0.0	3.1	0.0	3.1	0.0	3.1
Value adjustment of put option	0.0	0.0	0.0	-4.2	0.0	-4.2	0.0	-4.2
Sale of treasury shares	0.0	0.0	0.0	16.8	0.0	16.8	0.0	16.8
Total transactions with owners during the year	0.0	0.0	0.0	15.7	0.0	15.7	0.0	15.7
Equity at 31 March 2018	255.0	-5.2	-57.9	7,868.3	331.5	8,391.7	14.4	8,406.1

Amounts in DKK million

Notes to the financial statements

1

Segment reporting

Total reporting segments 2018	BioMar	FPC	FIN	HydraSpecma	Borg	GPV	Total
External revenue	1,883.5	535.3	406.4	499.4	242.4	283.4	3,850.4
Intra-group revenue	0.0	5.3	0.0	0.0	0.0	0.0	5.3
Segment revenue	1,883.5	540.6	406.4	499.4	242.4	283.4	3,855.7
Depreciation and impairment losses	45.2	29.1	24.0	14.6	8.8	8.1	129.8
EBIT	35.2	54.3	20.9	34.9	29.0	17.0	191.2
Segment assets:	6,642.3	2,317.5	1,785.3	1,451.5	1,576.1	949.8	14,722.6
Of which goodwill	1,295.9	99.1	117.1	142.7	515.8	9.8	2,180.3
Equity investments in associates and joint ventures	426.4	0.0	0.0	2.9	0.0	0.0	429.2
Segment liabilities	3,760.8	1,381.1	1,205.6	1,004.4	583.3	687.6	8,622.9
Working capital	773.7	366.4	486.8	604.9	259.0	305.9	2,796.7
Net interest-bearing debt	833.2	811.8	891.1	573.1	187.7	369.3	3,666.2
Cash flow from operating activities	-60.3	57.8	18.0	-14.2	-38.3	16.6	-20.4
Cash flow from investing activities	-41.0	-25.0	-102.5	-8.9	-5.4	-34.2	-217.0
Cash flows from financing activities	136.2	-36.2	81.0	24.8	51.2	23.3	280.4
Capital expenditure	42.3	25.2	51.5	8.6	5.4	34.3	167.4
Average no. of employees	1,171	695	947	1,200	1,560	1,440	7,013

Total reporting segments 2017	BioMar	FPC	FIN	HydraSpecma	Borg	GPV	Total
External revenue	1,996.5	467.7	380.9	476.4	-	260.7	3,582.2
Intra-group revenue	0.0	5.4	1.3	0.0	-	0.2	6.9
Segment revenue	1,996.5	473.1	382.2	476.4	-	260.9	3,589.1
Depreciation and impairment losses	35.1	27.6	21.4	15.1	-	6.2	105.4
EBIT	51.5	55.4	29.8	35.5	-	17.0	189.2
Segment assets:	5,704.4	2,078.5	1,612.7	1,417.2	-	753.6	11,566.4
Of which goodwill	789.9	99.1	123.3	152.2	-	16.1	1,180.6
Equity investments in associates and joint ventures	181.2	0.0	0.0	2.6	-	0.0	183.8
Segment liabilities	3,088.5	1,210.5	1,064.4	983.7	-	566.6	6,913.7
Working capital	514.3	315.7	410.8	491.2	-	221.0	1,953.0
Net interest-bearing debt	97.8	770.5	748.5	500.4	-	296.2	2,413.4
Cash flow from operating activities	-50.6	52.9	0.4	6.3	-	6.1	15.1
Cash flow from investing activities	-80.5	-137.5	-22.6	-7.7	-	-52.4	-300.7
Cash flows from financing activities	73.0	97.8	20.4	-0.4	-	23.3	214.1
Capital expenditure	57.0	137.7	22.6	7.9	-	42.4	267.6
Average no. of employees	901	621	841	1,092	-	1,138	4,593

Notes to the financial statements

1
Segment reporting (continued)

Based on management control and financial management, Schouw & Co. has identified six reporting segments, which are BioMar, Fibertex Personal Care, Fibertex Nonwovens, HydraSpecma, Borg Automotive and GPV.

