

ANNUAL REPORT 10/11

ME/WE/BRING/AERO
S/COMMUNICATION/
BILE/DOWN/TO/LAND
SYSTEMS/EARTH/MAR

MARITIME LAND MOBILE AERONAUTICAL SYSTEMS

Chairman's statement	3	Global responsibility	26	Parent company financial statements ..	73
Financial highlights and key ratios	4	Corporate governance.....	28	Board of Directors and Management	
Performance	5	Risk factors	30	Board	85
Management's review	6	Financial review	32	Glossary	86
How our technologies work	10	Statement by the management	38		
The markets	12	Independent auditor's report	39		
Shareholder information	22	Consolidated financial statements	41		

Forward-looking statements

This annual report contains forward-looking statements regarding expectations for 2011/12. Such statements are subject to risks and uncertainties as various factors, many of which are beyond Thrane & Thrane's control, may cause actual developments and results to differ materially from expectations contained in the annual report. The annual report has been translated from Danish. The Danish text shall govern for all purposes and shall prevail in case of any discrepancy with the English version.

FOCUSED STRATEGY PRODUCED STRONG PERFORMANCE

The 2010/11 financial year was the best-ever operating performance in Thrane & Thrane history. Revenue growth was driven by stronger sales of terminals, and cost of sales was reduced, boosting operating profit by 70% to DKK 194 million. Cash flows from operating activities also increased steeply to stand at DKK 318 million.

Particularly Thrane & Thrane's advanced – but at the same time simple and robust – broadband products are increasingly in demand for maritime, land mobile and aeronautical use. This proves the focus of recent years' substantial development efforts right.

People have an ever-increasing need to communicate. Irrespective of time, place and situation, we constantly require being able to communicate with the world around us. We constantly expect enhanced quality, efficiency, comfort and reliability in our communications; be it in our homes, in companies, or not least in demanding environments at sea, on land and in the air, where reliable communication equipment is essential.

Thrane & Thrane is the world's leading provider of high-quality solutions for global mobile communication based on sophisticated satellite and radio technology. This position has been achieved through steady growth since the company was set up almost 30 years ago. Our position is based on strong technological and commercial capabilities and being close to the market in a strong alliance with business partners worldwide.

Based on the company's strong performance, the price of Thrane & Thrane shares has increased by 34% in the past financial year. The strong financial results are also the reason why the Board of Directors is recommending to the shareholders at the annual general meeting that the dividend be increased from DKK 6 to DKK 8 per share.

Furthermore, as our solvency and liquidity are strong, and as we have reduced our debts to a modest level considering the size of our company, we are in a position to make investments if the right opportunities present themselves.

Our financial results have been generated through our dedicated strategy. On the Board of Directors and Management Board, we intend to pursue the company's strong performance, thereby enabling Thrane & Thrane to continue to create value for customers, business partners, employees and shareholders alike.

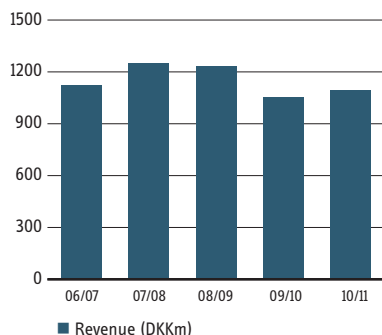
WALDEMAR SCHMIDT
Chairman of the Board of Directors

WALDEMAR SCHMIDT

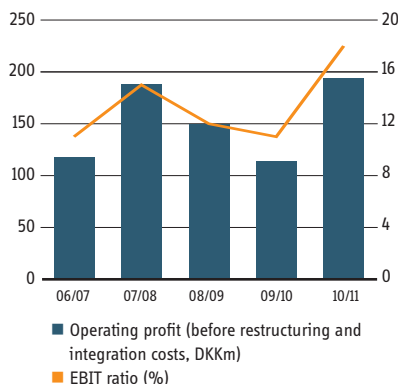


FINANCIAL HIGHLIGHTS AND KEY RATIOS

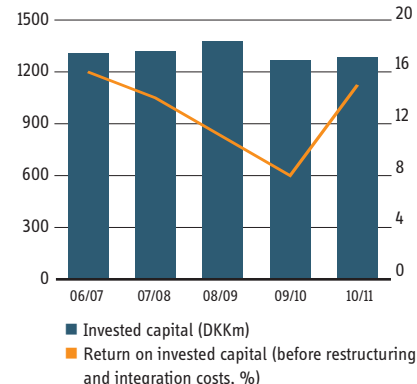
REVENUE



OPERATING PROFIT AND EBIT RATIO



INVESTED CAPITAL AND RETURN ON INVESTED CAPITAL



DKKm	2006/07	2007/08	2008/09	2009/10	2010/11
Revenue	1,121	1,253	1,235	1,051	1,093
Operating profit (before restructuring and integration costs)	118	188	150	114	194
Operating profit (EBIT)	78	63	125	114	194
Net profit for the year	45	22	85	59	134
Total assets, year end	1,848	1,748	1,716	1,665	1,696
Equity, year end	745	758	816	864	970
Invested capital, year end	1,307	1,318	1,376	1,265	1,287
Cash inflow from operating activities	151	209	198	302	264
Cash outflow from investing activities	(473)	(184)	(142)	(115)	(118)
Free cash flow (before acquisitions and financing)	22	26	84	187	146
Net cash inflow/(outflow) for the year	143	(153)	(1)	111	56
EBIT ratio*	10.5%	15.0%	12.1%	10.8%	17.8%
Return on invested capital*	15.7%	14.4%	11.4%	8.3%	15.4%
Development costs incurred	168	216	159	145	153
Development costs as % of revenue	15.0%	17.2%	12.9%	13.8%	14.0%
Equity ratio	40.3%	43.4%	47.6%	51.9%	57.2%
Net interest-bearing debt as % of equity	64.2%	60.3%	53.3%	31.7%	17.0%
Average number of employees	698	761	693	607	592
Earnings per share (EPS, DKK)	8.60	3.87	15.26	10.42	23.66
Cash flow from operating activities per share (DKK)	28.75	37.53	35.35	53.48	46.79
Free cash flow (before acquisitions and financing) per share (FCFPS, DKK)	4.26	4.61	14.99	33.16	25.84
Proposed dividend per share (DKK)	5.50	5.50	5.50	6.00	8.00
Net asset value per share (year end, DKK)	135.24	135.21	144.81	152.57	171.25
Share price (year end, DKK)	290.00	265.00	162.00	187.50	251.00
Share price / net asset value (year end)	2.14	1.96	1.12	1.23	1.47
Number of shares (1,000 shares, year end)	5,507	5,603	5,635	5,663	5,663

* The calculation uses operating profit before restructuring and integration costs.

BEST-EVER PERFORMANCE

“The operating profit generated in 2010/11 was the best-ever in Thrane & Thrane’s almost 30-year history. The results were achieved through focused development of new products and controlled initiatives in new markets combined with our persistent efforts to enhance profitability. Thus, the return on invested capital almost doubled to more than 15%.”

Walther Thygesen, CEO

FINANCIAL HIGHLIGHTS

- Revenue for the 2010/11 financial year ended on April 30, 2011 increased by 4% to DKK 1,093 million (DKK 1,051 million).
- Revenue in the aeronautical and land mobile markets increased by 62% and 18%, respectively. Revenue in the maritime area was up by 3%.
- Operating profit increased by 70% to DKK 194 million (DKK 114 million).
- The operating margin was up to 17.8% (10.8%).
- The cash inflow from operating activities before changes in working capital increased to DKK 318 million (DKK 269 million).
- DKK 153 million was used for product development and product maintenance in 2010/11 (DKK 145 million), equivalent to 14.0% of revenue (13.8%).
- Equity amounted to DKK 970 million at April 30, 2011 (DKK 864 million), and the equity ratio was 57.2% (51.9%).
- Return on invested capital was 15.4% (8.3%).
- For the 2011/12 financial year, Thrane & Thrane expects revenue of around DKK 1,125 – 1,175 million (DKK 1,093 million) and an operating margin of around 17% (17.8%).
- Thrane & Thrane’s Board of Directors intends to recommend to the shareholders at the annual general meeting to be held on June 30, 2011 that a dividend of DKK 8.00 per share of DKK 20 be paid (DKK 6.00).

TARGETED INVESTMENTS AND CONTROLLED EXPANSION



WALTHER THYGESEN
CEO

Recent years' focused development of new products combined with reduced production costs and an expansion and strengthening of Thrane & Thrane's distribution network has produced strong financial results.

Demand for broadband communication solutions remained strong in the three market areas: the maritime, the land mobile and the aeronautical markets, and total sales of terminals increased by 10% in 2010/11.

The positive development was driven by a steadily increasing demand for reliable equipment for high speed data transmission.

- In the maritime area, Thrane & Thrane's SAILOR FleetBroadband products saw strong demand throughout the year, and sales of terminals increased by 23% over last year. With aggregate sales of more than 17,000 terminals worldwide, the company is a market leader in this growth area.
- Revenue in the land mobile market, where Thrane & Thrane has a strong position, was up by 18%. The improvement was driven in particular by increased demand for the company's high-end EXPLORER terminals.
- Thrane & Thrane's new AVIATOR broadband products were very well received in the aeronautical market, contributing to a 62% increase in revenue in 2010/11. More than 200 terminals have been sold since Inmarsat introduced its SwiftBroadband service, and Thrane & Thrane has built a strong position in this market.

In terms of geography, Thrane & Thrane has a strong position in its traditional markets, particularly in Western Europe and Asia. In future, however, an increasing volume of growth is expected to derive from markets such as Russia, Africa, South America, India and China.

STRONG BUSINESS MODEL

Being the world's leading manufacturer of equipment and systems for global mobile communication based on sophisticated satellite and radio technology, Thrane & Thrane spearheads the development of new products that meet today's requirements and are designed and prepared for future innovation and developments in demand. At the same

time, Thrane & Thrane has the ability to leverage the technologies across the entire product range and apply experience gained in one area of application to other areas.

Combined with sustained efforts to enhance efficiency, these factors help ensure that Thrane & Thrane maintains its leading position and financial strength. Even in recent years' global economic downturn and the resulting dampening of demand, Thrane & Thrane has improved profitability and this year generated the best-ever operating performance in company history.

As part of its strategy, Thrane & Thrane focuses on developing tracking antennas, and the company has successfully launched a number of different antennas for the maritime Inmarsat market. Thrane & Thrane intends to continue along this track, launching its first Ku-band antenna developed in-house, the SAILOR 900 VSAT, in the upcoming financial year. The new product will strengthen the company's technological capabilities while also providing access to new markets outside the Inmarsat market.

FINANCIAL PERFORMANCE

In 2010/11, Thrane & Thrane's revenue was 4% higher than in the year before. Operating profit increased by 70% to DKK 194 million (DKK 114 million), equivalent to an operating margin of 17.8% (10.8%).

The operating profit, which was the best-ever in the company's almost 30-year history, contributed to increasing the return on invested capital to 15.4% (8.3%).

The improvement was generated through focused efforts to enhance profitability. Thus, the ratio of cost of goods sold to revenue fell by 4 percentage points relative to last year while development costs charged to the income statement were reduced by around 16% due to lower product amortization.

The net profit for the year was up by 127% to stand at DKK 134 million (DKK 59 million).

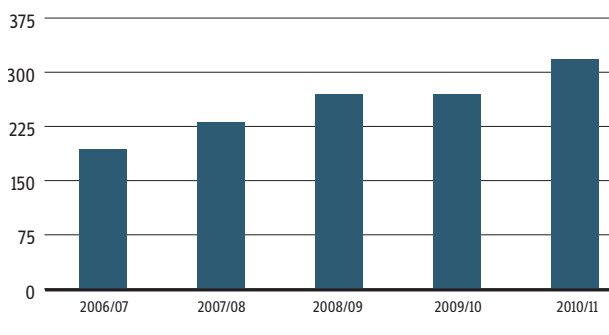
The company's cash flows also improved in 2010/11, among other things due to the sustained focus on outsourcing production and procurement. The cash flow from operating activities before changes in working capital was DKK 318 million (DKK 269 million).

Inventories were reduced by DKK 28 million, receivables increased by DKK 19 million, and trade payables etc. fell by DKK 26 million. Overall, working capital thus increased by DKK 18 million.

The company generated a cash inflow from operating activities of DKK 264 million (DKK 302 million), and the free cash flow before financing amounted to DKK 146 million (DKK 187 million).

The company had a net cash inflow of DKK 56 million for the year (DKK 111 million).

CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGE IN WORKING CAPITAL (DKKm)



GROWTH EXPECTED TO CONTINUE

In the 2011/12 financial year, Thrane & Thrane expects to continue the positive performance and to generate revenue growth. At the same time, earnings are expected to remain on a level with the figure generated in the past financial year.

The new products introduced in 2010/11 and the planned product launches are expected to boost revenue in the maritime and the aeronautical markets. Developments in the land mobile market and the market for systems are rather more uncertain, resulting in greater uncertainty with respect to the possibilities for growth in those markets.

Accordingly, management expects revenue for 2011/12 of around DKK 1,125–1,175 million and an operating margin of around 17%.

Thrane & Thrane intends to strengthen its development and sales efforts in 2011/12 through a number of investments and new recruitments in Denmark, China and certain other locations.

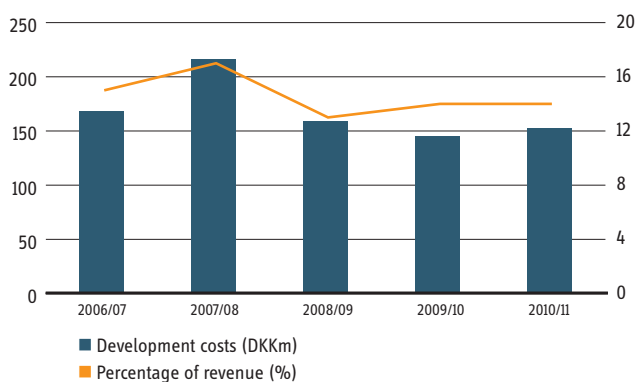
FIRM STRATEGY

Thrane & Thrane's business concept is to develop and sell innovative high-quality solutions for global mobile radio and satellite communication. The company's goal is to create value for customers, business partners, employees and shareholders. Accordingly, focus areas for this and the coming years are as follows:

- Thrane & Thrane aims for its products and services to be characterized by innovation and creativity. The company intends to strengthen its technology leadership by retaining a high level of activity in new product development. The company expects to plough 12–15% of revenue back into product development and intends to leverage technology platforms across market segments in order to shorten development lead times and limit investments.

- As in previous years, Thrane & Thrane will move into selected new business areas that are closely related to the existing ones. Thrane & Thrane will take an organic approach, using the company's technical know-how as well as its existing sales channels. An example of this is the new Ku-band antenna described above. Attractive businesses or technologies will also be acquired when such a solution provides a faster way of achieving the company's goals.
- Thrane & Thrane will continue to optimize its collaboration with suppliers, business partners and customers. Thrane & Thrane wishes to stay closely connected with the markets and aims for all links in the chain to operate profitable businesses.
- Thrane & Thrane will work closely with the company's suppliers and continue to outsource most of production, ensuring flexibility and reducing the need for investment. Thrane & Thrane intends to retain the production technology know-how in the organization thereby retaining controlled and effective cooperation with suppliers.
- Thrane & Thrane intends to optimize capital utilization on an ongoing basis. The company gives priority to having financial strength, flexibility and versatility. A strong capital base also enables the company to expand through acquisitions.
- Finally, Thrane & Thrane intends to develop the organization on an ongoing basis, maintaining its flexibility. Competent and responsible employees are a prerequisite for sustained success in product development and sales. The company intends to develop their competencies by offering challenging work. Thrane & Thrane aims to become an ever better and more attractive place to work.

DEVELOPMENT COSTS INCURRED AND THEIR SHARE OF REVENUE



Through a sustained and dedicated effort in these areas, Thrane & Thrane intends to secure and expand the company's position as a world leader in its field.

STRONG CAPITAL BASE BRINGS OPPORTUNITIES

Recent years' strong financial performance has strengthened the company's financial position. The company had net interest-bearing debt of DKK 165 million at April 30, 2011, representing just 17% of equity and 0.8 times EBIT.

This strong position is a prerequisite for considering new major investments, such as acquisitions, should the right opportunities arise. A key criterion in management's assessment in this context has been, and will continue to be, that significant synergies can be achieved in relation to the existing activities, or that the acquisition of technologies or products can provide faster access to new markets.

FINANCIAL TARGETS

Thrane & Thrane maintains the company's financial targets:

- Thrane & Thrane will continue to strive to generate annual revenue growth rates of 8–10%, primarily through organic growth, but also from the acquisition of carefully selected activities or technologies.
- Thrane & Thrane will strive to improve EBIT by a rate that exceeds the revenue growth rate so as to lift the operating margin to at least 18%.
- Thrane & Thrane will aim for equity to exceed interest-bearing debt.
- Thrane & Thrane's targeted growth and operating margin, combined with ongoing optimization of the capital structure, will provide a basis for raising the return on invested capital to the level of not less than 20%, thereby safeguarding the innovative capabilities, versatility and further development of the company's business.

GROWING INVESTOR INTEREST

Thrane & Thrane is experiencing growing interest from the investment market, and the price of the company's shares performed positively in 2010/11, standing at DKK 251 at April 30, 2011 against DKK 187.50 at the year-earlier date.

The company is also experiencing stronger interest from foreign investors, and the proportion of foreign shareholders has risen from 6% to 19% over the past two years.

Management welcomes this development and seeks to accommodate it through open and accessible communications and a proactive dialogue with investors and equity analysts.



Thane & Thane recorded strong growth in the land mobile market in the 2010/11 financial year driven, among other things, by robust demand for its EXPLORER vehicular terminals. The small EXPLORER 325 vehicular terminals began to ship in July 2010.

DIVIDEND AND ANNUAL GENERAL MEETING

Based on the company's satisfactory performance and expectations for the current financial year, the Board of Directors recommends to the shareholders at the annual general meeting that a significantly higher dividend be paid than in respect of the past financial years. The Board of Directors recommends that dividends be paid at the rate of DKK 8.00 per share, which is 33% more than last year (DKK 6.00) and equivalent to DKK 45.3 million (DKK 34 million), and that the balance of the profit for the year be transferred to retained earnings.

The annual general meeting of Thane & Thane A/S will be held at 3:30 p.m. on Thursday, June 30, 2011 in Oticonsalen at the Technical University of Denmark, Anker Engelunds Vej 1, Kgs. Lyngby, which is located next door to Thane & Thane's headquarters.

WALTHER THYGESEN
CEO

WE BRING COMMUNICATION DOWN TO EARTH

LAND MOBILE

The land mobile products include portable terminals as well as terminals for vehicular use. Typical customers are international aid organizations, military agencies, the media and oil, gas and mining companies.

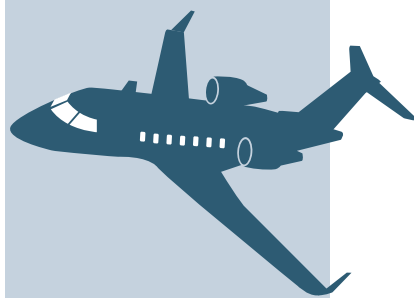
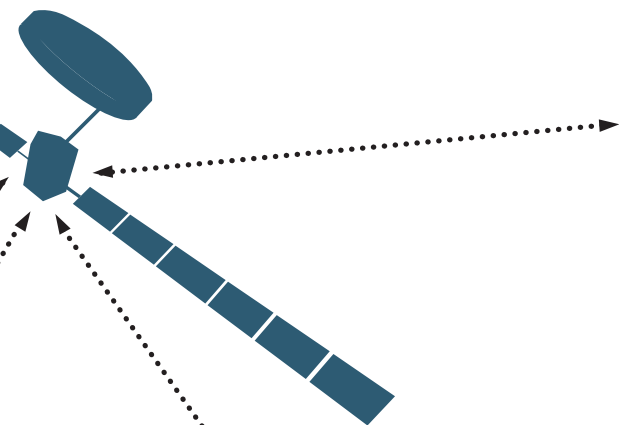
SYSTEMS

The systems, also called the land earth stations, provide the interface between the satellite system and the terrestrial networks for public switched telephone networks, cellular networks and data transmission networks including the Internet. The land earth stations transmit data to and receive data from the satellites.

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. Thrane & Thrane's satellite communication products have been designed for the global, mobile communication services offered by Inmarsat, the world's leading satellite operator. We also develop, manufacture and sell maritime radio and TV communication products and satellite access stations that provide the interface between the satellite systems and the terrestrial networks. The diversity of our products enables many different kinds of users to communicate quickly, effectively and reliably in every conceivable circumstance and independently of other telecom infrastructure.

