

ANNUAL REPORT AND ACCOUNTS 1994/1995



Dansk
Data
Elektronik A/S

Supermax Enterprise Server, DDE's latest hardware product, was launched in September 1994. The server is a very powerful database server sold on several continents worldwide.

BOARD OF DIRECTORS AND MANAGEMENT

Board of Directors:

Poul Laurits Hansen, M.Sc. (Chairman)
Erik Christoffersen, Attorney of the High Court
Knud Arne Nielsen, M.Sc.
Jørgen Worning, Managing Director
Allan Poul Petersen, Development Engineer*
Lars Skiveren, Electronic Engineer*

* = Elected by the employees

Management:

Claus Erik Christoffersen, Managing Director
Ole Lading

Auditors:

P. J. Aarup
State-Authorised Public Accountants

Deloitte & Touche
Statsautoriseret Revisionsaktieselskab

Other offices held by the Board of Directors and Management in other Danish limited liability companies:

Poul Laurits Hansen, M.Sc.
Dansk Kapitalanlæg A/S (Director)

Jørgen Worning, Managing Director
Bryggerigruppen A/S (Managing Director)
Chr. Hansens Laboratorium A/S (Director)
Bang & Olufsen Holding A/S (Director)
Arvid Nilsson A/S (Director)
Nordicon Construction Group A/S (Director)
Hosby International A/S (Director)
A/S Ejendommen Matr. nr. 9 Vester Kvarter
(Director)

ANNUAL REPORT AND ACCOUNTS 1994/95

CONTENTS

	Page
Summary of annual report	4
Annual report	5
Register of shareholders	9
Accounting policies	10
Group chart	13
The group's financial highlights	14
Profit and loss account	15
Balance sheet	16
Cash flow statement	18
Notes	19
Auditors' report	26

20th financial year
A/S Registration 65.295

SUMMARY OF ANNUAL REPORT

Consolidated results

The group's financial year ended with a loss of DKK 5.7 million before tax (DKK 6.9 million after tax) against a loss of DKK 8.1 million before tax (DKK 3.7 million after tax) in 1993/94. The loss was on a turnover of DKK 292 million, the same level as last year.

The result includes a profit of DKK 14.4 million before tax on DDE's core activities. This was not in line with expectations and gave rise to corrective actions.

The subsidiaries exclusive of EUROMAX A/S recorded a profit of DKK 2.1 million, of which the foreign subsidiaries' share amounted to DKK 1.5 million against a loss of DKK 5 million in the previous year.

DDE continued to invest heavily in developing and marketing the newspaper solution. As a result, EUROMAX A/S shows a loss of DKK 20.1 million, which is slightly more than estimated. The newspaper solution has been extremely well received in the world market.

High equity ratio

Capital and reserves represented 45% of the balance sheet total at the end of the financial year, the same as last year.

Future prospects

The stable development of the core activities and the two solutions, Library and EDA, is expected to continue.

EUROMAX A/S is expected to record rising sales and a declining loss. The greater part of the turnover will probably be in the second half of the financial year.

The realignment of activity will involve costs which will reduce the operating results in 1995/96 by approx DKK 5 million. The greater part of these costs will be incurred in the first half of the financial year.

The group's annual results in 1995/96 will especially depend on how fast the turnover of EUROMAX A/S will develop, but the group has a reasonable expectation of a positive result for the year.

ANNUAL REPORT

Strategy

It is DDE's aim to offer companies competitive advantages and increased productivity by providing a total concept consisting of hardware, software and services – always at the forefront of the IT development. Market developments have made it possible to focus operations on know-how intensive activities which translate DDE's know-how within computer technology into advisory services, total solutions, software, hardware, products and services.

DDE's commercial basis is open supplier-independent solutions. This is one of the reasons why DDE is taking an active part in the international cooperation among suppliers of UNIX-based hardware platforms, MIPS/ABI.

Focus strategy

DDE still differs from other computer suppliers in its focus on well-defined segments within which DDE develops and implements complex computer solutions based on a high content of know-how. As a result of this specialisation, DDE is not competing in mass markets. The only exception is DDE's training department which has strengthened DDE's position as a professional supplier of open courses as well as courses designed to meet the specialised needs of companies.