All inter-segment transactions were made on an arm's length basis.

Reconciliation of consolidated revenue, EBIT, assets and liabilities

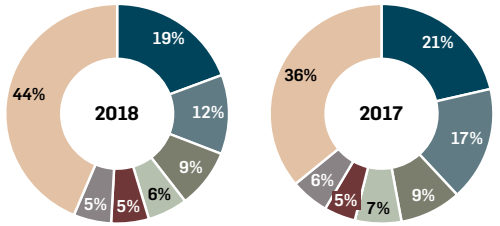
2018	Consolidated revenue	EBIT	Total assets	Liabilities
Reporting segments	3,855.7	191.2	14,722.6	8,622.9
Non-reporting segment	0.3	-0.5	83.9	26.6
Parent company	2.4	-7.6	8,892.6	1,527.0
Group elimination, etc.	-7.7	0.0	-9,110.1	-3,993.5
Total	3,850.7	183.1	14,589.0	6,182.9

2017	Consolidated revenue	EBIT	Total assets	Liabilities
Reporting segments	3,589.1	189.2	11,566.4	6,913.7
Non-reporting segment	1.4	0.5	101.9	35.1
Parent company	2.0	-11.4	8,453.2	493.9
Group elimination, etc.	-8.9	0.0	-7,709.5	-3,006.5
Total	3,583.6	178.3	12,412.0	4,436.2

The data on revenue by geography are based on customers' geographical location, while data on intangible assets and property, plant and equipment by geography are based the geographical location of the assets. The specification shows individual countries that account for more than 5% of the Group in terms of revenue or assets. As Schouw & Co.'s consolidated revenue is generated in some 100 different countries, a very large proportion of the revenue derives from the 'Other' category.

Revenue mainly consists of the sale of goods recognised when the goods are delivered to the customer.

Revenue by country:



	YTD 2018	YTD 2017
Norway	742	766
Chile	450	603
Denmark	334	320
UK	223	241
Germany	210	163
Sweden	210	200
Other	1,682	1,291
Total	3,851	3,584

2
Costs

Share-based payment: Share option programme

The company maintains an incentive programme for the Executive Management and senior managers, including the executive managements of subsidiaries. The programme entitles participants to acquire shares in Schouw & Co. at a price based on the officially quoted price at around the time of grant plus a calculated rate of interest from the date of grant until the date of exercise. The 2018 grant is described in greater detail in company announcement no. 4/2018 of 16 March 2018, however subsequently the number has been increased with 6,000 options..

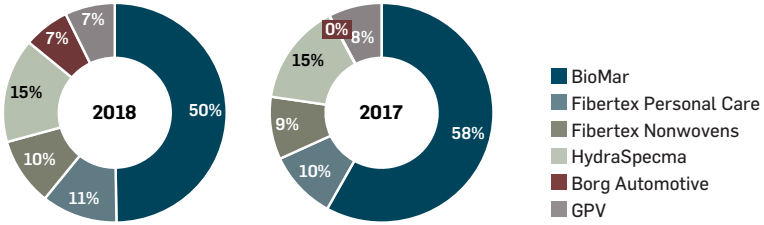
Outstanding options	Executive management	Other	Total
Total outstanding options at 31 December 2017	205,000	478,667	683,667
Exercised in Q1 2018	0	-45,833	-45,833
Granted in 2018	55,000	289,000	344,000
Total outstanding options at 31 March 2018	260,000	721,834	981,834

Notes to the financial statements

3
Receivables (current)

	31/3 2018	31/3 2017
Trade receivables	2,909.0	2,748.0
Other current receivables	222.7	162.9
Prepayments	54.2	31.2
Total current receivables	3,185.9	2,942.1

Trade receivables by portfolio company:



31/3 2018	Not fallen due	Due between (days) 1-30	31-90	>91	Total
Trade receivables not considered to be impaired	2,491.5	217.2	89.3	51.8	2,849.8
Trade receivables individually assessed to be impaired	6.5	35.1	20.7	147.2	209.5
Total receivables	2,498.0	252.3	110.0	199.0	3,059.3
Impairment losses on trade receivables	-16.5	-1.5	-3.2	-129.1	-150.3
Trade receivables, net	2,481.5	250.8	106.8	69.9	2,909.0
Proportion of the total receivables which is expected to be settled					
Impairment rate	0.7%	0.6%	2.9%	64.9%	4.9%

31/3 2017	Not fallen due	Due between (days) 1-30	31-90	>91	Total
Trade receivables not considered to be impaired	2,408.0	189.7	76.7	30.0	2,704.4
Trade receivables individually assessed to be impaired	-6.6	22.5	16.2	173.5	205.6
Total receivables	2,401.4	212.2	92.9	203.5	2,910.0
Impairment losses on trade receivables	-6.9	-4.0	-1.7	-149.4	-162.0
Trade receivables, net	2,394.5	208.2	91.2	54.1	2,748.0
Proportion of the total receivables which is expected to be settled					
Impairment rate	0.3%	1.9%	1.9%	73.4%	5.6%

	31/3 2018	31/3 2017
Impairment losses on trade receivables		
Impairment losses at 1 January	-137.8	-158.2
Change of accounting policies	-15.1	0.0
Foreign exchange adjustments	4.9	-0.3
Additions on company acquisitions	-0.2	0.0
Reversed impairment losses	0.3	0.2
Impairment losses for the year	-2.4	-3.7
Realised loss	0.0	0.0
Impairment losses, end of period	-150.3	-162.0

Notes to the financial statements

4
Acquisitions

	YTD 2018	YTD 2017
Customer relations	6.9	0.0
Property, plant and equipment	22.5	3.2
Financial assets	0.0	0.6
Inventories	37.3	22.6
Receivables	29.8	14.8
Tax asset	0.0	0.3
Cash and cash equivalents	2.0	0.0
Credit institutions	0.0	-10.9
Trade payables	-11.4	-12.2
Other payables	-4.7	-4.5
Net assets acquired	82.3	13.9
Goodwill	0.0	16.1
Acquisition cost	82.3	30.0
of which cash and cash equivalents	-2.0	0.0
Total cash acquisition costs	80.3	30.0

Fibertex Nonwovens acquired all activities in Brazilian nonwovens manufacturer Duci effective on 2 February 2018. Fibertex Nonwovens thereby obtained a strong foothold in the growing South American market and took a big step towards a position as a global market-leading supplier of nonwovens to the automotive industry.

Duci was founded in 2001 and currently generates revenue of nearly DKK 115 million (2017) and EBITDA of about DKK 15 million (2017).

Intangible assets of DKK 6.9 million consisting of customer relations have been preliminary identified in connection with the acquisition.

The acquisition of Duci involved acquisition costs of DKK 1.7 million, which amount has been recognised under administrative expenses.

Acquired assets include trade receivables at a fair value of DKK 29.8 million. The contractual gross receivable amounts to DKK 30.0 million, of which DKK 0.2 million was assessed as being irrecoverable at the acquisition date.

Had Duci been acquired effective on 1 January 2018, revenue would have been DKK 11 million higher and the full-year profit would have been DKK 0.6 million higher.

5
Share capital and earnings per share (DKK)

The share capital consists of 25,500,000 shares with a nominal value of DKK 10 each. Each share carries one vote. All shares rank equally. The share capital is fully paid up and no changes have been made during the past five years.

Treasury shares	Number of shares	Nominal value (DKK)	Cost	Percentage of share capital
1 January 2017	1,756,930	17,569,300	342.9	6.89%
Share option programme	-60,000	-600,000	-7.0	-0.24%
31 March 2017	1,696,930	16,969,300	335.9	6.65%
Changes in Q2-Q4 2017				
Share option programme	-167,000	-1,670,000	-19.3	-0.65%
31 December 2017	1,529,930	15,299,300	316.6	6.00%
Share option programme	-45,833	-458,330	-5.3	-0.18%
31 March 2018	1,484,097	14,840,970	311.3	5.82%

A total of 45,833 shares held in treasury were used in connection with options exercised in 2018. The shares had an aggregate fair value of DKK 29.4 million at the date of exercise.