Users could be a journalist reporting from a disaster area, a worker on a North Sea oil rig, or the CEO of a large international company onboard a plane 10 kilometers above the surface of the earth. They all need to be online, transmit data and talk on the phone from areas inaccessible to conventional technology. Thrane & Thrane has around 600 employees located in Denmark, the USA, Norway, Sweden, China and Singapore, working with a global network of distributors to generate annual revenue of more than DKK 1 billion. Our company, headquartered in Lyngby north of Copenhagen, Denmark, was founded in 1981 by Lars and Per Thrane, two brothers. Thrane & Thrane shares are listed on NASDAQ OMX Copenhagen.

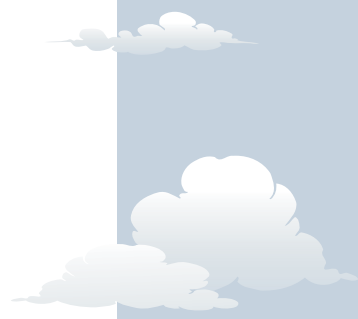
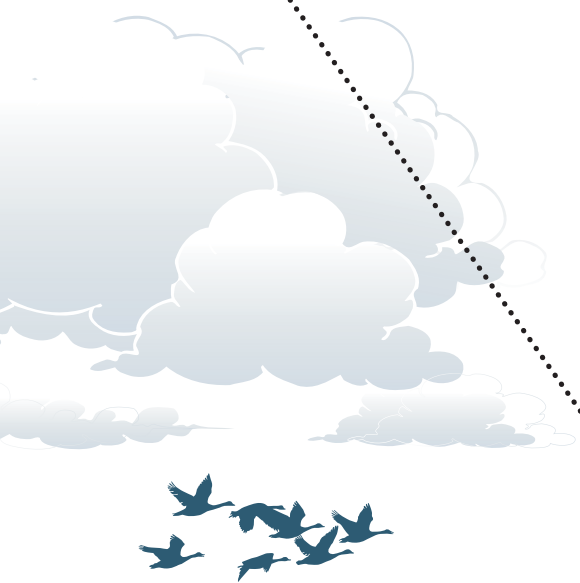


AERONAUTICAL

The aeronautical products comprise communication equipment for corporate jets, government-owned aircraft and other applications. The products support cockpit and passenger voice and data applications. The latest products target both small and medium-sized aircraft.

MARITIME

The maritime products comprise radios, terminals and antennas. The products are used for radio and satellite communication, typically by merchant vessels, workboats, fishing vessels and pleasure craft. Customers mainly include shipyards, shipping businesses and private ship-owners.



INCREASING SALES OF BROADBAND SOLUTIONS

Thrane & Thrane's maritime products mainly target professional users and are used, among other applications, for the GMDSS distress and safety system and in the context of LRIT and SSAS. The products are marketed under the SAILOR trademark and comprise a broad selection of radios and terminals for satellite communication, designed for extreme conditions at sea.

Developments in the maritime market are to a great extent determined by the number of newbuilt vessels but may also be influenced by cyclical fluctuations which may impact retrofitting, i.e. replacement of previously installed equipment. New legislative requirements are also of great importance to developments in the market. In addition, demand is affected by a number of other factors, including seafarers' requirement for and interest in Internet communication, telephony and the like.

Thrane & Thrane has a significant share of the maritime market, not least within the commercial market. This position has been achieved through many years' consistent development of new and attractive products and establishment of a strong network of distribution and service partners.

REVENUE AND EARNINGS

Revenue in the maritime market was DKK 643 million in 2010/11 (DKK 623 million), equivalent to an increase of around 3%.

The higher revenue was attributable to stronger sales of radio and satellite communication equipment. Sales of satellite communication equipment increased by 2% to stand at DKK 460 million (DKK 450 million), and sales of radio communication equipment at DKK 183 million (DKK 173 million) was up by 6%.

The SAILOR FleetBroadband terminals, Thrane & Thrane's latest satellite communication equipment, saw strong demand throughout the year. Total sales of FleetBroadband terminals were DKK 53 million higher than last year.

Thrane & Thrane shipped a total of approximately 7,300 terminals in 2010/11, which was an increase of 11% compared with last year's figure. 200 terminals were shipped to A.P. Møller Mærsk. Since the FleetBroadband service was introduced in December 2007, Thrane & Thrane has shipped more than 17,000 terminals, and the company holds a leading position in this market.

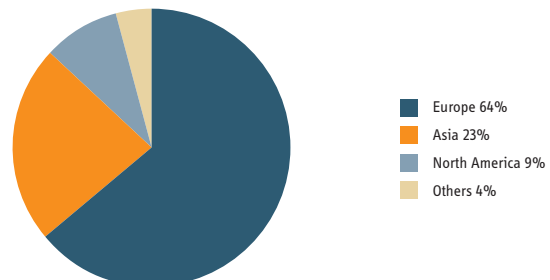
Thrane & Thrane's TV satellite antennas for the maritime market generally saw growing interest, triggering an increase in order intake in Europe and Asia, in particular, in 2010/11.

SAILOR® 500 FLEETBROADBAND



The SAILOR 500 FleetBroadband is Thrane & Thrane's most powerful broadband solution within Inmarsat. The terminal offers data speeds of up to 432 kbps.

REVENUE BY GEOGRAPHY





Thrane & Thrane's products for the maritime market are to a great extent used in commercial shipping. Customers mainly include shipyards, shipping businesses and private shipowners. The products are also sold to workboats, fishing vessels and pleasure craft.

Towards the end of the financial year, Thrane & Thrane won a major fisheries project in Morocco comprising 1,500 mini-C terminals. Around 500 of these terminals were shipped in Q4.

In terms of geography, revenue was up in Europe, which accounts for the bulk of maritime revenue, and North America while Asia generated revenue on a level with last year's figure.

NEW PRODUCTS

Within equipment for maritime satellite communication, Thrane & Thrane is developing a VSAT Ku-band antenna, the SAILOR 900 VSAT. The initial SAILOR 900 VSAT shipments are expected sometime in the summer of 2011.

The SAILOR 900 VSAT is the fourth product in the range of Ku-band solutions, which also include the SAILOR 700 VSAT, and the two SAILOR 60 Satellite TV and SAILOR 90 Satellite TV antennas.

At the SMM exhibition in Hamburg in September 2010, Thrane & Thrane presented a newly developed range of products for distress and safety communication. Designated the SAILOR 6000 GMDSS Series, the product range comprises seven products for radio and satellite communication, including a VHF radio, an MF/HF radio, a mini-C terminal and a graphic touch screen console.

One of the major advantages of the new console is that all products are linked by a new communication protocol, ThraneLink, and therefore match with respect to design and interface. This offers a range of new and innovative applications, including simplified installation, operation and maintenance of the products.

Thrane & Thrane began shipping the new console towards the end of the financial year.

STRONGER SALES IN ALL REGIONS

Thrane & Thrane's land mobile products primarily target data transmission needs and include portable terminals as well as terminals for vehicular use. Such equipment often has to be used in demanding circumstances, and typical customers are international aid organizations, military agencies, the media and oil, gas and mining companies.

Thrane & Thrane has a strong position in the land mobile market. Growth in this market is driven primarily by new technologies, continuously deeper penetration of existing segments, new geo-

graphical areas and greater awareness of the possibilities for broadband communication via satellite. There is also a growing requirement for wireless web-based communication solutions (IP).

Growth in the company's traditional markets is expected to originate mainly from non-military government projects, military agencies, the media, and oil and gas extraction.

The transport, service and banking sectors are among the focus areas in the new markets.



Strong demand for the EXPLORER 727 and the new EXPLORER 325 terminal for vehicular use contributed to improving revenue in the land mobile market.



The portable EXPLORER terminals constitute the broadest portfolio for the Inmarsat BGAN service. As such equipment often has to be used in challenging circumstances, the terminals combine functionality with a robust and user-friendly design. From left to right: EXPLORER 700, EXPLORER 500 and EXPLORER 300.

REVENUE AND EARNINGS

Revenue generated in the land mobile market was up by 18% to DKK 259 million (DKK 220 million).

The higher revenue was attributable to strong demand for the three EXPLORER 500, EXPLORER 700 and EXPLORER 727 terminals. Thrane & Thrane's most recent vehicular terminal, the EXPLORER 325, also lifted revenue. The new terminal saw demand from the media and military customers, among others.

Aggregate sales of EXPLORER broadband terminals were up by 24% relative to last year.

At the beginning of the financial year 2010/11, Thrane & Thrane won an order for 480 terminals from Australia. Other large orders were also won, including from Brazil, China, South Africa and the USA. In the second half of 2010/11, Thrane & Thrane won and shipped its largest single order to date for 265 EXPLORER 727 terminals.

The earthquake that hit Japan also increased demand, impacting full-year revenue by around DKK 10 million.

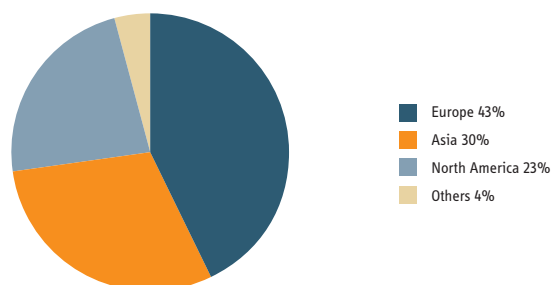
All geographical markets recorded growth. Revenue was up by 28% in Asia, while North America and Europe produced growth of 22% and 15%, respectively. Going forward, Thrane & Thrane expects growth particularly in China and Russia, but Africa and South America also offer growth potential.

NEW PRODUCTS

In early July 2010, Thrane & Thrane made the initial shipments of the EXPLORER 325, a vehicular terminal which is a smaller version of the EXPLORER 727. The EXPLORER 325 is based, among other things, on technology from the SAILOR 150 FleetBroadband terminal.

In the financial year, Thrane & Thrane also began developing a new BGAN radio module for future land mobile terminals and other uses. The new radio module is expected to strengthen the company's market position while also reducing the cost of developing new products.

REVENUE BY GEOGRAPHY



NEW PRODUCTS AND MORE DISTRIBUTORS INCREASED SALES

The market for satellite communication for aircraft sets special, high standards for product performance. The market is divided into business jets, manned and unmanned military aircraft, aircraft for public authorities (such as coastguard duties, environmental control and fire fighting) and scheduled services.

Developments in the aeronautical market are determined partly by the number of new aircraft, and partly by the extent of installations in existing aircraft. Recent years have also seen a general increase in demand for broadband equipment for aircraft within all the above areas.

With that in mind, Thrane & Thrane has launched several groundbreaking products that radically change the possibilities of installing broadband solutions in a new, enlarged group of small planes.

The new products offer a full, compact cockpit and cabin solution at an attractive price. The products are sold for application in, for example, small and medium-sized business jets.

REVENUE AND EARNINGS

Revenue generated in the aeronautical market increased by 62% to DKK 78 million (DKK 48 million).

The higher revenue was attributable to stronger sales of both the existing data and voice products (Aero-HSD+) and the new AVIATOR broadband products. The AVIATOR products have generally met with a positive reception, triggering a sharp increase in order intake for such products.

Since the Inmarsat SwiftBroadband service was introduced, Thrane & Thrane has shipped more than 200 AVIATOR systems to different categories of aircraft, achieving a strong position in this market.

In January 2011, Thrane & Thrane won a large order worth DKK 75 million from a government customer. Some DKK 24 million of this order was shipped in 2010/11, and the remainder is scheduled for shipment in the current financial year.

Selling and installing satellite communication products in aircraft in civil operation require STC (Supplemental Type Certificate) approval for the specific aircraft type. Thrane & Thrane obtained a

AVIATOR 200



Well-suited for installation in small aircraft, the AVIATOR 200, Thrane & Thrane's latest broadband solution, has provided access to new customers.

number of such approvals in 2010/11, including for the AVIATOR 200, the company's newest and smallest broadband system.

Thrane & Thrane appointed several new business partners in 2010/11, thereby strengthening its distributor network in the USA, Canada and elsewhere. Between them, the new business partners and the existing partners have secured growing revenue from retrofitting as well as installations in green aircraft. In addition to selling the AVIATOR product portfolio, the new partners will handle service, installation and support. Thrane & Thrane intends to appoint additional partners as and when interest in the new products grows stronger.

NEW PRODUCTS

In 2010/11, Thrane & Thrane received Inmarsat approval of the AVIATOR 200, Thrane & Thrane's lightest and most compact SwiftBroadband product. The new broadband product, which is particularly attractive for small aircraft types, is the first product on the market for Inmarsat's SwiftBroadband 200 service. The product has been approved for a number of popular aircraft types from several leading aircraft manufacturers, including Cessna and Hawker Beechcraft.

The AVIATOR 200 was presented in October 2010 at the NBAA, the largest aeronautical fair held in the USA each year. At the same time, the initial product shipments took place.

At the NBAA, Thrane & Thrane also presented a newly developed cordless VOIP handset, offering features such as greatly enhanced sound quality in noisy aircraft cabins. The initial shipments of the new handset are expected to take place in the very near future.



Thrane & Thrane's aeronautical broadband solutions offer a real in-flight, online office with high-speed web access and a range of other communication services.

LAND EARTH STATION UPGRADES

The market for systems consists of land earth stations for the various Inmarsat services. The land earth stations provide the interface for communication to aircraft, shipping traffic and land mobile applications.

Thrane & Thrane's systems department designs, develops, manufactures, ships and commissions land earth stations for Inmarsat's satellite systems. Products are developed and sold mainly on a contractual basis and as turn-key projects.

The systems department's activities are located in Denmark and Norway.

Since 1990, Thrane & Thrane has supplied almost all the existing stations for Inmarsat's services, and most of the stations are still operational. The BGAN RAN is the most recently developed system of stations that has been put into operation. It is used in connection with the Inmarsat-4 satellite system.



The Yamaguchi land earth station in Japan is one of many stations worldwide to which Thrane & Thrane has supplied equipment. Services handled by the station include the Inmarsat-C service used for the global GMDSS distress and safety communication system.

The size and growth of the systems market addressed by Thrane & Thrane is determined by the demand for new services and for replacement and/or upgrading of existing, older equipment. Structural changes within the industry also necessitate regular system adaptations.

Besides Inmarsat, the customer base includes a number of telcoms operators, often a mixture of privately and publicly owned companies. Such customers include Arinc, CTTIC/MCN, KDDI, SingTel, Stratos, Telecom Italia and Vizada.

REVENUE AND EARNINGS

Systems revenue fell by 30% to DKK 113 million (DKK 160 million).

The lower revenue was mainly attributable to fewer contracts for large projects.

Major orders won by Thrane & Thrane included contracts worth DKK 45 million to upgrade the Inmarsat RAN stations in the Netherlands, Italy and Hawaii. The upgrades included capacity increases as a direct consequence of the increasing volume of traffic on the BGAN system as well as the development of new functionality. Most of the orders were shipped during the financial year.

Smaller contracts were signed with Morsviazputnik, Korea Telecom, Telecom Italia, Stratos and Vizada to upgrade land earth stations in Russia, South Korea, Italy, the Netherlands/Australia and France, respectively.

The systems department also upgraded a land earth station in Greece.

In addition, major service contracts were signed with Inmarsat, Stratos, Vizada and others.

LOCATION OF LAND EARTH STATIONS



■ Land earth stations using Thrane & Thrane equipment.

Thrane & Thrane has supplied equipment to land earth stations in a large number of countries since 1991. Connected to the terrestrial network, the stations provide the interface between the satellite system on the one hand and public switched telephone networks, cellular networks and the Internet on the other.

GLOBAL PRESENCE

Headquartered in Copenhagen, Denmark, Thrane & Thrane operates globally from offices in Denmark, the USA, Norway, Sweden, China and Singapore.

Thrane & Thrane products are marketed and sold worldwide through an extensive network of regional and local business partners and distributors.

Many of the users of Thrane & Thrane products operate on a global scale but can always have local service and maintenance, based on our worldwide service partner network.

Thrane & Thrane continuously works to expand its global and local presence.

 Office Locations





SHAREHOLDER INFORMATION

Thrane & Thrane's shares are listed on NASDAQ OMX Copenhagen and traded under the abbreviation THRAN and ISIN code DK00-10279215. Thrane & Thrane shares are a component of the MidCap segment, GICS sector 45201020 Information Technology, Communications Equipment.

The company's share capital has a total nominal value of DKK 113,254,880 and is divided into 5,662,744 shares of DKK 20 each. No shares confer any special rights upon any shareholder.

SHARE PRICE

The highest and lowest closing prices of Thrane & Thrane shares in 2010/11 were DKK 296.50 and DKK 152, respectively.

The price at May 1, 2010 was DKK 187.5 and the price at April 30, 2011 was DKK 251, equal to a total market capitalization

of DKK 1,421 million (DKK 1,062 million at April 30, 2010) and representing a 34% increase in value during the financial year. By way of comparison, the OMXC20 index rose by 13%, and the MidCap index fell by 9%.

SHARE LIQUIDITY

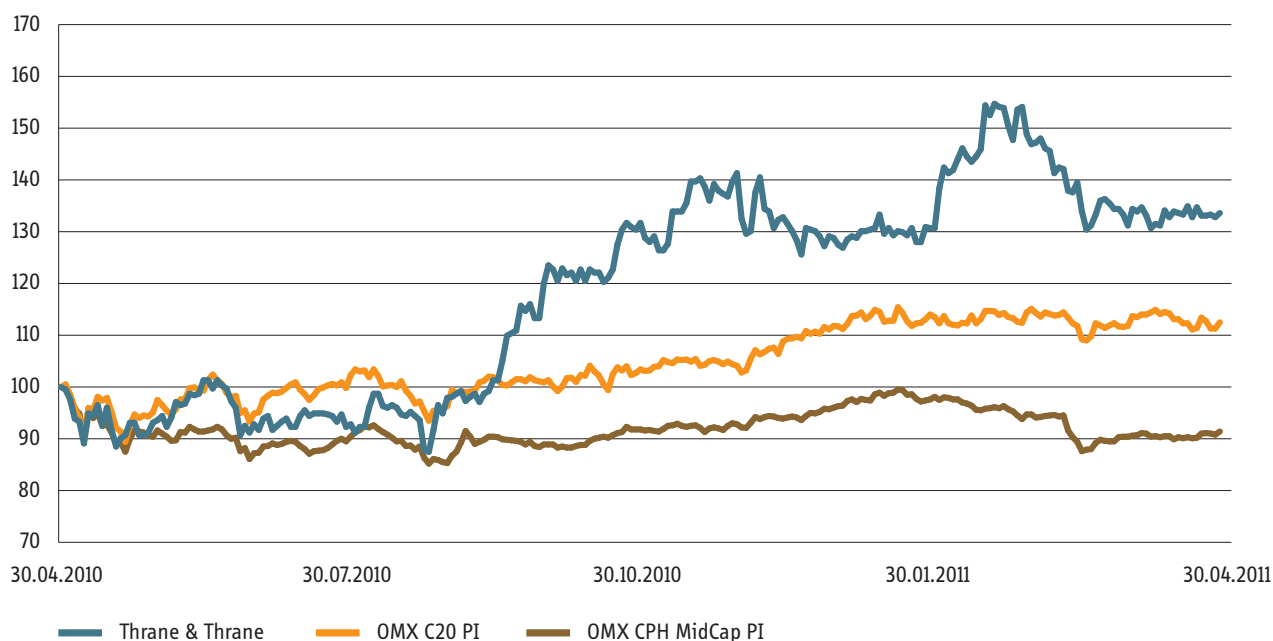
Turnover of Thrane & Thrane shares rose from DKK 357 million in 2009/10 to DKK 448 million in the 2010/11 financial year, equivalent to an increase in average daily turnover from DKK 1.4 million in 2009/10 to DKK 1.8 million.

The company has a market making agreement with Danske Bank.

OWNERSHIP STRUCTURE

At April 30, 2011, Thrane & Thrane had 5,144 registered shareholders, about the same number as last year. Around 87% of

SHARE PRICE (INDEXED) AND BENCHMARK INDEX (30.04.2010 = 100)





Thrane & Thrane obtained a number of STC approvals in 2010/11, including for the new AVIATOR 200. One of the approvals was received after the system had been installed and tested on board this Beechcraft King Air 200.

the shares in Thrane & Thrane are registered in the name of the holder. Between them, the 20 largest investors hold 59% of the share capital. Foreign investors hold around 19% against 11% last year.

The company's largest shareholder is Lars Thrane, who holds 24% of the share capital. Other members of the Board of Directors and the Management Board hold 2%, and other employees of the company also hold 2% of the company's shares.