Segment strategy

For the purpose of increasing the competitive advantages and productivity of DDE's customers, DDE's solutions are developed in close dialogue with the customers. The strategy is unchanged: developing industry-specific standard solutions with the result that DDE's own developers, support staff and salesmen also develop a thorough knowledge of the business concerned.

MARKETS AND ACTIVITIES

DDE's core activities

The market for DDE's core activities was generally satisfactory although the turnover and contribution margins of a few sectors were lower than expected in the latter months of the year.

DDE consolidated its position in the UNIX market still further. According to International Data Corporation, the market share for mid-range UNIX systems went up from 53% to 56%.

DDE is the market leader in the field of libraries in Denmark, with installations in 62% of computer-based public libraries, which serve altogether more than 3,000 daily users. In addition, the solution has been sold to several foreign customers. Due to a desire to maintain and strengthen this position, nationally as well as internationally, DDE's software development department is placing strong emphasis on developing the successful solution further by incorporating a new management decision support module. As a new activity, DDE has established operating solutions in three libraries under so-called Facilities Management agreements.

In the public sector, DDE also installed the new Supermax Enterprise Server at the Danish Ministry of Education and the Danish Postal and Telegraph Services, etc. Further, DDE succeeded in making a framework agreement for client workstations with Indkøbs Service, the national central and local government purchasing organisation.

Lastly, DDE obtained large orders in the educational and training sector for the upgrading of existing Supermax servers to the RISC platform.

Sales of the EDA solution (Electronic Design Automation) for the design of electronics were satisfactory in the year under review. This is one of DDE's most international solutions. The most important new customer in the financial year was Bang & Olufsen.

The number of new customers in the training department was satisfactory, and DDE is delighted to see that also the share of non-UNIX customers went up during the period.

To make DDE's know-how available to a wider group, DDE has increased its seminar activity. During the year a large number of seminars were

turnover and earnings. DDE employs 383 people.

Quality assurance

In March 1995, following the introduction of new quality management systems, Dansk Data Elektronik A/S and EUROMAX A/S were ISO certified according to the ISO 9001 standard. As one of the first and only Danish companies, the group gained the special TickIT accreditation, which is only given to software manufacturers making particularly high demands on quality.

FINANCIAL SITUATION

The group's 1994/95 financial year ended on 30 April 1995 with a loss of DKK 5.7 million before tax (DKK 6.9 million after tax) against a loss of DKK 8.1 million before tax (DKK 3.7 million after tax) in 1993/94.

The turnover amounted to DKK 292 million, the same level as last year.

The result is composed as follows:

Core activities produced a profit of DKK 14.4 million. This was not satisfactory and gave rise to corrective actions.

The subsidiaries – exclusive of EUROMAX A/S – recorded a profit of DKK 2.1 million, of which the foreign subsidiaries' share amounted to DKK 1.5 million against a loss of DKK 5 million in the previous year.

EUROMAX A/S recorded a loss of DKK 20.1 million, a little more than expected. However, it does not cause any change of plans. EUROMAX A/S is still undergoing development, both in terms of technology and marketing, and should be viewed in this light.

All figures are before tax.

The group's results did not come up to the Board of Directors' expectations as expressed in the financial statements of 16 June and 20 December 1994.

At the time of publication of the financial statement of 20 December 1994, the level of realised sales and the generally high level of activity justified the expectations of a fair profit. Unfortunately, both sales and contribution margins were disappointing, especially towards the end of the financial year.

On 10 May 1995, a financial statement was published, which in the light of the then available unaudited accounting records reduced the group's performance expectations. The subsequent audited accounts have shown that these diminished expectations were too optimistic.

All research and development costs were fully charged to the profit and loss account as usual. Therefore, the value of intangible assets is not stated in the accounts.

The accounting policies adopted for the annual accounts were consistent with those adopted for the 1993/94 annual accounts.

The level of development was high for both hardware and software.

Capital and reserves represented 45% of the balance sheet total at the end of the financial year, the same level as last year, so the equity ratio is still high.

The liquidity was good throughout the financial year and is still satisfactory.

Changed structure

Less profitable market sections have been reduced.

The number of employees in the departments affected has been reduced, and costs have been adapted to the level of activity.

DDE has sharpened its focus on core activities, devoting additional resources to this area – to some extent through transfers from less profitable areas.

The well-defined profitable and internationally oriented solutions, Library and EDA (Electronic Design Automation), continue as hitherto in connection with the other core activities.