The Group's holding of treasury shares had a market value of DKK 886.7 million at 31 March 2018. The portfolio of treasury shares is recognised at DKK 0.

	2018 YTD	2017 YTD
Share of the profit for the year attributable to shareholders of Schouw & Co	118.4	123.6
Average number of shares	25,500,000	25,500,000
Average number of treasury shares	-1,518,930	-1,741,708
Average number of outstanding shares	23,981,070	23,758,292
Average dilutive effect of outstanding share options *	107,337	173,887
Diluted average number of outstanding shares	24,088,407	23,932,179
Earnings per share of DKK 10	4.94	5.20
Diluted earnings per share of DKK 10	4.91	5.16

* See note 2 for information on options that may cause dilution.

Notes to the financial statements

6

Fair value of categories of financial assets and liabilities

	2018 31/3	2017 31/12	2017 31/3
Financial assets			
Securities measured at fair value through profit or loss – level 1	3.4	3.0	2.3
Derivative financial instruments to hedge future cash flows – level 2	9.1	18.1	7.1
Securities measured at fair value through other comprehensive income – level 3	1.7	1.7	117.5
Financial liabilities			
Derivative financial instruments to hedge future cash flows – level 2	23.3	21.7	19.2

Listed equities measured at the official year-end market value (level 1) amounted to DKK 3.0 million. Securities measured at fair value through the income statement (level 1) increased by DKK 0.4 million to DKK 3.4 million at 31 March 2018. Securities measured at fair value through other comprehensive income (level 3) amounted to DKK 1.7 million, which was unchanged. The fair value of recognised financial assets and liabilities corresponds to the carrying amount. No financial assets or liabilities were transferred between the above levels in the first quarter of 2018.

The Group uses interest rate swaps and forward currency contracts to hedge fluctuations in the level of interest rates and foreign exchange rates. Forward exchange contracts and interest rate swaps are valued using generally accepted valuation techniques based on relevant observable swap curves and exchange rates (level 2). The fair values applied are calculated mainly by external sources on the basis of discounted future cash flows.

The fair value of derivative financial instruments is calculated by way of valuation models such as discounted cash flow models. Anticipated cash flows for individual contracts are based on observable market data such as yield curves and exchange rates. In addition, fair values are based on non-observable market data, including exchange rate volatilities, or correlations between yield curve, exchange rates and credit risks. Non-observable market data account for an insignificant part of the fair value of the derivative financial instruments at the end of the reporting period.

7

Related party transactions

Under Danish legislation, Givesco A/S, Svinget 24, DK-7323 Give, members of the Board of Directors, the Executive Management and senior management as well as their family members are considered to be related parties. Related parties also comprise companies in which the individuals mentioned above have material interests. Related parties also comprise subsidiaries, joint arrangements and associates, in which Schouw & Co. has control, significant influence or joint control of as well as members of the boards of directors, management boards and senior management of those companies.

Management's share option programmes are set out in note 2.

	2018 YTD	2017 YTD
Joint ventures:		
During the reporting period, the Group sold goods in the amount of	6.8	6.3
At 31 March, the Group had a receivable of	24.0	20.9
At 31 March, the Group had debt in the amount of	0.6	0.0
Associates:		
During the reporting period, the Group sold goods in the amount of	50.5	2.8
During the reporting period, the Group bought goods in the amount of	12.6	6.7
At 31 March, the Group had a receivable of	74.6	0.3
At 31 March, the Group had debt in the amount of	82.6	0.6

During 2018, the Group traded with BioMar-Sagun, BioMar-Tongwei, LetSea, Salmones Austral, Young Tech Co., Micron Specma India and Incuba Invest.

Other than as set out above, there were no transactions with related parties.

Schouw & Co. has registered the following shareholders as holding 5% or more of the share capital: Givesco A/S (28.09%), Direktør Svend Hornsylds Legat (14.82%) and Aktieselskabet Schouw & Co. (5.82%).

8

Special risks, judgements and estimates, and accounting policies

For the Group's special risks, judgements and estimates, and accounting policies please see the Management's report page 4.