Shareholders who at April 30, 2011 had notified the company of holdings of more than 5% of the company's shares are Lars Thrane (Gentofte) and LD (Copenhagen).

The free float amounted to around 75% at April 30, 2011.

WARRANT PROGRAM

No employees of Thrane & Thrane exercised vested warrants to subscribe for shares in 2010/11. At April 30, 2011 there were 342,762 warrants outstanding, corresponding to 6.1% of the share capital. This is consistent with the company's target that outstanding warrants should as a maximum equal around 10% of the share capital.

Thrane & Thrane's warrant program is described in more detail in note 5 to the consolidated financial statements.

DIVIDEND POLICY

Thrane & Thrane aims for a minimum pay-out ratio of 30%, subject to the company's future capital requirements.

The Board of Directors intends to recommend to the shareholders at the annual general meeting to be held on June 30, 2011 that a dividend of DKK 8.00 per share (DKK 6.00) be paid, equivalent to DKK 45.3 million (DKK 34.0 million).

INVESTOR RELATIONS

The objective of Thrane & Thrane's investor relations is for Thrane & Thrane to be perceived as an accessible, reliable and professional company providing a consistent level of information.

The activities must also ensure that the company complies with formal and informal requirements in the equity market, including those of NASDAQ OMX. One aspect of this is that Thrane & Thrane immediately publishes information about matters of material importance relating to the company that may have an impact on the pricing of the Thrane & Thrane share.

COMPANY ANNOUNCEMENTS

In its relations with the equity market, Thrane & Thrane observes a three-week silent period prior to the publication of quarterly reports, during which the company does not comment on matters related to its financial statements. The period between the end of

the financial year and the publication of the annual report is also a silent period. Participation in investor presentations, seminars, conferences and the like is considered on a case-by-case basis during the silent periods.

The company aims to be a market leader in terms of investor relations for small and medium-sized listed companies. The company releases frequent information on such matters as developments in its operations, new contracts and products launches.

The company holds regular meetings with investors and analysts. Presentations and webcasts are posted on the company's website, www.thrane.com. The website also contains a wide range of other relevant information about the company.

The company intends to enhance its investor relations activities continuously in order to reach an even broader investment market audience and constantly meet the information requirements of different target groups.

EQUITY ANALYSTS

The Thrane & Thrane share is covered by Carnegie, Danske Markets, Nordea and SEB Enskilda.

INVESTOR RELATIONS CONTACT PERSON

John Alexandersen, Vice President
Corporate Communications & Investor Relations
T: +45 39 55 88 35
E: ja@thrane.com

COMPANY ANNOUNCEMENTS

Jun. 17, 2010	01	Annual report for the financial year ended April 30, 2010
Jun. 17, 2010	02	Notice convening the annual general meeting of Thrane & Thrane A/S
Jun. 28, 2010	03	Annual general meeting of Thrane & Thrane A/S
Aug. 26, 2010	04	Interim report for the three months ended July 31, 2010
Nov. 25, 2010	07	Interim report for the six months ended October 31, 2010
Jan. 31, 2011	08	Thrane & Thrane wins DKK 75 million aeronautical order
Feb. 24, 2011	09	Interim report for the nine months ended January 31, 2011
Apr. 29, 2011	10	Financial calendar 2011/12

FINANCIAL CALENDAR

Jun. 08, 2011	Release of annual report 2010/11
Jun. 30, 2011	Annual general meeting
Aug. 25, 2011	Release of interim report Q1 2011/12
Nov. 24, 2011	Release of interim report Q2 2011/12
Feb. 22, 2012	Release of interim report Q3 2011/12
Jun. 06, 2012	Release of annual report 2011/12
Jun. 28, 2012	Annual general meeting

The list excludes reporting of trading in Thrane & Thrane shares.



Stronger sales of radio communication equipment lifted revenue in the maritime market. The radio products comprise fixed VHF and MF/HF radios as well as handheld radios.

GLOBAL RESPONSIBILITY

A high level of corporate responsibility has always been an integral part of Thrane & Thrane's mission, corporate culture, strategy and daily operations, in relation to our markets and customers as well as within our organization. Management believes corporate responsibility is a prerequisite for value creation and long-term performance, and our values are in line with the principles of the UN Global Compact.

Thrane & Thrane has defined a code of conduct setting out our position with respect to business ethics, stakeholder relations, the environment and our internal cooperation.

In 2010/11, we focused on consolidating our efforts further in the two high-priority focus areas; business ethics and third-party supplier production and working conditions. In both areas, we have communicated Thrane & Thrane's position to those involved, and the efforts have been further structured and documented. This is important because our sales as well as our production and logistics are global in nature and involve a number of companies and people that cooperate with Thrane & Thrane without being part of our organization.

COOPERATION WITH THE SURROUNDING WORLD

While focusing on responsibility in relation to stakeholders and the community, Thrane & Thrane also has a partnership with the humanitarian organization Télécoms Sans Frontières (TSF). Thrane & Thrane supports TSF's efforts to set up communications in disaster areas, for example by providing EXPLORER BGAN terminals for TSF training courses. In an emergency, restoring communications is a high-priority effort, and in this context the right training in using the latest equipment is a key factor. When contributing equipment for training courses, Thrane & Thrane helps enable TSF to secure communications in the world's focal points.

BUSINESS ETHICS

Thrane & Thrane has an extensive worldwide network of distributors and other business partners, and business practices may vary from place to place. However, it is important for our company to maintain a high level of credibility, independence and profes-

sionalism, and we will not offer, give or receive gifts, support, services or the like that may impact our possibilities of entering into agreements or terms in agreements. Accordingly, we accept no form of bribery, corruption or extortion.

Thrane & Thrane has communicated this position to all of its employees and new employees are also instructed, ensuring that they are all aware of our views. In this context, we also instructed our employees how to deal with any actual or suspected deviations from this policy.

THIRD-PARTY SUPPLIER PRODUCTION AND WORKING CONDITIONS

Thrane & Thrane has in recent years increasingly based its production on partnership agreements with companies in other countries. We make a proactive effort to ensure that not only Thrane & Thrane, but also our third-party suppliers meet our standards of responsibility to people and the environment with respect to production and working conditions.

Our policies are based on general principles that are internationally recognized. Thrane & Thrane's suppliers must undertake to comply with these principles, and must accept monitoring and evaluation of such compliance. We have begun implementing the principles in relation to the company's suppliers.

We are developing an evaluation process for suppliers, which will be implemented as and when new agreements are signed. The process comprises systematic reporting and the right to make unannounced inspections.

ONGOING EFFORTS

Follow-up on and organization of Thrane & Thrane's ongoing responsibility efforts are an integral part of our day-to-day management tasks. Overall responsibility for this work is thus anchored with the company's management and the heads of the individual units. Our efforts are coordinated and supported by a cross-organizational steering committee.



Since 2005, Thrane & Thrane has had a partnership with humanitarian organization Télécoms Sans Frontières (TSF), which specializes in emergency telecommunications. TSF's IT and telecommunications experts can be deployed anywhere in the world within 24 hours of an emergency. In a few minutes, they can set up a satellite-based telecommunications center providing telephony and broadband web access using equipment such as Thrane & Thrane's EXPLORER 500 (shown on the table). This enables civilians affected by an emergency to restore contact to the outside world.

CORPORATE GOVERNANCE

Thrane & Thrane's Board of Directors and Management Board are committed to good corporate governance. The main principles are described below, and the company's full corporate governance report is available at www.thrane.com under Corporate Governance.

With a few exceptions of minor importance, the company follows the corporate governance recommendations of the Danish Committee on Corporate Governance. The recommendations were changed in 2010. The exceptions are as follows (reference to the individual recommendations):

- Due to the size of the Board of Directors, the Board of Directors has not considered it necessary to appoint a deputy chairman (4.3.1).
- The Board of Directors wishes to retain valuable competences and accordingly has not fixed an age limit (5.8.1).
- Due to the size of the Board of Directors, the Board of Directors has not considered it necessary to establish a nomination committee or a remuneration committee. The tasks of the respective committees are handled by the entire Board of Directors (5.10.7 and 5.10.8).

SHAREHOLDERS

The shareholders in general meeting have the supreme decision-making authority in the company. All shareholders have the right to attend and vote at general meetings. All shareholders are treated equally, and all shares carry the same voting rights, without any restrictions or division into share classes.

STAKEHOLDERS

Thrane & Thrane's management objective is to promote the long-term interests of the company, and thus of all shareholders, in all respects. The objective of creating long-term value assumes, among other things, that the company sets up durable and constructive relationships with its primary stakeholders: shareholders, customers, employees, suppliers and business partners. Such relations are based on the company's mission and on professional and commercial relations.

Regular customer satisfaction surveys are conducted to ensure that business relationships are rewarding and to retain customers. The surveys are designed to identify the customers' perception of the company as a business partner.

Thrane & Thrane respects all its employees and offers them equal opportunities to learn and develop in accordance with their individual requirements and capabilities and the company's circum-

stances in general. Employee satisfaction is measured regularly to ensure an adequate environment for and among the company's employees.

OPENNESS

Thrane & Thrane's communication policy defines the overall guidelines on how, when and with whom the company communicates. All important information is available in a Danish-language and an English-language version. Within the boundaries of the stock exchange code of ethics, the company endeavors to maintain a high and uniform level of information.

The company's communication policy offers all shareholders equal, adequate and timely access to information about the company, and also focuses on an open dialogue about the company's activities and financial results.

TASKS AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

It is the overall task of Thrane & Thrane's Board of Directors

- to optimize the company's day-to-day management and organizational structure
- to supervise the financial performance and day-to-day management of the company by the Management Board
- to participate in the general management of the company and in defining the company's strategy
- to ensure that statutory corporate matters are reviewed and approved.

The Board of Directors elects a chairman of the Board. The duties of the chairman and of the other Board members are described in rules of procedure, which the Board of Directors reviews once a year and amends as necessary. Resolutions are generally passed by all members of the Board of Directors.

Board meetings are held at least six times a year. At one long annual meeting, the Board of Directors and the Management Board discuss the overall strategy of Thrane & Thrane. The Board of Directors held six meetings in the past financial year.

The Board of Directors appoints the Management Board, which is responsible for the day-to-day management of the company. The allocation of work between the Board of Directors and the Management Board is defined in the rules of procedure.

The Management Board briefs the Board of Directors at meetings and through written and oral communication. For Board meetings

in connection with the presentation of interim reports, the Board is issued with written reporting on the past three months including, inter alia, strategic opportunities, developments in the external environment, the company's operations, the financial position, and expectations for the financial performance. In addition, the chairman is regularly briefed on any special events in the company.

COMPOSITION OF THE BOARD OF DIRECTORS

The company's articles of association provide that the Board of Directors consists of from three to seven members elected by the shareholders. At present, the Board has four members elected by the shareholders. Furthermore, the Board has two members elected by the company's employees as provided by the Danish Companies Act.

Three out of the four Board members elected by the shareholders are considered independent. Lars Thrane, one of the founders of the company and its largest shareholder, is a member of the Management Board of the company and thus cannot be considered independent. Lars Thrane is a member of the Board of Directors and of the Management Board. The Board of Directors believes this is appropriate considering that Lars Thrane's extensive knowledge of the company, the market and relevant technologies is crucial to the Board's work.

The Board of Directors believes the current composition of the Board is adequate considering the company's tasks. Before nominating new members, the Board carefully considers the required diversity, in particular with respect to the competencies that can help strengthen the company and its Board of Directors.

Regularly and at least once a year, the Board of Directors performs a structured assessment of its own work and the work of the Management Board and of the collaboration between the Board of Directors and the Management Board. The chairman of the Board of Directors is in charge of this evaluation, which is based on interviews between the chairman and each member of the Board of Directors, followed by a discussion by the entire Board of Directors.

REMUNERATION OF THE BOARD OF DIRECTORS AND THE MANAGEMENT BOARD

Members of the Board of Directors of Thrane & Thrane receive a fixed annual remuneration for their work as Board members. The company discloses the individual amounts of remuneration and emoluments paid to members of the Board of Directors and the Management Board in its annual report.

The Management Board has an incentive scheme comprising an annual cash bonus plan with a targeted maximum value of 50% of the base salary. The cash bonus is determined based on three elements: growth, profitability (operating margin) and the company's ability to generate positive cash flows. In addition, the company's Management Board and certain management and key

employees have been granted warrants. Warrants held by the Management Board are disclosed in the annual report.

On termination of a member of the Management Board, such member is entitled to 12-24 months' salary inclusive of bonus. Walther Thygesen, CEO, and Svend Åge Lundgaard Jensen, CFO, have notice periods of 12 months. Lars Thrane has a notice period of 24 months.

RISK MANAGEMENT AND INTERNAL CONTROLS

Thrane & Thrane is committed to timely and correct reporting as a precondition for professional management and credibility in relation to the company's stakeholders.

The company's risk management and internal controls with respect to the financial reporting process are organized so as to ensure presentation of internal financial statements that make it possible to measure the Group's performance and follow up on goals, plans and budgets; and presentation of external financial statements that are in accordance with the International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies, and which give a true and fair view free from material misstatement.

The company's internal controls and risk management systems are updated on a regular basis and designed to detect and eliminate any errors and omissions in the financial statements. However, as there will always be a risk of misappropriation of assets, unforeseen losses, etc., the internal controls and risk management systems may provide reasonable, but not absolute, assurance that all significant errors and omissions are detected and corrected.

A more detailed description of Thrane & Thrane's risk management and internal controls with respect to the financial reporting process is posted on www.thrane.com/investor/company/corporategovernance. This description together with the description of the company's corporate governance forms the statutory corporate governance reporting required under section 107b of the Danish Financial Statements Act.

AUDIT

The shareholders at the annual general meeting appoint one firm of state-authorized public accountants for a term of one year to audit the company's accounting. The auditor attends meetings of the Board of Directors at least once a year, generally in connection with the review of the annual report and the presentation of the long-form audit report.

The company's audit committee consists of Morten Eldrup-Jørgensen (chairman) and Jim Hagemann Snabe, both members of the Board of Directors. The audit committee held four meetings in the financial year.

RISK FACTORS

The risk factors to which Thrane & Thrane's activities are exposed can be divided into the following four key areas:

- Strategy and commercial matters
- Operational matters
- Financial matters
- Employees.

Management believes that Thrane & Thrane is well prepared to meet these challenges. Management regularly monitors factors subject to uncertainty and therefore representing a potential risk.

STRATEGY AND COMMERCIAL MATTERS

Thrane & Thrane aims to maintain its position as a market leader by regular launches of new, innovative high-quality products that meet customer requirements. This places great demands on the company's development efforts since the introduction of new products should be timed correctly to match developments in customer requirements. Failure to succeed in this area may have an adverse impact on Thrane & Thrane's revenue targets.

Demand for several of the company's products depends strongly on national and international legislation and regulations (such as GMDSS and SSAS), which are beyond the company's control. Accordingly, revenue flows depend on the development in the framework conditions and on the company continuing to develop products that meet such requirements.

Large parts of Thrane & Thrane's product portfolio are based on equipment for services offered by Inmarsat and its service providers. The company is therefore dependent on the continued development of the Inmarsat system.

Thrane & Thrane is deliberately focusing on Inmarsat since the company considers Inmarsat to be the largest and most important mobile satellite operator. However, the company regularly considers new business opportunities in related areas that are complementary to the Inmarsat-based product platform.

New business areas may be developed through organic growth and acquisitions. A decision by Thrane & Thrane to expand into one or more new business areas may have an adverse effect on the company's results if the company fails to achieve the success expected.

OPERATIONAL MATTERS

Thrane & Thrane has a large number of customers within its various business areas. Historically, however, a relatively small number of customers have accounted for a significant part of the company's sales. Inmarsat is the primary customer in the systems business, while sales to the maritime and land mobile areas are diversified on a relatively large number of customers.

A large part of Thrane & Thrane's production is carried out by business partners in Denmark and abroad. Accordingly, the company is dependent on such third-party suppliers in connection with the assembly and testing of the products and continuously assesses the possibility of reducing this dependency. Any interruption of the supply chain for the company's products may adversely affect the company's business, financial position and results of operations.

A large part of the company's products are used under circumstances where they can mean the difference between life and death, such as in connection with distress calls. This applies, in particular, to many of the products for the maritime market and some of the products for the land mobile market. Although all products are subjected to a functional test, there can be no assurance that the products will function properly under any circumstances. To cover these risks and other product-related risks, the company has ordinary product liability insurance.

Being a leading technology business, Thrane & Thrane is also exposed to the risk that the company's products and solutions are copied in full or in part. Such copying may involve a risk in relation to the company's financial results and strategic position. However, management believes that the company's products are fairly difficult to copy, among other things because they rely strongly on a close and complex integration between software and hardware. Furthermore, parts of the company's technology are protected by patents.

Thrane & Thrane develops high-technology products within an area in which many other companies also hold patents. Thrane & Thrane seeks to respect such patents when developing new products. Any unauthorized infringement of a patent by the company may adversely affect the company's business, financial position and results of operations.



Thrane & Thrane works with crab fishing vessel Northwestern, featured in the TV series Deadliest Catch on Discovery Channel. Northwestern is equipped with SAILOR radio and satellite communication equipment, which offers the crew a number of advantages, including prompt weather updates and direct contact to doctors during their long trips.

Thrane & Thrane operates through foreign sales companies. This implies a number of intra-group transactions of goods and other items, which are subject to transfer pricing regulations. Thrane & Thrane complies with the OECD transfer pricing guidelines. However, this is a complicated issue with an inherent tax risk as it is subject to political assessment in each country.

There is also a risk of breakdown or temporary interruption of IT systems not adequately backed. Thrane & Thrane continuously monitors the technical infrastructure, seeking to predict and minimize the risk of prolonged interruptions of critical business IT systems, and works with solutions to restore critical business operations immediately.

FINANCIAL MATTERS

Most of Thrane & Thrane's sales are generated from exports, and the company's revenue is therefore strongly influenced by the global economy.

The company seeks to mitigate the dependency on individual markets by using and disseminating its technology in several markets and by cultivating new geographical areas.

See note 24 to the consolidated financial statements for more information about foreign exchange exposure.

EMPLOYEES

Thrane & Thrane's continued development relies strongly on the company's ability to attract, retain and develop competent employees.

The company strives to be an attractive place to work by offering competitive salaries, bonus plans, flexible pay, employee shares and incentive pay.

Each year, Thrane & Thrane applies resources on training and further developing employees' professional and personal capabilities. Thrane & Thrane has an in-house management development program to ensure that Thrane & Thrane's management resources are always among the best and to permit the company to develop, challenge and strengthen the capabilities of its employees and its corporate culture on an ongoing basis.

FINANCIAL REVIEW

Thrane & Thrane generated revenue of DKK 1,093 million for 2010/11 (DKK 1,051 million), which was DKK 42 million, or 4%, more than in the year before.

The USD/DKK exchange rate was volatile in 2010/11, fluctuating 13% relative to the average for the year. Assuming unchanged start-of-the year exchange rates, revenue would have been unchanged.

Operating profit was DKK 194 million (DKK 114 million). The profit for the year after tax was DKK 134 million (DKK 59 million).

INCOME STATEMENT

A strong year

As stated above, Thrane & Thrane generated revenue of DKK 1,093 million in 2010/11 (DKK 1,051 million).

Sales of terminals increased by 10% relative to 2009/10 and amounted to DKK 980 million (DKK 891 million). Revenue in the aeronautical market was up by 62% to DKK 78 million (DKK 48 million), and revenue in the land mobile market increased by 18% to DKK 259 million (DKK 220 million). The maritime market generated revenue of DKK 643 million (DKK 623 million), an improvement of 3%.

Systems recorded revenue of DKK 113 million (10% of total revenue) against DKK 160 million last year (15% of total revenue), a decline of 30%.

Costs

Cost of goods sold was DKK 574 million in 2010/11 (DKK 594 million), representing 52.5% of revenue (56.5%). The 4 percentage point decline was attributable mainly to a change in the product mix and to optimization of production costs.

Development costs charged to the income statement amounted to DKK 131 million (DKK 156 million), which was a fall of DKK 25 million. Costs thus accounted for 12% of revenue (14.8%).

The lower development costs can be explained by the DKK 20 million drop in amortization charges with respect to development costs capitalized in prior years, which amounted to DKK 96 million (DKK 116 million). The fall in amortization charges was attributable to the delay of a couple of development projects. Furthermore, a major development project will not be finalized until the financial year 2011/12.

Product amortization charges are thus expected to increase to DKK 110–115 million in 2011/12.

The development function's activities were maintained at a high level in order to maintain Thrane & Thrane's leading market position. Development costs incurred in 2010/11 amounted to DKK 153 million (DKK 145 million). Capitalized development costs for the year amounted to DKK 111 million (DKK 100 million).

REVENUE BY MARKET

DKKm	2006/07	2007/08	2008/09	2009/10	2010/11
Maritime	639.4	796.8	804.7	622.5	643.3
% of total revenue	57%	63%	65%	59%	59%
Land mobile	259.2	206.9	246.3	220.0	258.5
% of total revenue	23%	17%	20%	21%	24%
Aeronautical	83.7	84.6	44.6	48.3	78.2
% of total revenue	8%	7%	4%	5%	7%
Total terminals	982.3	1,088.3	1,095.6	890.8	980.0
% of total revenue	88%	87%	89%	85%	90%
Systems	138.8	165.0	139.8	160.2	112.9
% of total revenue	12%	13%	11%	15%	10%
Total	1,121.1	1,253.3	1,235.4	1,051.0	1,092.9

Distribution costs amounted to DKK 117 million (DKK 112 million), representing 10.8% of revenue (10.7%).

Administrative expenses were DKK 76 million (DKK 75 million), accounting for 7.0% of revenue (7.1%).

During the year, assets were sold at a profit of DKK 6.9 million (DKK 0), and losses of DKK 3 million were recorded on debtors (DKK 0 million). In addition, DKK 4 million was reduced in respect of the company's pension liability in the Norwegian subsidiary.

In connection with the company's warrant program, share-based remuneration totaling DKK 2.2 million was recognized in 2010/11 (DKK 4.4 million).

Higher operating profit

Operating profit was DKK 194 million, which was DKK 80 million more than last year (DKK 114 million). The operating margin was 17.8% (10.8%).

The greatly improved operating profit was explained by the DKK 42 million increase in revenue, significantly lower production costs, and the DKK 20 million reduction in amortization charges with respect to development costs capitalized in prior years.

TERMINALS

Sales of terminals amounted to DKK 980 million and were 10% higher than last year's figure of DKK 891 million (90% of revenue against 85% in 2009/10).

Revenue was up by 62% in the aeronautical market, by 18% in the land mobile market, and by 3% in the maritime market. All regions recorded revenue growth in 2010/11.

The segment reported gross profit of DKK 343 million, which was DKK 109 million more than last year. Amortization of products decreased from DKK 116 million to DKK 96 million. This brought operating profit to DKK 177 million (DKK 70 million) and the operating margin to 18.0% (7.8%).

DKKm	2010/11	2009/10	2008/09
Revenue	980.0	890.8	1,095.6
Gross profit	343.4	233.7	301.6
Operating profit	176.5	69.9	103.6
Operating margin	18.0%	7.8%	9.5%

Excluding restructuring and integration costs.

SYSTEMS

Systems revenue fell by 30% to DKK 113 million (DKK 160 million). The segment reported gross profit of DKK 45 million (DKK 68 million). This brought operating profit to DKK 18 million (DKK 45 million) and the operating margin to 15.7% (27.8%).

DKKm	2010/11	2009/10	2008/09
Revenue	112.9	160.2	139.8
Gross profit	44.6	67.9	57.5
Operating profit	17.7	44.5	45.9
Operating margin	15.7%	27.8%	32.8%

Excluding restructuring and integration costs.

Follow-up on expectations

The company's revenue of DKK 1,093 million, operating profit of DKK 194 million and operating margin of 17.8% are in line with the guidance provided in February 2011 in connection with the interim report for Q1-Q3 2010/11, which projected revenue of around DKK 1,075-1,125 million and an operating margin of 16-18%.

In June 2010, the projections were revenue of around DKK 1,075-1,125 million and an operating margin of 11-13%.

Financial items

The company had net financial expenses of DKK 12 million in 2010/11 (DKK 33 million), including net interest expenses of DKK 4 million (DKK 12 million).

Net exchange adjustments were an expense of DKK 8 million (DKK 21 million), which can be broken down into an expense of DKK 3 million relating to USD, DKK 1 million relating to EUR, DKK 3 million relating to CHF and DKK 2 million relating to other currencies. An income of DKK 1 million was recorded in relation to NOK.

Profit for the year

The pre-tax profit was DKK 182 million (DKK 81 million). The taxable profit for the year triggered a tax expense of DKK 48 million (DKK 23 million). The profit for the year after tax was DKK 134 million (DKK 59 million).

EPS was DKK 23.66 (DKK 10.42). EPS-D was DKK 22.31 (DKK 9.78).



Thrane & Thrane's products offer telephony and data connections in remote and deserted parts of the world outside the reach of traditional communication systems.

OVERVIEW OF QUARTERLY RESULTS 2010/11

DKKm	Q1	Q2	Q3	Q4	12 months
Revenue	251.4	264.1	263.2	314.2	1,092.9
Gross profit	87.4	88.3	93.3	119.0	388.0
Operating profit	38.7	36.6	47.0	72.0	194.3
Net profit for the period	26.5	25.7	30.5	51.0	133.7
Operating margin (%)	15.4%	13.9%	17.9%	22.9%	17.8%
Cash inflow from operating activities	100.3	45.3	33.3	85.4	264.3
Net cash inflow/(outflow) for the period	32.5	12.7	14.9	(3.6)	56.5

BALANCE SHEET

Intangible assets

At April 30, 2011, the value of the company's recognized development projects was DKK 369 million (DKK 354 million). Additions of DKK 111 million (DKK 100 million) after subsidies and amortization of DKK 96 million (DKK 116 million) were recognized in the year.

Property, plant and equipment

The company's own business is primarily to assemble and end-test terminals, which means that it has a limited need to invest in property, plant and equipment. Thus, property, plant and equipment amounted to DKK 47 million at April 30, 2011 (DKK 49 million). Investments during the year totaled DKK 13 million (DKK 11 million).

Current assets

Inventories decreased by DKK 28 million to stand at DKK 188 million at April 30, 2011 (DKK 215 million).

Inventories were written down for obsolescence by DKK 19 million (DKK 28 million), primarily because of changed market assumptions and the sooner-than-expected phase-out of several product lines.

Trade receivables were DKK 237 million (DKK 233 million), corresponding to 79 days' average sales (80 days). The company incurred losses of DKK 3 million on debtors in the financial year (DKK 0 million).

Cash

Cash and cash equivalents increased by DKK 42 million relative to last year, amounting to DKK 174 million (DKK 132 million) at April 30, 2011.

Equity

Equity amounted to DKK 970 million at April 30, 2011 (DKK 864 million). Equity was increased by the profit for the year and value adjustment of hedging instruments while it was reduced by dividends paid to shareholders.

The equity ratio was 57.2% at April 30, 2011 (51.9%).

Trade payables

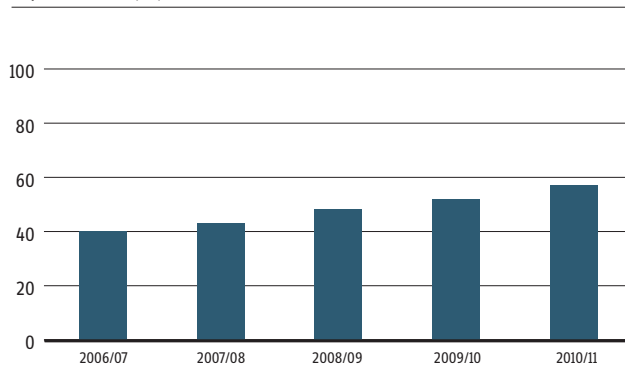
The company had trade payables of DKK 121 million at April 30, 2011 (DKK 113 million).

Liabilities

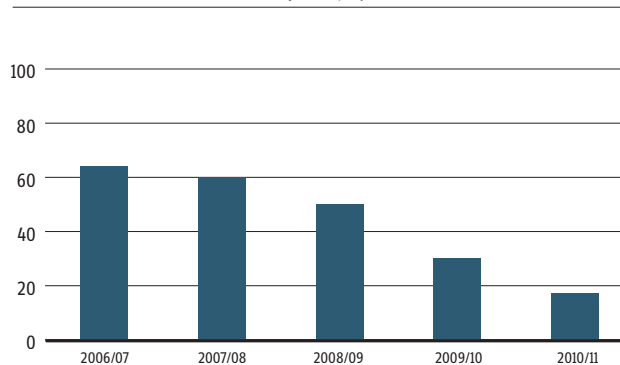
Thrane & Thrane Norge has a liability of DKK 8 million in connection with a defined benefit pension plan for employees in Norway. The liability decreased by DKK 8 million in 2010/11. This was attributable to current disbursement of pension benefits and changed actuarial assumptions for calculating the liability at April 30, 2011 relative to the year-earlier date. An amount of DKK 8 million has been provided to fully cover this liability.

Net interest-bearing debt amounted to DKK 165 million at April 30, 2011, corresponding to 17.0% of the equity of DKK 970 million. The company's bank loan is subject to renegotiation before

EQUITY RATIO (%)



NET INTEREST-BEARING DEBT/EQUITY (%)



April 30, 2012. DKK 55 million was repaid in respect of debt in the financial year.

Net interest-bearing debt amounted to DKK 274 million at April 30, 2010, corresponding to 31.7% of the equity of DKK 864 million at that date.

Of the total debt of DKK 331 million, DKK 270 million relates to bullet loans due to be refinanced before April 30, 2012.

Deferred tax amounted to DKK 135 million at April 30, 2011 (DKK 130 million).

Invested capital

Invested capital amounted to DKK 1,287 million at April 30, 2011 (DKK 1,265 million). The increase in invested capital was mainly attributable to a DKK 12 million increase in contract work in progress and a DKK 25 million decrease of other payables. Inventories were reduced by DKK 28 million.

CASH FLOWS

The cash inflow generated from operating activities adjusted for items of a non-cash nature was DKK 318 million, representing an increase of DKK 49 million (DKK 269 million).

The amount of capital tied up in inventories decreased by DKK 28 million. As trade receivables increased by DKK 19 million and trade payables etc. decreased by DKK 26 million, working capital increased by DKK 18 million in 2010/11. Financial income and expenses and taxes paid generated a cash outflow of DKK 36 million (DKK 55 million).

The total cash inflow from operating activities was thus DKK 264 million (DKK 302 million).

The company invested a total of DKK 118 million in intangible assets and property, plant and equipment (DKK 115 million).

The free cash flow from operating and investing activities excluding acquisitions and financing was DKK 146 million (DKK 187 million). The free cash flow per share (FCFPS) was DKK 25.84 (DKK 33.16). The diluted free cash flow (FCFPS-D) was DKK 24.36 (DKK 31.11).

DKK 55 million was repaid on the company's debt in the financial year and DKK 34 million was paid by way of dividend, generating a cash outflow from financing activities of DKK 90 million (DKK 80 million).

Thus, the company had a net cash inflow of DKK 56 million for the year (DKK 111 million).

After deduction of the overdraft facility, the company had cash and cash equivalents of DKK 174 million at April 30, 2011 (DKK 117 million). Financial resources, made up as the sum of cash and cash equivalents and committed loan facilities, were DKK 257 million (DKK 207 million).

SUBSEQUENT EVENTS

No events have occurred since the balance sheet date which materially change the company's financial position.



For the third time in a row, Thrane & Thrane is a sponsor of the Volvo Ocean Race, which begins in Alicante, Spain, in October 2011. Lasting nine months, the race will visit eight ports on five continents before concluding in Galway, Ireland, in July 2012. With SAILOR FleetBroadband and VHF equipment installed on board all participating boats, Thrane & Thrane plays an important part in providing news and action to millions of fans throughout the world. Participants include Team Groupama of Portugal.

STATEMENT BY THE MANAGEMENT

The Board of Directors and the Management Board have today considered and approved the annual report of Thrane & Thrane A/S for the financial year May 1, 2010 – April 30, 2011. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU. The parent company financial statements have been prepared in accordance with the Danish Financial Statements Act. In addition, the annual report has been presented in accordance with Danish disclosure requirements for listed companies.

In our opinion, the consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position at April 30, 2011 and of the results of the Group's and

the parent company's operations and the Group's cash flows for the financial year May 1, 2010 – April 30, 2011.

In our opinion, the management's review includes a fair review of the development and performance of the Group and the parent company, the results for the year and of the financial position of the parent company and the financial position in general of the consolidated companies, together with a description of the principal risks and uncertainties that the Group and the parent company face.

We recommend that the annual report be approved at the annual general meeting.

Lyngby, June 8, 2011

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

Gert Hejne Jensen

Christian Mørup-Petersen

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF THRANE & THRANE A/S

Report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated and parent company financial statements of Thrane & Thrane A/S for the financial year May 1, 2010 – April 30, 2011, comprising accounting policies, income statement, balance sheet, statement of changes in equity and notes to the financial statements for the Group and the parent company, as well as a statement of comprehensive income and cash flow statement for the Group. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU, and the parent company financial statements have been prepared in accordance with the Danish Financial Statements Act. Furthermore, the consolidated and parent company financial statements have been prepared in accordance with Danish disclosure requirements for listed companies.

The Board of Directors' and Management Board's responsibility for the consolidated and parent company financial statements

The Board of Directors and Management Board are responsible for the preparation and fair presentation of consolidated financial statements in accordance with the International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies, and for the preparation and fair presentation of parent company financial statements in accordance with the Danish Financial Statements Act and Danish disclosure requirements for listed companies. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of consolidated and parent company financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility and basis of opinion

Our responsibility is to express an opinion on the consolidated and parent company financial statements based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance whether the consolidated and parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated and parent company financial statements. The procedures selected depend on

the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated and parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of consolidated and parent company financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and Management Board, as well as evaluating the overall presentation of the consolidated and parent company financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated and parent company financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position at April 30, 2011 and of the results of the Group's and the parent company's operations and the Group's cash flows for the financial year May 1, 2010 – April 30, 2011 in accordance with the International Financial Reporting Standards as adopted by the EU in respect of the consolidated financial statements and in accordance with the Danish Financial Statements Act in respect of the parent company financial statements and generally in accordance with additional Danish disclosure requirements for listed companies.

Statement on the management's review

The Board of Directors and Management Board are responsible for the preparation of a management's review that includes a fair review in accordance with the Danish disclosure requirements for the annual reports of listed companies.

Our audit did not include the management's review, but we have read the management's review in accordance with the Danish Financial Statements Act. We performed no other work in addition to the conducted audit of the consolidated and parent company financial statements.

On this basis, we believe that the information in the management's review is in accordance with the consolidated and parent company financial statements.

Copenhagen, June 8, 2011

Grant Thornton
State Authorised Public Accountants

Erik Stener Jørgensen
State authorised public accountant

René Poulsen
State authorised public accountant

MARITIME LAND MOBILE AERONAUTICAL SYSTEMS

GROUP FINANCIAL STATEMENTS

Income statement	41
Balance sheet	42
Cash flow statement	44
Specification of equity	45
Notes to the financial statements	46
Thrane & Thrane Group companies.....	72

PARENT COMPANY FINANCIAL STATEMENTS

Income statement	73
Balance sheet	74
Specification of equity	76
Notes to the financial statements	77

INCOME STATEMENT

Note	DKK '000	2010/11	2009/10
3,4	Revenue	1,092,929	1,051,048
5	Cost of sales		
	- Cost of goods sold	(573,596)	(593,906)
	- Development costs	(131,329)	(155,556)
	Gross profit	388,004	301,586
5	Distribution costs	(117,490)	(112,413)
5,6	Administrative expenses	(76,229)	(74,778)
	Operating profit (EBIT)	194,285	114,395
7	Financial income	4,992	5,704
7	Financial expenses	(17,333)	(38,617)
	Profit before tax	181,944	81,482
8	Income tax	(48,258)	(22,622)
	Net profit for the year	133,686	58,860
16	Earnings per share (EPS, DKK)	23.66	10.42
16	Diluted earnings per share (EPS-D, DKK)	22.31	9.78

STATEMENT OF COMPREHENSIVE INCOME

Note	DKK '000	2010/11	2009/10
	Net profit for the year	133,686	58,860
	Other comprehensive income		
	Foreign exchange adjustment, etc. of foreign entities	(2,398)	10,602
	Value adjustment of hedging instruments		
	Value adjustment for the year of hedging instruments	3,358	1,855
	Transferred to revenue	-	-
8	Tax on changes in other comprehensive income	(841)	(463)
	Other comprehensive income after tax	119	11,994
	Total comprehensive income for the year	133,805	70,854

BALANCE SHEET

Note	DKK '000	April 30, 2011	April 30, 2010
	ASSETS		
	Non-current assets		
9	Intangible assets		
	Software	14,615	14,190
	Customer files	161,917	172,916
	Completed development projects	197,879	235,651
	Development projects in progress	170,757	118,564
	Goodwill	457,310	457,310
	Intangible assets	1,002,478	998,631
10	Property, plant and equipment		
	Land and buildings	13,807	14,891
	Airplanes	-	554
	Plant and machinery	24,081	20,649
	Other fixtures and fittings, tools and equipment	7,177	10,389
	Plant and equipment in progress	1,505	2,403
	Property, plant and equipment	46,570	48,886
	Financial assets		
11	Deposits	8,432	7,843
	Other receivables	3,197	3,194
18	Deferred tax asset	12,404	16,484
	Financial assets	24,033	27,521
	Total non-current assets	1,073,081	1,075,038
	Current assets		
12	Inventories	187,674	215,322
	Receivables		
23	Trade receivables	236,567	232,694
13	Contract work in progress	12,325	-
14	Other receivables	2,424	1,122
	Prepayments	10,199	9,089
	Receivables	261,515	242,905
23	Cash and cash equivalents	173,748	131,834
	Total current assets	622,937	590,061
	TOTAL ASSETS	1,696,018	1,665,099

Note	DKK '000	April 30, 2011	April 30, 2010
EQUITY AND LIABILITIES			
Equity			
15	Share capital	113,255	113,255
	Reserves	811,250	716,903
	Proposed dividend	45,302	33,976
	Total equity	969,807	864,134
17	Pensions and similar liabilities	7,615	15,234
18	Deferred tax	134,986	130,069
19	Provisions	2,082	-
20	Loans	7,291	337,411
	Non-current liabilities	151,974	482,714
Current liabilities			
20	Loans	331,478	53,762
20	Overdraft facility	-	14,580
19	Provisions	10,779	10,779
13	Prepayment related to contract work in progress	-	-
	Prepayments from other customers	1,573	4,527
	Trade payables	121,057	113,146
	Income taxes	33,279	16,120
21	Other payables	69,697	95,192
	Deferred income	6,374	10,145
	Current liabilities	574,237	318,251
	Total liabilities	726,211	800,965
	TOTAL EQUITY AND LIABILITIES	1,696,018	1,665,099
22	Other financial obligations		
24	Financial risks and financial instruments		
25	Related party transactions		
26	Capital structure and capital management		

CASH FLOW STATEMENT

Note	DKK '000	2010/11	2009/10
	Operating activities		
	Revenue	1,092,929	1,051,048
	Costs	(774,786)	(782,055)
	Cash generated from operations (operating activities) before change in working capital	318,143	268,993
	Change in inventories	27,648	92,595
27	Change in receivables	(19,202)	2,440
28	Change in trade payables, etc.	(26,488)	(7,263)
	Change in working capital	(18,042)	87,772
	Cash generated from operations (operating activities)	300,101	356,765
	Financial income	4,992	5,704
	Financial expenses	(17,333)	(38,617)
	Cash generated from operations (ordinary activities)	287,760	323,852
	Income tax paid	(23,411)	(21,863)
	Cash flow from operating activities	264,349	301,989
	Investments		
29	Intangible assets	(113,107)	(104,621)
	Property, plant and equipment	(5,236)	(10,126)
	Cash outflow from investing activities	(118,343)	(114,747)
	Cash inflow before financing	146,006	187,242
	Financing		
	Debt repayment	(54,923)	(51,800)
	Proceeds from borrowings	2,519	1,291
	Dividend paid	(33,853)	(30,893)
	Other adjustments	(3,349)	1,878
	Cash outflow from financing activities	(89,606)	(79,524)
	Net cash flows	56,400	107,718
	Exchange adjustment of cash and cash equivalents at May 1	94	2,849
	Cash flow for the year	56,494	110,567
	Cash and cash equivalents at May 1	117,254	6,687
23	Cash and cash equivalents at April 30	173,748	117,254
	Cash flow from operating activities	264,349	301,989
	Investments in intangible assets	(113,107)	(104,621)
	Investments in property, plant and equipment	(5,236)	(10,126)
	Free cash flow before acquisitions and financing	146,006	187,242

SPECIFICATION OF EQUITY

DKK '000	Share capital	Translation adjustment reserve	Hedge transaction reserve	Retained earnings	Proposed dividend	Total
Equity at May 1, 2010	113,255	4,976	(3,412)	715,339	33,976	864,134
Foreign exchange adjustment, etc. of foreign entities	-	(2,398)	-	-	-	(2,398)
Value adjustment of hedging instruments						
Value adjustment for the year of hedging instruments	-	-	3,358	-	-	3,358
Transferred to revenue	-	-	-	-	-	-
Tax on changes in other comprehensive income	-	-	(841)	-	-	(841)
Other comprehensive income after tax	-	(2,398)	2,517	-	-	119
Net profit for the year	-	-	-	88,384	45,302	133,686
Total comprehensive income for the year	-	(2,398)	2,517	88,384	45,302	133,805
Share-based payment	-	-	-	5,721	-	5,721
Dividend to shareholders	-	-	-	123	(33,976)	(33,853)
Capital increases	-	-	-	-	-	-
Equity at April 30, 2011	113,255	2,578	(895)	809,567	45,302	969,807
Equity at May 1, 2009	112,695	(5,626)	(4,804)	682,806	30,991	816,062
Foreign exchange adjustment, etc. of foreign entities	-	10,602	-	-	-	10,602
Value adjustment of hedging instruments						
Value adjustment for the year of hedging instruments	-	-	1,855	-	-	1,855
Transferred to revenue	-	-	-	-	-	-
Tax on changes in other comprehensive income	-	-	(463)	-	-	(463)
Other comprehensive income after tax	-	10,602	1,392	-	-	11,994
Net profit for the year	-	-	-	24,884	33,976	58,860
Total comprehensive income for the year	-	10,602	1,392	24,884	33,976	70,854
Share-based payment	-	-	-	8,111	-	8,111
Dividend to shareholders	-	-	-	98	(30,991)	(30,893)
Capital increases	560	-	-	(560)	-	-
Equity at April 30, 2010	113,255	4,976	(3,412)	715,339	33,976	864,134

NOTES

Note 1 Accounting policies

The consolidated financial statements of Thrane & Thrane A/S for 2010/11 are presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for listed companies, as set out in the disclosure requirements imposed by NASDAQ OMX in Copenhagen on the presentation of the annual reports of listed companies.

The accounting policies are unchanged from last year except for the changes that follow from the implementation of IFRS 3, Business Combinations, and amendments to IAS 27. This did not have any influence on the Group's results, assets and equity. Certain layouts and notes to the financial statements have been changed compared with previous years. A list of new, revised and amended standards and interpretations is set out in note 30.

The annual report is presented in Danish kroner (DKK).

CONSOLIDATION

The consolidated financial statements comprise the parent company Thrane & Thrane A/S and subsidiaries in which Thrane & Thrane A/S directly or indirectly holds more than 50% of the voting rights or otherwise exercises control. The consolidated financial statements are prepared on the basis of the financial statements of the parent company and the subsidiaries by consolidating items of a similar nature and eliminating intra-group transactions, intra-group shareholdings and accounts, dividends and realized and unrealized gains and losses on transactions between the consolidated companies. Investments in subsidiaries are eliminated by the proportionate share of the subsidiaries' fair value of net assets and liabilities at the time of acquisition. All financial statements in the consolidation are prepared in accordance with the Group's accounting policies.

Business combinations

Acquisitions are accounted for using the purchase method, according to which the identifiable assets, liabilities and contingent liabilities of companies acquired are measured at fair value at the time of acquisition. Identifiable intangible assets are recognized if they arise from a contractual right or can otherwise be identified and separated, and the fair value can be reliably measured. Differences between cost and fair value of identified net assets acquired are recognized as goodwill under intangible assets. Transaction costs and any subsequent changes to contingent consideration are recognized in the income statement. Newly acquired or newly established companies are recognized in the consolidated financial statements from the date of acquisition.

FOREIGN CURRENCY TRANSLATION

Thrane & Thrane uses DKK as its functional currency and presentation currency. On initial recognition, transactions denominated in foreign currency are translated at the exchange rate at the transaction date. Exchange differences arising between the exchange rate at the transaction date and the date of payment are recognized in the income statement under financial income or expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date. The difference between the exchange rate ruling at the balance sheet date and the exchange rate at the date when the receivable or payable arose or was recorded in the most recent financial statements is recognized in the income statement under financial income or expenses.

On recognition of foreign subsidiaries that have a functional currency other than DKK, income statements are translated at the exchange rate at the transaction date, while balance sheet items are translated at the exchange rates ruling at the balance sheet date. Exchange differences arising on the translation of the opening equity of foreign subsidiaries using the exchange rates at the balance sheet date as well as on the translation of the income statements from average exchange rates to balance sheet date exchange rates are taken directly to equity.

Exchange adjustments of balances that are considered to be part of the overall investment in the subsidiary with a different functional currency are taken directly to equity.

Similarly, exchange gains and losses on loans and derivative financial instruments to hedge foreign subsidiaries are taken directly to equity.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are initially recognized in the balance sheet at fair value. Positive and negative fair values of derivative financial instruments are recognized under other receivables and other payables, respectively. Market prices are used for listed contracts. Other contracts are measured at fair value based on available market data and recognized valuation methods.

The effective part of changes in the value of derivative financial contracts to hedge the value of recognized assets and liabilities is recognized in the income statement together with changes in the value of such assets and liabilities.

The effective part of hedging transactions to hedge future transactions is recognized directly in equity until realization of the

hedged transactions. At this point in time, the value changes are recognized together with the hedged transactions.

The ineffective part of hedging transactions and changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the income statement under financial income or expenses.

SEGMENT INFORMATION

The disclosure in the financial statements of the Group's business segments is in accordance with the internal reporting to the Board of Directors and the Management Board.

The Group has the following business segments:

- Sale of mobile communication equipment (terminals)
- Sale of land earth station systems (systems).

In addition, revenue is disclosed by geography.

Segment information is set out in note 3.

INCOME STATEMENT

Revenue

Revenue is recognized as invoiced if delivery has taken place. Contract work in progress is recognized according to the percentage-of-completion method, according to which the value of the production for the year, including a calculated profit, is recognized in the income statement progressively in line with completion.

The stage of completion of projects is calculated as the ratio of the cost of engineer hours etc. spent to date on the development, production and installation of the product relative to the estimated total cost of completing the projects.

Anticipated losses on projects not completed are charged to the income statement at the time when the anticipated loss is ascertained. Service and maintenance contracts are accrued and recognized over the term of the contracts.

Cost of sales

Cost of sales comprises cost of goods sold and costs, including depreciation and salaries, incurred to obtain the revenue for the year. Costs for current adaptation and improvement of products are charged to the income statement as incurred and are included in this item. The line item also includes impairment losses on inventories and warranty and service costs.

Cost of sales also includes development costs that do not meet the criteria for capitalization as well as amortization of capitalized development costs and depreciation of equipment.

Distribution costs

Distribution costs comprise expenses incurred in connection with sales and marketing during the year, including costs for sales and marketing staff, advertising and exhibition expenses as well as depreciation.

Administrative expenses

Administrative expenses comprise expenses incurred during the year for the company's administrative functions, including expenses for administrative staff, the Management Board as well as depreciation. The amount also includes bad debt provisions and realized losses on receivables.

Warrants

For equity-settled stock options and warrants, the fair value is measured at the grant date and recognized in the income statement under staff costs over the vesting period. The balancing item is recognized directly in equity.

On initial recognition of the stock options, the number of options expected to vest is estimated. Subsequently, adjustment is made only for changes in the number of employees estimated to become entitled to options or warrants.

The fair value is measured using the Black-Scholes model with the parameters indicated in note 5 to the financial statements.

Employee shares

The Group's employees are given an opportunity to buy shares at the market price from the company's holding of treasury shares.

Rental and leasing

On initial recognition, lease contracts for property, plant and equipment under which the company has all substantial risks and rewards of ownership (finance leases) are measured in the balance sheet at the lower of the fair value or the present value of future minimum lease payments. The present value is calculated using the interest rate implicit in the lease as the discount factor, or an approximate value. Assets held under finance leases are subsequently accounted for as the company's other property, plant and equipment. The capitalized lease obligation is recognized in the balance sheet as a liability, and the interest element of the lease payment is recognized in the balance sheet over the term of the contract.

Financial income and expenses

Financial income and expenses include interest income and expenses, exchange gains and losses on securities, payables and transactions in foreign currencies, amortization of financial assets and liabilities.

Tax

Tax on the profit/loss for the year, consisting of the year's current tax, movements in deferred tax and any prior-year adjustments, is recognized in the income statement as regards the amount that can be attributed to the profit/loss for the year and posted directly in equity as regards the amount that can be attributed to movements in equity.

Deferred tax is calculated in accordance with the balance sheet liability method on all temporary differences between the carrying amount and tax base of assets and liabilities. No deferred tax liability is recognized for goodwill unless it is amortizable for tax purposes.

When the tax value can be calculated according to alternative taxation rules, deferred tax will be calculated on the basis of the planned usage of the tax asset or settlement of the tax liability, as the case may be.

The tax value of tax losses carried forward is included in the statement of the deferred tax if the loss is likely to be utilized.

Deferred tax is measured using applicable tax rules and the tax rate expected to apply when the temporary differences are equalized. Changes in deferred tax due to changes in the tax rates are recognized in the income statement as regards the share that relates to the net profit or loss for the year, whereas the share that relates to entries directly in equity is taken directly to equity.

Thrane & Thrane A/S is taxed jointly with the Danish companies in the Thrane & Thrane Group. Tax for each individual company is fully allocated on the basis of the anticipated taxable income.

BALANCE SHEET

Intangible assets

Investments in development comprise costs, salaries and depreciation directly attributable to the company's development activities.

Development projects which are clearly defined and identifiable, where the level of technical utilization, sufficient resources and a potential future market or business opportunity for the company can be demonstrated, and where the intention is to manufacture, market or utilize the project, are recognized as intangible assets if

the cost can be reliably measured, and there is sufficient certainty that the future earnings can cover production and sales costs, administrative expenses and investments in development.

Borrowing costs concerning specific and general borrowing directly or indirectly related to projects with an extended production period are recognized in cost of development projects during the development period.

Other development activities are recognized in the income statement when incurred.

Subsidies received to cover product development costs are set off against development costs incurred for the specific project. Subsidies that exceed project development costs are recognized as prepayments.

Development costs recognized in the balance sheet are measured at the lower of cost less accumulated depreciation and the recoverable amount.

On completion of a development project, the development costs are amortized on a straight-line basis over the estimated useful life. The amortization period is usually 2-5 years.

Software is measured at cost less accumulated depreciation. Software is depreciated using the straight-line method over its expected useful life, estimated at 3-5 years.

Customer files are amortized over the expected useful life, estimated at 10-20 years.

Impairment of intangible assets

Goodwill and development projects in progress are tested for impairment annually by comparing the carrying amounts of the assets with their recoverable amounts.

The carrying amounts of other intangible assets are reviewed on an ongoing basis to determine any indications of impairment in excess of what is expressed in the normal depreciation of assets. If there is an indication that an asset may be impaired, it is tested for impairment.

If the carrying amount of an intangible asset exceeds its recoverable amount, the carrying amount of the asset is written down to the recoverable amount.

Property, plant and equipment

Land and buildings, airplanes, plant and machinery and other fixtures and fittings, tools and equipment are measured at cost

less accumulated depreciation. The cost of a total asset is divided into smaller components that are depreciated separately if such components have different useful lives.

Depreciation is charged on a straight-line basis over the expected useful lives of the assets.

Buildings are depreciated over 30 years.

Buildings on leasehold land are depreciated over the period of the lease, i.e. 20 years.

For plant and machinery, fixtures and fittings, tools and equipment, the useful lives have been determined at 3-7 years.

Leasehold improvements are amortized over 3-13 years.

The assets' residual values and useful lives are assessed annually and adjusted, if appropriate, at each balance sheet date.

Gains or losses on the disposal or removal of assets are recognized in the income statement under the same items as the related assets.

Impairment of property, plant and equipment

Depreciable assets are reviewed on an ongoing basis to determine any indications of impairment in excess of what is expressed in the normal depreciation of assets. If there is an indication that an asset may be impaired, it is tested for impairment. Where the recoverable amount is lower than the carrying amount, the value is written down to the lower recoverable amount.

Inventories

Inventories are measured at cost according to the FIFO method. Inventories are written down to the lower of cost and net realizable value.

Semi manufactures and finished goods are recognized at a calculated cost consisting of costs incurred for materials and wages/salaries with the addition of indirect production costs.

Indirect production costs comprise the cost of indirect materials and labor as well as maintenance and depreciation of the machinery and equipment used in the manufacturing process as well as costs of factory administration and management. Borrowing costs are not recognized.

Receivables

Receivables are measured at amortized cost. Receivables are written down for anticipated losses.

Contract work in progress

Contract work in progress is measured at the sales value of the production. The sales value is calculated in consideration of costs of completion adjusted for any recorded losses.

Prepayments received on account are deducted from the item Contract work in progress. Payments on account received over and above the performed part of the project are stated separately for each contract and included in the item Prepayments from customers.

Prepayments

Prepayments comprise costs incurred relating to the following financial year.

Equity

Dividends expected to be paid in respect of the year are stated as a separate line item under equity and included as a separate part of equity. Treasury shares are deducted directly against equity. The exchange adjustment reserve includes exchange rate differences arising on the currency translation of companies with a functional currency other than DKK.

Treasury shares

Treasury shares acquired by the parent company or subsidiaries are recognized at cost directly in equity under retained earnings. Gains on the sale of treasury shares are recognized directly in equity under retained earnings.

Proceeds from the sale of treasury shares or the issue of shares in Thrane & Thrane A/S in connection with the exercise of warrants or employee shares are taken directly to equity.

Pension liabilities

Pension liabilities are recognized on the basis of an actuarial calculation. Pension costs recognized in the income statement comprise pension costs for the year, interest expenses, expected return on plan assets and costs relating to former employees. Actuarial gains and losses are recognized in the income statement.

Contributions to defined contribution plans are recognized as incurred.

Other provisions

Provisions comprise anticipated costs of warranty obligations. Provisions are recognized when, as a consequence of a past event, the company has a legal or constructive obligation, and it is likely that the obligation will require an outflow of the company's financial resources. Warranty obligations comprise repair of work within the warranty period of 1-5 years. Provisions are

measured and recognized on the basis of experience from warranty work. When total costs are likely to exceed total income on ongoing work in progress, provisions are made for the total expected loss on the contract. The provision is recognized under production costs.

Debt

Other liabilities, which comprise loans, trade payables and other payables, are measured at amortized cost.

Deferred income

Deferred income comprises payments received relating to income in subsequent financial years.

CASH FLOW STATEMENT

The Group's cash flow statement shows cash flows for the year, broken down by operating, investing and financing activities, and the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated indirectly as the profit for the year adjusted for non-cash operating items, paid financial items and income taxes. Working capital includes current assets less current liabilities, exclusive of the items included in cash.

In addition, the item includes realized capital gains on contracts to hedge cash flows on contract work in progress.

Cash flows from investing activities

Cash flows from investing activities include acquisition and sale of intangible assets, property, plant and equipment and investments.

In addition, the item includes realized capital gains on contracts to hedge future cash flows concerning subsidies for development investments.

Cash flows from financing activities

Cash flows from financing activities include borrowings, the repayment of interest-bearing debt and dividend payments as well as proceeds from share capital increases.

Cash and cash equivalents

Cash and cash equivalents comprise net bank balances.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

The key ratios have been calculated in accordance with "Recommendations and Ratios 2010" issued by the Danish Society of Financial Analysts.

DEFINITIONS OF RATIOS

Invested capital	=	Total assets less cash, tax asset and non-interest bearing debt
Return on invested capital	=	Profit before restructuring costs and financial items / invested capital at beginning of period
Development costs incurred	=	Cash applied in development before subsidies
Equity ratio	=	Equity at end of period / total liabilities at end of period
Net interest-bearing debt	=	Non-current and current portion of bank loans and overdraft facility less cash and cash equivalents
Free cash flow (before acquisitions and financing)	=	Cash flow from financing activities plus acquisition of activities
Earnings per share	=	Net profit for the year / average number of shares
Free cash flow per share (before acquisitions and financing)	=	Free cash flow / average number of shares
Cash flow from operating activities per share	=	Cash flow from operating activities / average number of shares
Net asset value per share	=	Equity at end of period / number of shares at end of period

Note DKK '000

2 Accounting estimates

In accordance with generally accepted accounting principles, the calculation of the carrying amounts of certain assets and liabilities relies on assessments and estimates about future events. Assessments and estimates are made on the basis of historical experience and other factors which management considers prudent and relevant. Such assumptions may be incomplete or inaccurate, and unexpected circumstances may arise. As a result, the assessments and estimates made are subject to some natural degree of uncertainty.

Assessments and estimates material to the financial reporting in Thrane & Thrane are made for example in the calculation of write-downs for losses on bad debts, the recognition of indirect production costs on inventories, the assessment of write-downs for obsolescence on inventories, development projects, the calculation of provisions and the calculation of income tax.

In addition, the annual impairment tests of goodwill values as well as customer files and development projects build on a number of assumptions when determining the anticipated cash flows for a number of years into the future. This involves a natural degree of uncertainty.

3 Segment information

ACTIVITIES

DKK '000	Terminals*		Systems		Total	
	2010/11	2009/10	2010/11	2009/10	2010/11	2009/10
Revenue	979,988	890,889	112,941	160,159	1,092,929	1,051,048
Gross profit	343,373	233,714	44,631	67,872	388,004	301,586
Operating profit (EBIT)	176,537	69,874	17,748	44,521	194,285	114,395
Non-current assets	1,072,706	1,074,282	375	756	1,073,081	1,075,038
Current assets	562,741	527,275	60,196	62,786	622,937	590,061
Segment assets	1,635,447	1,601,557	60,571	63,542	1,696,018	1,665,099
Intangible assets	120,688	109,888	-	-	120,688	109,888
Property, plant and equipment	13,200	10,628	115	-	13,315	10,628
Depreciation and amortization	123,418	142,322	300	438	123,718	142,760
Non-current liabilities	144,359	442,480	7,615	40,234	151,974	482,714
Current liabilities	527,039	274,468	39,940	32,261	566,979	306,729
Segment liabilities	671,398	716,948	47,555	72,495	718,953	789,443
Cash generated from operations (operating activities)	292,080	318,696	8,021	38,069	300,101	356,765
Cash outflow from investing activities	(118,228)	(114,747)	(115)	-	(118,343)	(114,747)
Operating margin	18.0%	7.8%	15.7%	27.8%	17.8%	10.8%
Average number of employees	545	558	47	49	592	607

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

Note DKK '000

3 Segment information (continued)

ACTIVITIES	2010/11	2009/10
Net segment profit	194,285	114,395
Financial income and expenses	(12,341)	(32,913)
Income tax	(48,258)	(22,622)
Net profit for the year	133,686	58,860
Segment liabilities	718,953	789,443
Unallocated restructuring costs	7,258	11,522
Total liabilities	726,211	800,965
GEOGRAPHY	2010/11	2009/10
	Revenue share	Revenue share
Denmark	30,682 3%	23,338 2%
Europe, excl. Denmark	555,262 51%	584,053 56%
North America	191,895 18%	161,779 15%
Asia & Oceania	278,111 25%	239,908 23%
Others	36,979 3%	41,970 4%
	1,092,929 100%	1,051,048 100%
	2010/11	2009/10
Segment assets		
Denmark	1,413,373	1,338,263
North America	46,041	61,083
Norway	197,322	228,934
Sweden	39,282	36,819
	1,696,018	1,665,099
Capital investments		
Denmark	133,137	120,226
North America	812	290
Norway	-	-
Sweden	54	-
	134,003	120,516
4 Revenue specified by main items		
Sale of goods	1,073,104	1,033,098
Sales value of contract work in progress	19,825	17,950
	1,092,929	1,051,048

Note	DKK '000	2010/11	2009/10
5	Costs		
	Staff costs		
	Wages and salaries	318,904	317,207
	Pensions	11,537	11,060
	Defined-benefit pension schemes	(1,023)	(238)
	Other social security costs	7,239	7,074
	Other staff costs	12,490	10,481
	Share-based payment	5,721	8,111
		354,868	353,695
	Share-based payment to the Management Board and the Board of Directors was DKK 640 thousand (DKK 1,380 thousand)		
	Staff costs are analyzed as follows		
	Cost of sales	127,305	159,494
	Distribution costs	87,542	68,830
	Administrative expenses	60,449	52,103
	Capitalized development costs	79,572	73,268
		354,868	353,695
	Remuneration to the Management Board	15,726	11,706
	Emoluments to the Board of Directors	1,863	1,848
	Average number of employees	592	607
	Number of employees at April 30 including staff under notice	595	600
	Development costs		
	Development costs incurred	153,169	144,666
	Development costs recognized in the balance sheet	(118,168)	(104,979)
	Amortized development costs and impairment write-downs	96,328	115,869
		131,329	155,556
	Lease expenses		
	Lease expenses paid	1,158	848
		1,158	848
	Depreciation, amortization and impairment write-downs		
	Intangible assets	109,419	129,066
	Property, plant and equipment	14,299	13,694
		123,718	142,760
	Amortization of intangible assets are analyzed as follows		
	Cost of goods sold	120	81
	Development costs	96,564	116,126
	Distribution costs	11,605	11,551
	Administrative expenses	1,130	1,308
		109,419	129,066

(continues)

Note	DKK '000	2010/11	2009/10
5	Costs (continued)		
	Depreciation of property, plant and equipment is analyzed as follows		
	Cost of goods sold	4,621	4,195
	Development costs	5,571	5,256
	Distribution costs	884	695
	Administrative expenses	3,223	3,548
		14,299	13,694
		123,718	142,760

Share-based payment

The company has established a warrant program pursuant to the authority contained in article 3A.3 of the company's articles of association, under which members of the Board of Directors, management employees and key employees may be granted warrants free of charge, giving the holder a right, but not an obligation, to subscribe for shares in Thrane & Thrane. DKK 2,660,000 nominal value is left of the authority, which expires on June 30, 2011.

	Management Board	Management Employees	Board of Directors	Exercised 2010/11	Cancelled	Total	Exercise price	Expected dividends	Exercisable until	Market value
Granted										
Nov/03	-	9,261	-	-	(9,261)	-	270.6	-	Nov/10	-
Nov/03	-	6,867	-	-	(6,867)	-	292.5	-	Nov/10	-
Outstanding grant 2003/04	-	16,128	-	-	(16,128)	-				-
Granted										
Nov/04	-	6,708	-	-	(6,708)	-	270.6	-	Nov/10	-
Nov/04	-	5,729	-	-	(5,729)	-	292.5	-	Nov/10	-
Nov/04	-	8,021	-	-	-	8,021	292.5	-	Nov/11	82,937
Nov/04	-	6,241	-	-	-	6,241	321.8	-	Nov/11	32,890
Outstanding grant 2004/05	-	26,699	-	-	(12,437)	14,262				115,827
Granted										
Nov/06	-	61,500	-	-	-	61,500	325.2	-	Nov/11	298,275
Outstanding grant 2006/07	-	61,500	-	-	-	61,500				298,275
Granted										
Jul/07	60,000	-	-	-	-	60,000	305.5	-	Sep-10 - Aug-13	2,022,600
Jul/07	27,000	-	-	-	-	27,000	295.8	-	28.1 Sep-11 - Aug-14	1,049,220
Jul/07	15,000	-	-	-	-	15,000	291.5	-	22.3 Sep-12 - Aug-15	771,900
Jul/07	15,000	-	-	-	-	15,000	293.0	-	15.7 Sep-13 - Aug-16	972,450
Jul/07	15,000	-	-	-	-	15,000	303.2	-	8.3 Sep-14 - Aug-17	1,035,750
Aug/07	23,000	-	-	-	-	23,000	304.5	-	Sep-10 - Aug-13	781,540
Aug/07	10,000	-	-	-	-	10,000	294.7	-	28.1 Sep-11 - Aug-14	391,400
Aug/07	6,000	-	-	-	-	6,000	290.1	-	22.3 Sep-12 - Aug-15	311,040
Aug/07	6,000	-	-	-	-	6,000	291.8	-	15.7 Sep-13 - Aug-16	341,760
Aug/07	5,000	-	-	-	-	5,000	301.0	-	8.3 Sep-14 - Aug-17	348,100
Nov/07	-	85,000	-	-	-	85,000	278.0	-	Nov-10 - Nov-13	3,567,450
Outstanding grant 2007/08	182,000	85,000	-	-	-	267,000				11,593,210
Outstanding grant April 30, 2011	182,000	189,327	-	-	(28,565)	342,762				12,007,312
Exercised/expired 2010/11	-	(28,565)	-	-	-	(28,565)				-
Outstanding April 30, 2010	182,000	220,974	-	-	(31,647)	371,327				7,945,068
Exercised/expired 2009/10	-	(31,647)	-	-	-	(31,647)				-

For all valuations, the volatility is calculated at 32.28% based on the period May 6, 2009 to May 6, 2011. The proxy used is the effective interest rate on a 10-year government bond at April 30, 2011. The average subscription price at April 29, 2011 was DKK 251. The market values are calculated using the Black-Scholes formula for valuation of options. The term is the period until expiry, and no adjustment has been made for dividends.

Note	DKK '000	2010/11	2009/10
6	Fees to auditors appointed at the general meeting		
	Grant Thornton		
	Statutory audit	783	755
	Assurance engagements other than audits	25	18
	Tax advice	306	119
	Other services	42	103
		1,156	995
	Others		
	Statutory audit	-	64
		-	64
	Fees to auditors appointed at the general meeting	1,156	1,059
7	Financial income and expenses		
	Interest income	2,872	1,714
	Exchange adjustments	2,120	3,990
	Financial income	4,992	5,704
	Interest expenses, etc.	(7,592)	(13,819)
	Exchange adjustments	(9,741)	(24,798)
	Financial expenses	(17,333)	(38,617)
8	Income tax		
	Current tax on profit for the year	39,887	23,355
	Prior year adjustment	(55)	(1,329)
	Deferred tax for the year	8,426	596
		48,258	22,622
	Tax recognized directly in equity (hedging of cash flows)	841	463
	Tax recognized in other comprehensive income		
	Value adjustment for the year of hedging instruments	841	463
	Tax recognized in other comprehensive income	841	463
	Income tax is analyzed as follows:		
	Profit before tax	181,944	81,482
	25% tax	45,486	20,371
	Tax effect of:		
	Non-deductible expenses	(171)	2,091
	Adjustment of subsidiaries at Danish tax rate	2,998	1,489
	Adjustment of prior year tax	(55)	(1,329)
	Effective tax	48,258	22,622
	Effective tax rate	26.5%	27.8%

Note DKK '000

9 Intangible assets

	Software	Customer files	Completed development projects	Development projects in progress	Goodwill	Total
Cost at May 1, 2010	34,330	210,000	599,771	118,564	482,310	1,444,975
Exchange adjustment	(3)	-	283	-	-	280
Additions	2,520	-	-	118,168	-	120,688
Subsidies	-	-	-	(7,583)	-	(7,583)
Transferred	-	-	58,392	(58,392)	-	-
Disposals	-	-	(180,036)	-	-	(180,036)
Cost at April 30, 2011	36,847	210,000	478,410	170,757	482,310	1,378,324
Amortization at May 1, 2010	(20,140)	(37,084)	(364,120)	-	(25,000)	(446,344)
Exchange adjustment	-	-	(119)	-	-	(119)
Amortization for the year	(2,092)	(10,999)	(96,328)	-	-	(109,419)
Transferred	-	-	-	-	-	-
Disposals	-	-	180,036	-	-	180,036
Amortization at April 30, 2011	(22,232)	(48,083)	(280,531)	-	(25,000)	(375,846)
Carrying amount at April 30, 2011	14,615	161,917	197,879	170,757	457,310	1,002,478
Cost at May 1, 2009	29,561	210,000	500,298	159,506	482,310	1,381,675
Exchange adjustment	185	-	213	177	-	575
Additions	4,909	-	-	104,979	-	109,888
Subsidies	-	-	-	(5,041)	-	(5,041)
Transferred	-	-	141,057	(141,057)	-	-
Disposals	(325)	-	(41,797)	-	-	(42,122)
Cost at April 30, 2010	34,330	210,000	599,771	118,564	482,310	1,444,975
Amortization at May 1, 2009	(17,964)	(26,083)	(289,944)	-	(25,000)	(358,991)
Exchange adjustment	(76)	-	(104)	-	-	(180)
Amortization for the year	(2,196)	(11,001)	(115,869)	-	-	(129,066)
Transferred	(4)	-	-	-	-	(4)
Disposals	100	-	41,797	-	-	41,897
Amortization at April 30, 2010	(20,140)	(37,084)	(364,120)	-	(25,000)	(446,344)
Carrying amount at April 30, 2010	14,190	172,916	235,651	118,564	457,310	998,631

(continues)

9 Intangible assets (continued)

Customer files

In 2010/11, management performed an impairment test of the carrying amount of customer files. The impairment test compares the recoverable amount, equal to the discounted future free cash flow, with the carrying amount of customer files. The recoverable amount is estimated to be higher than the carrying amount. An after-tax discounting factor of 10% was applied.

Development costs

Recognized completed and ongoing development projects comprise the development of new products for radio and satellite communication. The carrying amount is DKK 369 million. Completed development projects are amortized over 2-5 years. In 2010/11, management performed an impairment test of the carrying amount of recognized development costs. The recoverable amount is estimated to be higher than the carrying amount. Estimated recoverable amounts are based on calculations of value in use, determined through the application of projected net cash flows on the basis of the budget for 2011/12, future sales forecasts over the products' remaining useful lives of 1-5 years and available business plans, and an after-tax discounting factor of 10%. Borrowing costs are recognized at DKK 1,461 thousand (DKK 699 thousand). The applied interest rate of 2.04% is calculated based on the company's average borrowing rate.

Goodwill

At April 30, 2011, management performed an impairment test of the carrying amount of goodwill. Upon completion of the integration of EuroCom Industries A/S and Nera SatCom AS in Thrane & Thrane A/S, management believes that there are two integrated cash-generating units; Terminals and Systems, as set out in note 3. Only the terminal segment represents goodwill.

The impairment test was performed relative to the 'cash generating unit Terminals'. The estimated recoverable amount is based on value in use, determined through the application of projected net cash flows on the basis of budgets and forecasts for the years 2012 to 2014, a terminal value with growth of 5% equaling inflation expectations, and an after-tax discounting factor of 10%. The recoverable amount is estimated to be higher than the carrying amount.

A sensitivity analysis indicates that the discount rate may increase to around 17 percentage points without resulting in a need for impairment write-downs.

Note DKK '000

10 Property, plant and equipment

	Land and buildings	Airplanes	Plant and machinery	Other fixtures and fittings, tools and equipment	Plant and equipment in progress	Total
Cost at May 1, 2010	32,098	24,721	75,777	36,062	2,403	171,061
Exchange adjustments	-	-	5	37	-	42
Additions	-	-	9,209	2,165	1,941	13,315
Transferred	-	-	2,688	151	(2,839)	-
Disposals	-	(22,766)	-	(2,776)	-	(25,542)
Cost at April 30, 2011	32,098	1,955	87,679	35,639	1,505	158,876
Depreciation at May 1, 2010	(17,207)	(24,167)	(55,128)	(25,673)	-	(122,175)
Exchange adjustments	-	-	(8)	(143)	-	(151)
Depreciation	(1,084)	(107)	(8,462)	(4,646)	-	(14,299)
Disposals	-	22,319	-	2,000	-	24,319
Depreciation at April 30, 2011	(18,291)	(1,955)	(63,598)	(28,462)	-	(112,306)
Carrying amount at April 30, 2011	13,807	-	24,081	7,177	1,505	46,570
Cost at May 1, 2009	32,098	24,721	65,880	34,867	3,570	161,136
Exchange adjustments	-	-	57	627	-	684
Additions	-	-	6,605	1,801	2,222	10,628
Transferred	-	-	3,351	38	(3,389)	-
Disposals	-	-	(116)	(1,271)	-	(1,387)
Cost at April 30, 2010	32,098	24,721	75,777	36,062	2,403	171,061
Depreciation at May 1, 2009	(16,122)	(23,990)	(47,439)	(21,358)	-	(108,909)
Exchange adjustments	-	-	(34)	(492)	-	(526)
Depreciation	(1,085)	(177)	(7,771)	(4,661)	-	(13,694)
Disposals	-	-	116	838	-	954
Depreciation at April 30, 2010	(17,207)	(24,167)	(55,128)	(25,673)	-	(122,175)
Carrying amount at April 30, 2010	14,891	554	20,649	10,389	2,403	48,886

Note	DKK '000	2010/11	2009/10
11	Deposits		
	Cost at May 1	7,843	7,668
	Additions during the year	589	264
	Disposals during the year	-	(89)
	Cost at April 30	8,432	7,843
	Carrying amount at April 30	8,432	7,843
12	Inventories		
	Raw materials and consumables	69,798	88,511
	Work in progress	61,813	71,968
	Finished goods and goods for resale	56,063	54,843
		187,674	215,322
	Impairment write-downs for the year on inventories	19,444	27,542
13	Contract work in progress		
	Contract work in progress	19,825	-
	Progress billings	(7,500)	-
		12,325	-
	The amount is recognized as follows:		
	Net contract work in progress	12,325	-
	Prepayments for contract work in progress	-	-
		12,325	-
14	Other receivables		
	Other receivables	5,621	4,316
		5,621	4,316
	Short-term portion	2,424	1,122
	Long-term portion	3,197	3,194
		5,621	4,316

The carrying amount of other receivables is estimated to equal fair value.

Note DKK '000

15 Share capital

The share capital consists of 5,662,744 shares of DKK 20 nominal value each. The share capital was not increased in 2010/11.

	DKK '000	Number
Share capital at April 30, 2006	98,090	4,904,497
Increase through exercise of warrants	2,089	104,416
Capital increase through acquisition of Nera SatCom	9,440	472,000
Increase through issue of bonus shares	512	25,613
Share capital at April 30, 2007	110,131	5,506,526
Increase through exercise of warrants	1,649	82,468
Increase through issue of bonus shares	280	14,000
Share capital at April 30, 2008	112,060	5,602,994
Increase through exercise of warrants	135	6,750
Increase through issue of bonus shares	500	25,000
Share capital at April 30, 2009	112,695	5,634,744
Increase through issue of bonus shares	560	28,000
Share capital at April 30, 2010	113,255	5,662,744
Increase through issue of bonus shares	-	-
Share capital at April 30, 2011	113,255	5,662,744

Treasury shares	Number 2010/11	Number 2009/10	Nominal value 2010/11	Nominal value 2009/10	% of share capital 2010/11	% of share capital 2009/10
Treasury shares at May 1	22,288	19,362	447	388	0.4%	0.3%
Number of shares issued through issue of bonus shares	-	28,000	-	560	0.0%	0.5%
Number of shares applied for sales to employees	(16,272)	(25,074)	(325)	(501)	(0,3%)	(0,4%)
Treasury shares at April 30	6,016	22,288	121	447	0.1%	0.4%

Thrane & Thrane has sold treasury shares in connection with a sale of shares to employees as part of the employee share program for a nominal value of DKK 325 thousand at the market price for a total of DKK 3,369 thousand.

Note	DKK '000	2010/11	2009/10
16	Earnings per share		
	Net profit for the year	133,686	58,860
	Average number of shares	5,662,744	5,662,744
	Average number of treasury shares	(12,549)	(16,215)
	Average number of shares in circulation	5,650,195	5,646,529
	Average dilutive effect of outstanding share options	342,762	371,327
	Diluted average number of shares in circulation	5,992,957	6,017,856
	Earnings per share (EPS) of DKK 20	23.66	10.42
	Diluted earnings per share (D-EPS) of DKK 20	22.31	9.78
17	Pensions and similar liabilities		
	Present value of funded plans	56,551	58,204
	Fair value of plan assets	(55,678)	(53,689)
	Net liability funded plans	873	4,515
	Present value of unfunded plans	5,801	8,837
	Net liability	6,674	13,352
	Social costs on net pension liability	941	1,882
	Net liability at April 30	7,615	15,234
	Movements in gross liability		
	Gross liability at May 1	67,041	60,941
	Costs recognized in the income statement	1,472	1,542
	Calculated interest	2,594	2,608
	Actuarial gains	(3,656)	634
	Exchange adjustments	568	7,205
	Pension funds disbursed	(5,529)	(5,889)
	Deleted from plan due to staff reductions	(138)	-
	Gross liability at April 30	62,352	67,041
	Movement in fair value of plan assets		
	Fair value at May 1	53,689	42,896
	Expected return on plan assets	3,151	2,805
	Pension funds disbursed	(2,370)	(1,940)
	Payments from the company	2,733	2,553
	Exchange adjustments	456	5,187
	Actuarial gains/losses	(1,981)	2,188
	Fair value at April 30	55,678	53,689

Thrane & Thrane expects that payments to defined benefit plans in 2010/11 will be DKK 1 million (DKK 2 million)

(continues)

Note	DKK '000	2010/11	2009/10
17	Pensions and similar liabilities (continued)		
	The plan assets are specified as follows:		
	Shares	10,690	7,248
	Bonds	26,391	31,677
	Property	9,465	8,912
	Cash deposits	8,018	4,564
	Other assets	1,114	1,288
	Fair value at April 30	55,678	53,689

The plan assets do not include assets used by the Group or treasury shares.

Costs recognized in the income statement, including social costs

Pension costs for the year	1,680	1,760
Interest expenses	2,960	2,976
Expected return on assets	(5,508)	(4,974)
Deleted from plan due to staff reductions	(156)	-
Pension costs	(1,024)	(238)

Return on plan assets

Expected return	3,151	2,805
Actuarial gains/losses	(1,981)	2,188
Actual return	1,170	4,993

Actuarial assumptions

Actuarial assumptions calculated as weighted averages at April 30:

Discount factor	4.0%	4.4%
Inflation	1.5%	2.3%
Expected return on assets	5.0%	5.8%
Future salary increases	3.8%	3.8%
Development trends in health insurance costs	3.8%	3.8%
Future pension increases	1.0%	1.4%

The expected return on assets has been calculated with reference to the risk-free interest rate on government bonds plus a supplement equivalent to the long-term risk profile for each asset category. The risk premium has been fixed at 3%-6% for equities, at 0%-0.8% for bonds and cash, and at 4%-8% for real property.

	2010/11	2009/10	2008/09	2007/08
Historic overview of pensions				
Actuarial calculation of pension liabilities	62,352	67,041	60,941	59,566
Pension assets	(55,678)	(53,689)	(42,896)	(48,994)
Addition for social costs on net liability	941	1,882	2,505	1,512
Net recognized liability at April 30	7,615	15,234	20,550	12,084
Experience adjustments, liabilities	(1,753)	(634)	(3,965)	3,266
Experience adjustments, pension assets	(1,981)	2,188	(6,335)	299

Pension liabilities relate to Thrane & Thrane Norge AS.

Note	DKK '000	2010/11	2009/10
18	Deferred tax		
	Deferred tax at May 1	130,069	137,964
	Exchange adjustment	126	244
	Deferred tax for the year recognized in the income statement	3,950	(8,602)
	Deferred tax for the year recognized in equity	841	463
	Deferred tax at April 30	134,986	130,069
	Deferred tax relates to:		
	Current assets	(11,389)	(10,460)
	Fixed assets	149,286	145,045
	Goodwill	17,250	14,786
	Liabilities	(560)	2,235
	Intra-group gain	(19,601)	(21,537)
		134,986	130,069
	Deferred tax asset		
	Deferred tax asset at May 1	16,484	24,024
	Exchange adjustment	(267)	1,658
	Deferred tax for the year recognized in the income statement	(3,813)	(9,198)
	Deferred tax asset at April 30	12,404	16,484
	Deferred tax asset relates to:		
	Current assets	677	3,660
	Fixed assets	4,222	5,384
	Goodwill	2,509	3,174
	Liabilities	4,164	4,266
	Tax loss	832	-
		12,404	16,484
		Warranty provisions	Warranty provisions
19	Provisions		
	Warranty provisions at May 1	10,779	10,823
	Exchange adjustments	-	29
	Provided during the year	12,861	7,962
	Applied during the year	(7,225)	(6,238)
	Reversed during the year	(3,554)	(1,797)
	Warranty provisions at April 30	12,861	10,779
	Short-term portion	10,779	10,779
	Long-term portion	2,082	-
		12,861	10,779

Note	DKK '000	2010/11	2009/10
------	----------	---------	---------

22 Other financial obligations

As part of the Thrane & Thrane Group's operations, standard leases and operating leases are made relating to head office buildings, etc.

The future rent and lease payments are:

0-1 year	24,274	25,759
1-5 years	75,890	76,448
After more than 5 years	-	14,910
	100,164	117,117
Rent and lease payments made during the year	22,260	25,186

Other financial obligations

Warranty obligations amount to DKK 17,143 thousand (DKK 12,749 thousand)

The company has purchase obligations with suppliers as part of its normal operations.

The parent company has issued an absolute guarantee to Danske Bank of DKK 25,000 thousand for Thrane & Thrane Aalborg A/S, and shares in Naval Electronics AB have been provided as security to Danske Bank.

Litigation

In connection with the company's acquisition of EuroCom Industries A/S and its subsequent compulsory redemption of minority shareholders in August 2004, a few former minority shareholders in EuroCom Industries A/S have made various claims and commenced lawsuits against Thrane & Thrane A/S and Thrane & Thrane Aalborg A/S (formerly EuroCom Industries A/S). The lawsuits question the legality of the redemption made at EuroCom Industries A/S' general meeting on July 1, 2004. Furthermore, it is claimed that redemption take place at a price determined by experts. Thrane & Thrane has prevailed in all cases in the city court and the high court. One of the cases was appealed to the Supreme Court in 2010. Thrane & Thrane believes that there is no basis for setting aside the redemption. In addition, the company believes that the shares did not have a value that exceeded the consideration of DKK 8.75 per share offered. Consequently, the company does not expect the pending case to result in any loss to the company. In addition, Thrane & Thrane Norge AS has pending cases against a former employee. Furthermore, there is a pending case instituted by present employees of Thrane & Thrane Norge AS relating to non-payment of employers' tax on bonuses paid in prior years. The total claim amounts to NOK 2.4 million.

Note	DKK '000	2010/11	2009/10
------	----------	---------	---------

23 Financial instruments

Cash and cash equivalents

USD		24,925	25,142
EUR		68,234	4,626
NOK		14,991	26,246
DKK		64,918	73,799
SEK		680	2,021
		173,748	131,834

In the cash flow statement, bank overdrafts are offset against cash and cash equivalents as follows:

Cash and cash equivalents	173,748	131,834
Bank overdrafts	-	(14,580)
Cash and cash equivalents, net	173,748	117,254

	2010/11			2009/10		
	Interest range			Interest range		
Banks and other credit institutions	0-3%	3-4%	Total	0-3%	3-4.5%	Total
EUR	254,802	54,951	309,753	254,802	119,693	374,495
SEK	-	-	-	-	-	-
CHF	21,725	-	21,725	-	23,967	23,967
DKK	4,989	2,302	7,291	4,989	2,302	7,291
	281,516	57,253	338,769	259,791	145,962	405,753
Of which fixed-interest through rate swaps	254,802	54,951	309,753	254,802	105,113	359,915

	2010/11	2009/10
--	---------	---------

Receivables

Trade receivables

Undue receivables	212,413	213,949
Less than 90 days overdue	20,848	14,598
More than 90 days overdue	7,911	5,911
Gross receivables	241,172	234,458
Provisions for bad debts	(4,605)	(1,764)
Carrying amount	236,567	232,694

Specification of provisions for bad debts:

Balance at May 1	1,764	2,758
Provisions, additions during the year	3,749	778
Provisions, used during the year	-	(275)
Provisions, reversed during the year	(820)	(1,631)
Exchange adjustment	(88)	134
Balance at April 30	4,605	1,764

The carrying amount of trade receivables is estimated to equal fair value.

(continues)

Note DKK '000

23 Financial instruments (continued)

Hedging

To hedge interest rate and exchange rate risks, the Group applies derivative financial instruments (note 24).

Exchange adjustment

The profit for the year includes exchange adjustments of deposits, loans and working capital totalling DKK (7,621) thousand against DKK (20,808) thousand in 2009/10.

Interest rate swaps

Interest rate swaps are used to hedge interest rate risks on loans. The fair value of the swaps is specified as below.

	2010/11	2009/10
Fair value for subsequent recognition in the income statement	(1,192)	(4,551)
Fair value recognized in the income statement (not hedge accounting)	1,582	(338)

Fair value for subsequent recognition relates to the refinancing of floating-rate loans to fixed-rate loans and is expected to be recognized over the next year.

Forward exchange and option contracts

Forward exchange and option contracts are used to hedge exchange rate risks related to recognized and unrecognized transactions. Net purchase/sale and fair value of outstanding forward exchange and option contracts are specified as follows:

	Principal		Fair value	
	2010/11	2009/10	2010/11	2009/10
USD	-	67,809	-	(8,680)
Amount recognized in the income statement	-	-	-	(8,680)
For subsequent recognition	-	-	-	-

Fair value adjustments are recognized in the income statement as the contracts do not qualify for hedge accounting.

Amounts recognized in the income statement are included in financial income and expenses. No forward exchange and option contracts had been made at the balance sheet date.

Recognition date

Financial assets and liabilities are recognized at the transaction date.

Fair value measurement of financial instruments

Financial instruments measured at fair value in the balance sheet can be categorized on three levels:

Level 1 -Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 -Prices other than level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3 -The value of the asset or liability is based on observable market data.

All the Group's financial instruments are level 2 instruments.

	Carrying	Other observ-
	amount	able prices
	2010/11	2010/11
Derivative financial instruments, net	390	390
Total financial liabilities	390	390

(continues)

Note DKK '000

23 Financial instruments (continued)

Maturities and liabilities 2010/11	Carrying amount	Cash flows incl. interest			Total
		0-1 year	1-5 years	After 5 years	
Bank and other credit institutions etc.	331,478	337,322	-	-	337,322
Loans from employees	7,291	384	8,017	-	8,401
Trade payables	121,057	121,057	-	-	121,057
Derivative financial instruments	1,192	1,192	-	-	1,192
Other payables excluding derivative financial instruments	68,505	68,505	-	-	68,505
	529,523	528,460	8,017	-	536,477

Maturities and liabilities 2009/10	Carrying amount	Cash flows incl. interest			Total
		0-1 year	1-5 years	After 5 years	
Bank and other credit institutions etc.	383,882	61,443	335,766	-	397,209
Loans from employees	7,291	245	7,895	-	8,140
Bank overdraft	14,580	14,580	-	-	14,580
Trade payables	113,146	113,146	-	-	113,146
Derivative financial instruments	13,569	9,018	4,551	-	13,569
Other payables excluding derivative financial instruments	81,623	81,623	-	-	81,623
	614,091	280,055	348,212	-	628,267

Credit risk

The Thrane & Thrane Group has no special concentration of credit risk.

24 Financial risks and financial instruments

Due to the nature of its operations, investments and financing, the Group is exposed to changes in exchange and interest rates. The Group's policy is to direct financial management towards the management of financial risks related to operations and finance. The Group's financial risks are managed centrally by the Group's finance department according to policies committed to writing and approved by the Board of Directors.

The scope and nature of the Group's financial instruments appear from the income statement and the balance sheet in accordance with the accounting policies applied. Set out below is information about factors that may influence amounts, time of payment or reliability of future payments, where such information is not disclosed directly in the financial statements or is subject to customary practice.

Currency risks

The Group's foreign subsidiaries are not materially impacted by exchange rate fluctuations as both income and costs are generally settled in local currency.

The consolidated income statement is impacted by changes in exchange rates. The results of foreign subsidiaries are translated from their functional currency to DKK at the exchange rate ruling on the transaction date. The customs rate of exchange on the first day of each month is used to reflect the transaction date's exchange rate.

(continues)

Note DKK '000

24 Financial risks and financial instruments (continued)

The Group's foreign exchange policy is to balance incoming and outgoing payments in local currency as much as possible and generally to seek to effect sales in EUR, except for sales to the aeronautical market which are denominated in USD. A large part of the company's purchases are denominated in USD. Currency positions had not been hedged at the balance sheet date. Currency exposures of investments in subsidiaries had not been hedged. Any foreign exchange adjustments are recognized directly in equity.

Thrane & Thrane's basic policy is to hedge expected future net exposures from the company's operations. A combination of currency loans and forward currency contracts is used for hedging purposes.

Analysis of the Group's exchange rate sensitivity

Over the past year, the exchange rates of USD and NOK, the currencies in which Thrane & Thrane has the greatest exposure, have fluctuated by up to 13% p.a. (14% p.a.) compared with the average exchange rates for the 2010/11 financial year. The USD rate has fluctuated by 13% (12%) while NOK has seen exchange rate fluctuations of up to 6% (14%). The table shows the impact on Thrane & Thrane's profit if USD or NOK appreciate by 5% against DKK. A 5% depreciation would have the opposite effect.

	2011/12	2011/12
	USD	NOK
Exchange rate fluctuation in		
Group		
Impact on profit and equity before tax	4,878	532
Parent company		
Impact on profit and equity before tax	4,878	-

Currency

Thrane & Thrane has investments in foreign subsidiaries for which translation of equity into DKK entails exchange rate exposure. Such exposure is not hedged.

Interest rate risk

The Group's and the parent company's interest rate risks are generally related to its bank debt. The Group had net bank debt of DKK 165 million as at April 2011 (2009/10: DKK 274 million), partly carrying a fixed rate of interest and partly carrying a variable rate of interest based on the money market rate.

The effective rate of interest varies with the currency and, made up at the balance sheet date, fluctuated between 0.8%-4.0% (1.2%-4.0%) for significant deposits and debt in 2010/11. The interest rate risk is hedged through interest rate swaps for 93% of the bank debt for the upcoming year. A 1% increase in interest rates is therefore not expected to affect the pre-tax profit as the additional interest expense on the debt would be offset by a corresponding interest income on deposits, and the net effect would therefore be around DKK 0. The total impact on equity excluding any tax effect would be around DKK 0 (DKK 1.3 million).

Thrane & Thrane's bank loans carry a variable rate of interest, indicating a risk that interest expenses could change, both in the short and the long term. In an ongoing process, Thrane & Thrane regularly evaluates whether it would be appropriate to conclude agreements that would hedge the interest rate exposure in full or in part.

Note DKK '000

25 **Related party transactions**

The company's Management Board, Board of Directors, etc. and Thrane & Thrane Inc., Thrane & Thrane Aalborg A/S, Thrane & Thrane Norge AS, Thrane & Thrane Airtime Holding Inc., Thrane & Thrane Airtime Ltd. and Naval Electronics AB are considered related parties. The company made no transactions with related parties during the year except for intercompany transactions between the above mentioned companies. All intercompany transactions are conducted on an arm's length basis and eliminated in the consolidated financial statements. Thrane & Thrane Airtime Holding Inc. and Thrane & Thrane Airtime Ltd. were wound up in the financial year and had no operating activities.

The company has entered into a lease in April 2010, effective from May 1, 2010, with Lars Thrane for a King Air 200 (OY-GEF) for use in testing the company's aeronautical products. The lease has a term of one year and is renewed automatically for one-year terms unless terminated by one of the parties. The lease is subject to one month's notice to terminate at the end of a lease term. The annual lease payment is DKK 800 thousand. The company pays the expenses of operating the aircraft.

26 **Capital structure and capital management**

Management's objective is for the company's capital structure and capital management

- to ensure that the company has the ability to continue to operate as going concern
- to ensure that the company has financial flexibility and versatility, and
- to ensure that the company's financial targets are met.

Management's policy is to maintain a substantial equity ratio. Accordingly, Management continuously monitors the company's capital based on the ratio of equity to interest-bearing debt. The company aims for equity to exceed the interest-bearing debt. The company's capital should be understood as the company's equity. The company's equity stood at DKK 969,807 thousand at April 30, 2011 (DKK 864,134 thousand), equivalent to an equity ratio of 57.2% (51.9%), which is considered satisfactory. The strategy and targets with respect to the company's capital structure and capital management are unchanged from previous years.

	2010/11	2009/10
27 Change in receivables		
Change in receivables and financial assets	(19,202)	2,440
	(19,202)	2,440
28 Change in trade payables		
Change in current liabilities	312,527	(91)
Change in long-term provisions	(335,657)	(5,316)
Adjustment regarding foreign exchange contracts etc.	(3,358)	(1,856)
	(26,488)	(7,263)

Note	DKK '000	2010/11	2009/10
29	Intangible assets		
	Additions	120,690	109,662
	Offset against subsidies	(7,583)	(5,041)
		113,107	104,621

30 New accounting standards and interpretations

The following IFRS standards and interpretations have been implemented effective May 1, 2010 in the Thrane & Thrane Group:

- IFRS 3, Business combinations
- Amended IAS 27, Consolidated and separate financial statements

The revised IFRS 3 and amended IAS 27 contain new requirements with respect to acquisitions made after May 1, 2010. Acquisition costs and changes in contingent consideration are recognized directly in the income statement. Step acquisitions result in revaluation to fair value in the income statement of any investment already held. Goodwill attributable to the minority interests' share of acquired businesses may be recognized on a transaction-by-transaction basis.

The implementation of a number of additional revisions and standards that have entered into force did not result in any further changes in the Group's accounting policies.

Amendments in the years ahead

IASB has issued a number of new standards and interpretations for the upcoming year, which the Group expects to implement when they become mandatory, presumably in 2012 and 2013.

At the date of publication of this annual report, there are a number of additional new or amended standards and interpretations which have not yet entered into force and which are therefore not included in this annual report. Management believes that these new and amended standards and interpretations will not have any material impact on the annual report for the coming financial years.

THRANE & THRANE GROUP COMPANIES

Thrane & Thrane A/S

		Owner- ship share	Nominal share capital (1,000)	Currency	Exchange rate
Thrane & Thrane Inc., 509 Viking Drive, Virginia Beach, VA 23452, USA	◆	100%	-	USD	501.86
Thrane & Thrane Aalborg A/S, Porsvej 2, 9200 Aalborg SV, Denmark	◆	100%	20,000	DKK	100.00
Thrane & Thrane Norge AS, Bergerveien 12, 1375 Billingstad, Norway	◆	100%	37,996	NOK	95.83
Naval Electronics AB, Höjdrodergatan 18, SE-212 39 Malmö, Sweden	◆	100%	120	SEK	83.66

◆ Subsidiary

Thrane & Thrane Airtime Holding Inc. and Thrane & Thrane Airtime Ltd. were wound up in the financial year and had no operating activities.

FINANCIAL STATEMENTS OF THRANE & THRANE A/S

INCOME STATEMENT

Note	DKK '000	2010/11	2009/10
2	Revenue	1,002,950	955,562
3	Cost of sales		
	- Cost of goods sold	(552,986)	(568,167)
	- Development costs	(127,562)	(151,648)
	Gross profit	322,402	235,747
3	Distribution costs	(91,228)	(90,348)
3.4	Administrative expenses	(74,286)	(70,113)
	Operating profit (EBIT)	156,888	75,286
6	Results of investments in group enterprises	6,415	6,852
5	Financial income	2,726	6,526
5	Financial expenses	(16,847)	(38,680)
	Profit before tax	149,182	49,984
7	Income tax	(37,842)	(13,336)
	Net profit for the year	111,340	36,648
	Proposed appropriation of profit		
	Proposed dividend	45,302	33,976
	Retained earnings	66,038	2,672
		111,340	36,648

BALANCE SHEET

Note	DKK '000	April 30, 2011	April 30, 2010
	ASSETS		
	Non-current assets		
8	Intangible assets		
	Software	14,224	13,413
	Customer files	63,580	67,320
	Completed development projects	191,638	227,230
	Development projects in progress	170,757	118,563
	Goodwill	74,110	79,810
	Intangible assets	514,309	506,336
9	Property, plant and equipment		
	Land and buildings	143	275
	Airplanes	-	554
	Plant and machinery	23,994	20,502
	Other fixtures and fittings, tools and equipment	5,789	8,916
	Plant and equipment in progress	1,505	2,403
	Property, plant and equipment	31,431	32,650
	Financial assets		
	Deposits	9,454	9,109
10	Investments in group enterprises	455,030	485,038
	Financial assets	464,484	494,147
	Total non-current assets	1,010,224	1,033,133
	Current assets		
	Inventories		
	Raw materials and consumables	64,903	82,126
	Work in progress	61,812	71,968
	Finished goods and goods for resale	43,615	40,273
	Inventories	170,330	194,367
	Receivables		
	Trade receivables	195,347	184,443
11	Contract work in progress	12,325	-
	Amounts owed by group enterprises	18,779	49,722
12	Other receivables	5,014	3,673
	Prepayments	9,090	7,944
	Receivables	240,555	245,782
18	Cash and cash equivalents	140,771	86,849
	Total current assets	551,656	526,998
	TOTAL ASSETS	1,561,880	1,560,131

Note	DKK '000	April 30, 2011	April 30, 2010
EQUITY AND LIABILITIES			
Equity			
13	Share capital	113,255	113,255
	Reserve according to the equity method	-	-
	Retained earnings	679,721	607,719
	Proposed dividend	45,302	33,976
	Total equity	838,278	754,950
Provisions			
14	Deferred tax	107,081	98,198
15	Other provisions	12,779	10,779
	Provisions	119,860	108,977
Non-current liabilities			
16	Loans	7,291	337,411
	Non-current liabilities	7,291	337,411
Current liabilities			
16	Loans	331,478	53,762
16	Overdraft facility	-	14,579
11	Prepayment from contract work in progress	-	-
	Prepayments from customers	1,573	4,318
	Amounts owed to group enterprises	66,184	91,838
	Trade payables	107,017	95,018
7	Income taxes	24,097	15,749
	Other payables	61,179	75,173
	Deferred income	4,923	8,356
	Current liabilities	596,451	358,793
	Total liabilities	723,602	805,181
	TOTAL EQUITY AND LIABILITIES	1,561,880	1,560,131
17	Other financial obligations		
18	Financial instruments		
19	Related party transactions		

SPECIFICATION OF EQUITY

DKK '000	Share capital	Share premium	Retained earnings	Proposed dividend	Total
Equity at May 1, 2010	113,255	-	607,719	33,976	754,950
Capital increase	-	-	-	-	-
Dividend paid to shareholders	-	-	123	(33,976)	(33,853)
Net profit for the year	-	-	111,340	-	111,340
Value adjustment of hedging instruments	-	-	(895)	-	(895)
Reversal of value adjustment of hedging instruments	-	-	3,413	-	3,413
Translation adjustment of foreign group companies	-	-	(2,398)	-	(2,398)
Share-based payment	-	-	5,721	-	5,721
Proposed dividend	-	-	(45,302)	45,302	-
Equity at April 30, 2011	113,255	-	679,721	45,302	838,278
Equity at May 1, 2009	112,695	-	585,405	30,991	729,091
Capital increase	560	-	(560)	-	-
Dividend paid to shareholders	-	-	97	(30,991)	(30,894)
Net profit for the year	-	-	36,648	-	36,648
Value adjustment of hedging instruments	-	-	(3,413)	-	(3,413)
Reversal of value adjustment of hedging instruments	-	-	4,805	-	4,805
Translation adjustment of foreign group companies	-	-	10,602	-	10,602
Share-based payment	-	-	8,111	-	8,111
Proposed dividend	-	-	(33,976)	33,976	-
Equity at April 30, 2010	113,255	-	607,719	33,976	754,950

NOTES

Note DKK '000

1 Accounting policies (Supplementary to the Group's accounting policies)

The financial statements of the parent company, Thrane & Thrane A/S are presented in accordance with the Danish Financial Statements Act and other accounting regulations applicable to companies listed on NASDAQ OMX in Copenhagen.

Investments in subsidiaries and associates

Investments in subsidiaries are measured in the parent company's financial statements according to the equity method, i.e. at the proportionate share of the net asset value of these companies with the addition of goodwill.

The parent company's share of the results of subsidiaries less unrealized intra-group gains on inventories is recognized in the parent company's income statement. For subsidiaries with a negative net asset value, any receivables from such subsidiaries are offset, subject to a specific assessment, in the parent company's share of the negative net asset value. A provision is made if the parent company has a legal or constructive obligation to cover the company's negative balance.

Net revaluation of investments in subsidiaries is recognized as a reserve for net revaluation according to the equity method under equity to the extent that the revaluation exceeds dividends received from the subsidiaries.

Goodwill

Goodwill is recognized at cost less amortization and write-downs. Goodwill is amortized over its economic life, estimated to at least 20 years. Recognized goodwill is amortized over 20 years.

Customer files

Customer files are recognized at cost less amortization and write-downs. Customer files are amortized over their economic life, estimated to at least 20 years. Recognized customer files are amortized over 20 years.

	2010/11	2009/10
2 Revenue		
Sale of goods	983,125	937,612
Sales value of contract work in progress	19,825	17,950
	1,002,950	955,562
3 Costs		
Staff costs		
Wages and salaries	289,934	278,796
Pensions	10,953	10,984
Other social security costs	2,684	2,333
Other staff costs	10,543	8,609
Share-based payment	5,721	8,111
	319,835	308,833
Staff costs are analyzed as follows		
Cost of sales	123,998	125,927
Distribution costs	57,007	56,969
Administrative expenses	59,258	52,669
Development costs recognized in the balance sheet	79,572	73,268
	319,835	308,833
Average number of employees	542	558
Number of employees at April 30	545	551

(continues)

Note	DKK '000	2010/11	2009/10
3	Costs (continued)		
	For information on emoluments to the Board of Directors and remuneration to the Management Board, see note 5 to the consolidated financial statements.		
	Depreciation and amortization		
	Intangible assets	105,133	124,298
	Property, plant and equipment	12,446	12,090
	Financial assets	25,732	25,732
		143,311	162,120
	Depreciation and amortization are analyzed as follows		
	Cost of goods sold	4,416	3,987
	Development costs	99,795	118,563
	Distribution costs	10,479	10,479
	Administrative expenses	2,889	3,359
	Results of investments	25,732	25,732
		143,311	162,120
	For information on share-based payment, see note 5 to the consolidated financial statements.		
4	Fees to auditor appointed at the general meeting		
	Grant Thornton		
	Statutory audit	625	605
	Assurance engagements other than audits	25	18
	Tax advice	85	96
	Other services	26	53
		761	772
5	Financial income and expenses		
	Interest income	2,227	2,439
	Group interest	276	682
	Exchange adjustments	223	3,405
	Financial income	2,726	6,526
	Interest expenses, etc.	(7,330)	(14,123)
	Group interest	(1,632)	(2,619)
	Exchange adjustments	(7,885)	(21,938)
	Financial expenses	(16,847)	(38,680)

Note	DKK '000	2010/11	2009/10
6	Results of investments in subsidiaries		
	Profit before tax	38,805	46,192
	Change in intra-group gain	7,292	(735)
	Goodwill amortization	(25,732)	(25,732)
	Profit before tax	20,365	19,725
	Tax	(13,950)	(12,873)
	Profit for the year	6,415	6,852
7	Income tax		
	Estimated income tax payable for the financial year	29,106	18,730
	Prior year adjustment	28	(209)
	Change in deferred tax	8,708	(5,185)
		37,842	13,336
	Income tax payable		
	Income tax payable at May 1	15,749	16,428
	Prior year adjustment	749	(104)
	Paid in the financial year in respect of prior years	(16,498)	(16,324)
		-	-
	Estimated income tax payable for the financial year	29,106	18,730
	Thrane & Thrane Airtime A/S	-	28
	Tax paid on account for the current financial year	(5,009)	(3,009)
	Income tax payable at April 30	24,097	15,749
	Tax on profit for the year is analyzed as follows:		
	Profit before tax	149,182	49,984
	Results of investments	(6,415)	(6,852)
	Amortization of goodwill	5,701	5,701
	Profit before tax and investments	148,468	48,833
	25% tax	37,117	12,208
	Tax effect of:		
	Non-deductible expenses	697	1,337
	Adjustment of prior year tax	28	(209)
	Effective tax	37,842	13,336
	Effective tax rate	25.5%	27.3%

Note DKK '000

8 Intangible assets

	Software	Customer files	Completed development projects	Development projects in progress	Goodwill	Total
Cost at May 1, 2010	32,353	74,800	588,200	118,563	110,865	924,781
Additions	2,520	-	-	118,169	-	120,689
Subsidies	-	-	-	(7,583)	-	(7,583)
Transferred	-	-	58,392	(58,392)	-	-
Disposals	-	-	(180,036)	-	-	(180,036)
Cost at April 30, 2011	34,873	74,800	466,556	170,757	110,865	857,851
Amortization at May 1, 2010	(18,940)	(7,480)	(360,970)	-	(31,055)	(418,445)
Amortization for the year	(1,709)	(3,740)	(93,984)	-	(5,700)	(105,133)
Disposals	-	-	180,036	-	-	180,036
Amortization at April 30, 2011	(20,649)	(11,220)	(274,918)	-	(36,755)	(343,542)
Carrying amount at April 30, 2011	14,224	63,580	191,638	170,757	74,110	514,309

The expected useful life of goodwill is 20 years.

9 Property, plant and equipment

	Land and buildings	Airplanes	Plant and machinery	Other fixtures and fittings, tools and equipment	Plant and equipment in progress	Total
Cost at May 1, 2010	2,674	24,721	75,223	26,464	2,403	131,485
Additions	-	-	9,209	1,300	1,941	12,450
Transferred	-	-	2,688	151	(2,839)	-
Disposals	-	(22,766)	-	(2,293)	-	(25,059)
Cost at April 30, 2011	2,674	1,955	87,120	25,622	1,505	118,876
Depreciation at May 1, 2010	(2,399)	(24,167)	(54,721)	(17,548)	-	(98,835)
Depreciation for the year	(132)	(107)	(8,405)	(3,802)	-	(12,446)
Disposals	-	22,319	-	1,517	-	23,836
Depreciation at April 30, 2011	(2,531)	(1,955)	(63,126)	(19,833)	-	(87,445)
Carrying amount at April 30, 2011	143	-	23,994	5,789	1,505	31,431

Officially assessed value of buildings on leased land at October 1, 2010 DKK 2,050 thousand.

Note	DKK '000	2010/11	2009/10
10	Investments in group enterprises		
	Cost at May 1	872,221	877,221
	Disposals	-	(5,000)
	Cost at April 30	872,221	872,221
	Market value adjustments at May 1	(387,183)	(379,705)
	Results of investments	6,415	6,852
	Translation adjustments	(2,398)	10,602
	Dividends received	(34,025)	(24,438)
	Disposals	-	(494)
	Market value adjustments at April 30	(417,191)	(387,183)
	Carrying amount at April 30	455,030	485,038
	The group relationship with Thrane & Thrane Inc., Thrane & Thrane Aalborg A/S, Thrane & Thrane Norge AS and Naval Electronics AB is based on Thrane & Thrane A/S directly or indirectly holding 100% of the voting rights in the companies. See the specification of Group companies. Thrane & Thrane Airtime Holding Inc. and Thrane & Thrane Airtime Ltd. were wound up in the financial year and had no operating activities.		
11	Contract work in progress		
	Contract work in progress	19,825	-
	Progress billings	(7,500)	-
		12,325	-
12	Other receivables		
	DKK 3,197 thousand of the balance falls due after 12 months.		
13	Share capital		
	For information on share capital and treasury shares, see note 15 and 16 to the consolidated financial statements.		
14	Deferred tax		
	Deferred tax at May 1	98,198	102,920
	Adjustment of prior year deferred tax	(664)	-
	Deferred tax for the year recognized in the income statement	8,708	(5,185)
	Deferred tax for the year recognized in equity	839	463
	Deferred tax at April 30	107,081	98,198
	Deferred tax relates to:		
	Current assets	(11,389)	(10,460)
	Fixed assets	94,042	88,018
	Goodwill	17,250	14,786
	Customer files	7,881	6,144
	Liabilities	(703)	(290)
		107,081	98,198

Note	DKK '000		2010/11	2009/10
15	Other provisions			
	Warranty provisions at May 1		10,779	9,980
	Applied during the year		(7,225)	(5,406)
	Provided during the year		12,779	7,962
	Reversed during the year		(3,554)	(1,757)
	Warranty provisions at April 30		12,779	10,779
	Short-term portion		10,779	10,779
	Long-term portion		2,000	-
			12,779	10,779
16	Loans			
	Loans are analyzed as follows			
	Non-current liabilities			
	Banks and other credit institutions etc.	-	-	330,120
	Loans from employees	7,291	7,291	7,291
		7,291	7,291	337,411
	Current liabilities			
	Banks and other credit institutions	331,478	331,478	53,762
	Bank overdrafts	-	-	14,579
		331,478	331,478	68,341
		338,769	338,769	405,752
	Maturity		2010/11	2009/10
	0-1 year		331,478	68,341
	1-5 years		7,291	337,411
	After more than 5 years		-	-
			338,769	405,752

Note	DKK '000	2010/11	2009/10
------	----------	---------	---------

17 Other financial obligations

As part of Thrane & Thrane A/S' operations, standard leases and operating leases are made concerning the leasing of head office buildings, etc.

The future rent and lease payments are:

0-1 year	19,723	17,110
1-5 years	68,666	63,344
After more than 5 years	-	14,910
	88,389	95,364
Rent and lease payments made during the year	17,335	16,372

Other obligations

Warranty obligations amount to DKK 15,705 thousand (DKK 11,222 thousand).

The company has purchase obligations with suppliers as part of its normal operations.

The parent company has issued an absolute guarantee to Danske Bank of DKK 25,000 thousand for Thrane & Thrane Aalborg A/S, and shares in Naval Electronics AB have been provided as security to Danske Bank.

Litigation

In connection with the company's acquisition of EuroCom Industries A/S and its subsequent compulsory redemption of minority shareholders in August 2004, a few former minority shareholders in EuroCom Industries A/S have made various claims and commenced lawsuits against Thrane & Thrane A/S and Thrane & Thrane Aalborg A/S (formerly EuroCom Industries A/S). The lawsuits question the legality of the redemption made at EuroCom Industries A/S' general meeting on July 1, 2004. Furthermore, it is claimed that redemption take place at a price determined by experts. Thrane & Thrane has prevailed in all cases in the city court and the high court. One of the cases was appealed to the Supreme Court in 2010. Thrane & Thrane believes that there is no basis for setting aside the redemption. In addition, the company believes that the shares did not have a value that exceeded the consideration of DKK 8.75 per share offered. Consequently, the company does not expect the pending case to result in any loss to the company.

18 Financial instruments

Cash and cash equivalents	2010/11	2009/10
USD	18,562	12,654
EUR	57,527	49
NOK	2	454
DKK	64,680	73,692
SEK	-	-
	140,771	86,849

Banks and other credit institutions	2010/11			2009/10		
	Interest range		Total	Interest range		Total
EUR	254,802	54,951	309,753	254,802	119,692	374,494
SEK	-	-	-	-	-	-
CHF	21,725	-	21,725	-	23,967	23,967
DKK	4,989	2,302	7,291	4,989	2,302	7,291
	281,516	57,253	338,769	259,791	145,961	405,752
Of which fixed-interest through rate swaps	254,802	54,951	309,753	254,802	105,113	359,915

(continues)

Note DKK '000

18 Financial instruments (continued)

Hedging

To hedge interest rate and exchange rate risks, derivative financial instruments are applied.
For further information, see the section on risk factors, pages 30-31.

Exchange adjustment

The profit for the year includes exchange adjustments of deposits and loans and working capital totalling DKK (7,662) thousand against DKK (18,533) thousand in 2009/10.

Interest rate swaps

Interest rate swaps are used to hedge interest rate risks on loans. The fair value of the swaps is specified below.

	2010/11	2009/10
Fair value for subsequent recognition in the income statement	(1,192)	(4,551)
Fair value recognized in the income statement (not hedge accounting)	1,582	(338)

Fair value for subsequent recognition relates to the refinancing of floating-rate loans to fixed-rate loans and is expected to be recognized over the next year.

Forward exchange and option contracts

Forward exchange and option contracts are used to hedge exchange rate risks related to recognized and unrecognized transactions.
Net purchase/sale and fair value of outstanding forward exchange and option contracts are specified as follows:

	Principal		Fair value	
	2010/11	2009/10	2010/11	2009/10
USD	-	67,809	-	(8,680)
Amount recognized in the income statement	-	-	-	(8,680)
For subsequent recognition	-	-	-	-

No forward exchange and option contracts had been made at the balance sheet date.

Recognition date

Financial assets and liabilities are recognized at the transaction date.

Credit risk

The Thrane & Thrane Group has no special concentration of credit risk.

19 Related party transactions

The company's Management Board, Board of Directors, etc. and Thrane & Thrane Inc., Thrane & Thrane Aalborg A/S, Thrane & Thrane Norge AS, Thrane & Thrane Airtime Holding Inc., Thrane & Thrane Airtime Ltd. og Naval Electronics AB are considered related parties. The company made no transactions with related parties during the year except for intercompany transactions. All intercompany transactions are conducted on an arm's length basis and eliminated in the consolidated financial statements. Thrane & Thrane Airtime Holding Inc. and Thrane & Thrane Airtime Ltd. were wound up in the financial year and had no operating activities.

The company has a lease with Lars Thrane for a King Air 200 (OY-GEF) for use in testing the company's aeronautical products. The lease has a term of one year and is renewed automatically for one-year terms unless terminated by one of the parties. The lease is subject to one month's notice to terminate at the end of lease term. The annual lease payment is DKK 800 thousand. The company pays the expenses of operating the aircraft.

BOARD OF DIRECTORS

Waldemar Schmidt

Born 1940. Chairman of the Board of Directors since September 2000 and member of the Board since the same date. Re-elected to the Board of Directors in June 2010. Mr Schmidt's term of office expires in June 2011. Member of the Board of PAN ME A/S, Majid Al Futtaim Group LLC (United Arab Emirates) and Kwintet AB (Sweden). Mr Schmidt has extensive international management experience, including a lengthy period as Group CEO of ISS A/S. He also has experience from offices on the Boards of other listed Danish and international companies.
50,000 shares (50,000).
Remuneration 2010/11: DKK 562,500.

Jim Hagemann Snabe

Born 1965. MSc (Economics and Business). Member of the Board of Directors since September 2008. Member of the audit committee since August 2009. Re-elected to the Board of Directors in June 2010. Mr Snabe's term of office expires in June 2011. Co-CEO and member of the Executive Board of SAP AG. Mr Snabe has extensive experience within international management and globalization and has in-depth knowledge of IT, business processes and innovation.
1,000 shares (400).
Remuneration 2010/11: DKK 300,000.

Christian Mørup-Petersen*

Born 1973. BSc (Engineering). Member of the Board of Directors since June 2010. Mr Mørup-Petersen's term of office expires in June 2014. R&D Development Engineer at Thrane & Thrane Lyngby.
461 shares (398).
Remuneration 2010/11: DKK 168,750.

* Elected by the employees

Morten Eldrup-Jørgensen

Born 1962. LL.M, MBA. Member of the Board of Directors since September 2000. Chairman of the audit committee since August 2009. Re-elected to the Board of Directors in June 2010. Mr Eldrup-Jørgensen's term of office expires in June 2011. Lawyer and partner of the law firm Nielsen Nørager. Chairman of the Board of Cultivator A/S, TrackMan A/S, MK Ventures ApS, Sunarc Technology A/S and Bent Thorbergs Fond. Mr Eldrup-Jørgensen has general management experience as co-founder and/or chairman of a number of companies. As a lawyer he is primarily engaged in commercial and corporate law and corporate finance, including mergers & acquisitions and securities and finance law.
15,000 shares (12,000).
Remuneration 2010/11: DKK 325,000.

Lars Thrane

Born 1948. MSc (Engineering), PhD. Re-elected to the Board of Directors in June 2010. Mr Thrane's term of office expires in June 2011. Member of the Board of the Maritime Development Center of Europe (EMUC) and Decision3 Sp/f. Mr Thrane is one of the founders of Thrane & Thrane A/S. He has general management experience and extensive knowledge and experience of radio and satellite communication.
1,349,084 shares (1,349,084).
Remuneration 2010/11: DKK 225,000.

Gert Hejne Jensen*

Born 1965. Member of the Board of Directors since June 2006. Re-elected to the Board of Directors in June 2010. Mr Jensen's term of office expires in June 2014. Head of Final Assembly & Warehouse at Thrane & Thrane Aalborg. Business diploma in logistics and human resource development.
485 shares (363). 500 warrants (500).
Remuneration 2010/11: DKK 225,000.

MANAGEMENT BOARD

Walther Thygesen, CEO

Born 1950. MSc (Engineering), MBA. Mr Thygesen has been with Thrane & Thrane since September 2007. Chairman of the Board of Hewlett-Packard Danmark ApS and Vækstfonden. Deputy chairman of the Board of Royal Unibrew A/S.
23,740 shares (21,740). 132,000 warrants, of which 117,000 vested. Remuneration 2010/11: DKK 8,729,334.

Lars Thrane

Born 1948. MSc (Engineering), PhD. Mr Thrane has been with Thrane & Thrane since the company's formation in 1981. See above for executive functions and number of shares held.
Remuneration 2010/11: DKK 4,028,395.

Svend Age Lundgaard Jensen, CFO

Born 1961. MSc (Accounting and Auditing). Diploma in business economics and management accounting. Mr Jensen has been with Thrane & Thrane since January 1998. Appointed to the Management Board in September 2000.
44,756 shares (44,599). 50,000 warrants, of which 45,000 vested. Remuneration 2010/11: DKK 2,967,977.

GLOSSARY

Aero-HSD+: Thrane & Thrane's aeronautical communication solution for services such as telephony, fax and data transmission. The Aero-HSD+ enables data speeds up to 128 kbps.

AVIATOR: Trademark for Thrane & Thrane's aeronautical broadband solutions for the Inmarsat SwiftBroadband service.

BGAN: Broadband Global Area Network, an Inmarsat network launched in December 2005. The BGAN services enable e.g. data transmission speeds up to 492 kbps.

EXPLORER: Trademark for Thrane & Thrane's land mobile broadband solutions for the Inmarsat BGAN service.

FleetBroadband: Inmarsat's maritime broadband service enabling data transmission speeds up to 432 kbps. Thrane & Thrane offers three FleetBroadband terminals, the SAILOR 150 FleetBroadband, SAILOR 250 FleetBroadband and SAILOR 500 FleetBroadband.

GMDSS: Global Maritime Distress and Safety System. A global communication system enabling vessels to transmit distress signals to coastal stations, rescue stations and other nearby vessels.

GPS: Global Positioning System. A global satellite-based positioning system used, among other things, for navigation.

HF: High Frequency. Frequencies between 4.2 and 30.0 MHz. Used for maritime radio communication.

Inmarsat: Based in the UK, satellite operator Inmarsat Ltd. operates a global network of geostationary satellites for transmitting e.g. maritime, land-based and aeronautical services.

Inmarsat-C: A data-based Inmarsat service mainly used for messaging, positioning and GMDSS.

Inmarsat-4: Inmarsat's latest satellites. The satellites offer broadband speeds for voice and data transmission at sea, on land and in the air.

Land earth station: Stationary land-based unit that transmits signals to and receive signals from satellites via terrestrial networks.

Kbps: Kilobits per second.

Ku-band: Frequencies between 12 and 18GHz. The Ku-band is used e.g. for TV transmission and enables high data transmission speeds (2 Mbps or more).

LRIT: Long Range Identification and Tracking. Mandatory monitoring equipment that must be installed on all vessels of more than 300 GRT. Thrane & Thrane's LRIT solution is based on the Inmarsat-C service.

MF: Medium Frequency. Frequencies between 1.6 and 4.2 MHz. Used for maritime radio communication.

Mini-C: A new generation of the Inmarsat-C service. Thrane & Thrane's mini-C terminal integrates antenna and terminal in a single unit and targets the maritime and land mobile tracking markets.

RAN: Radio Access Network. A network station (land earth station) developed by Thrane & Thrane for the Inmarsat BGAN system.

SAILOR: Trademark for Thrane & Thrane's maritime products.

SSAS: Ship Security & Alert Systems. Mandatory alarm system that must be installed on all vessels of more than 500 GRT. Thrane & Thrane's SSAS solution is based on the Inmarsat-C service.

STC: Supplemental Type Certificate. Selling and installing a satellite communication product in an aircraft in civil operation require STC approval for the specific aircraft type.

SwiftBroadband: Inmarsat's broadband service for aviation. SwiftBroadband enables e.g. data transmission speeds up to 432 kbps.

VHF: Very High Frequency. Frequencies between 150.8 and 163.6 MHz. Used for maritime radio communication.

VOIP: Voice Over Internet Protocol. Technology used for transmitting voice over the Internet or other packet data networks.

VSAT: Very Small Aperture Terminal. VSAT solutions use e.g. Ku-band, enabling high data transmission speeds (2 Mbps or more).

SYSTEMS/AERONAUTICAL/MARITIME/LANDMOBILE/LANDMOBILE/MARITIME/SYSTEMS/AERONAUTICAL/MARITIME

Head office:
Lundtoftegårdsvej 93D
2800 Kgs. Lyngby
Denmark

T: +45 39 55 88 00
F: +45 39 55 88 88
E: info@thrane.com
thrane.com
Comp. reg. no.: 65 72 46 18

Offices:
Porsvej 2
9000 Aalborg
Denmark

Suites K,L & M
509 Viking Drive
Virginia Beach, VA 23452
USA

Unit 602, Building 4,
289 Bisheng Rd.
Zhangjiang High-tech Park,
Pudong
201204 Shanghai
P.R. China

Bergerveien 12
1375 Billingstad
Norway

Naval Electronics AB
Höjrodergatan 18
212 39 Malmö
Sweden

1 North Bridge Road
#06-23 High Street Centre
Singapore 179094