FUTURE PROSPECTS

The stable development of the core activities and the two solutions, Library and EDA, is expected to continue.

EUROMAX A/S is expected to record rising sales and a declining loss. The greater part of the turnover will probably be in the second half of the financial year.

The realignment of activity will involve costs which will reduce the operating results in 1995/96 by approx DKK 5 million. The greater part of these costs will be incurred in the first half of the financial year.

Due to these costs and the expected distribution of the turnover of EUROMAX A/S, it is estimated that the group will show an operating loss in the first half of the financial year.

In 1995/96, too, the foreign subsidiaries are expected to make a positive contribution to the consolidated results.

Continuing investment is being made in both products and market development.

Total costs have been adapted to the level of activity.

The group's annual results in 1995/96 will especially depend on how fast the turnover of EUROMAX A/S will develop, but the group has a reasonable expectation of a positive result for the year.

Proposed treatment of loss

The Board of Directors recommends that the loss for the year, DKK 6.9 million, be covered through a transfer from other reserves.

Register of shareholders in accordance with s. 28 a(1) of the Danish Public Limited Companies Act

Mr Claus Erik Christoffersen, M.Sc., B.Com.
Mosehøjvej 32
2920 Charlottenlund

Mr Ole Lading, M.Sc.
Immortellevej 9 B
2950 Vedbæk

Mr Knud Arne Nielsen, M.Sc.
Fuglevadsvej 37
2800 Lyngby

Arbejdsmarkedets Tillægspension
Kongens Vænge 8
3400 Hillerød

Den Danske Bank Aktieselskab
Holmens Kanal 2-12
1092 København K

ACCOUNTING POLICIES

The annual accounts include both the accounts of the group and of the parent company, Dansk Data Elektronik A/S. The consolidated accounts and the parent company accounts have been prepared in accordance with the Danish Company Accounts Act and Danish accounting guidelines.

At 1 May 1994 the parent company transferred the activities relating to newspaper systems to the wholly-owned subsidiary, Euromax A/S. The comparative figures in the parent company profit and loss account have been restated to reflect this. The balance sheet figures have not been restated. The results of Euromax A/S are shown separately in the profit and loss account because the company's activities differ from those of the other subsidiaries which are only sales companies.

The annual accounts have been prepared in accordance with accounting policies consistent with those of the 1993/94 annual accounts.

The accounting policies applied are in outline the following:

Basis of consolidation

The consolidated accounts include the companies in which the parent company or subsidiaries directly or indirectly hold 50% or more of the voting rights or, through a shareholding or agreements, have a controlling influence. Companies in which Dansk Data Elektronik A/S holds between 20% and 50% of the voting rights and in which it exercises a significant influence over operating and financial management are regarded as associated companies.

The consolidated accounts are prepared by combining the audited accounts of the parent company and the subsidiaries, adding up items of a uniform nature.

Intercompany turnover, profits, interest, dividends and accounts are eliminated. Participating interests are eliminated by the proportional share of the equity value of the subsidiaries.

In connection with purchases of subsidiaries and associated companies the group goodwill, representing the difference between the cost and the equity value (capital and reserves) of the acquired company, is calculated at the time of acquisition in accordance with the group's accounting policies. Group goodwill is written off immediately in the year of acquisition via capital and reserves.

Participating interests in associated companies are valued in the consolidated accounts according to the equity method.

Newly acquired or newly established companies are included in the consolidated accounts from the date of acquisition. Companies sold or wound up are included in the consolidated accounts up to the date of sale or winding up.

The comparative figures in the consolidated accounts are not restated, following any purchases or sales of companies.

Translation of amounts in foreign currencies

The annual accounts of foreign subsidiaries and associated companies are translated into Danish kroner at the rates of exchange ruling at the balance sheet date. The exchange loss/gain arising on translation of the capital and reserves of these undertakings at the beginning of the financial year at the rates of exchange ruling at the end of the year is recorded directly under capital and reserves.

All debtors and debts denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date or, in the case of hedging, at the agreed forward rate.

In respect of current assets and short-term debts, both realised and unrealised exchange gains and losses are included in the profit and loss account.

Profit and loss account

Method of revenue recognition

Income is recognised according to the completed contract method. In the case of large contracts covering more than one financial year, contribution margins calculated on account on contracts are reported as income using the percentage of completion method.

Share of results of subsidiaries before tax

The share of the results of the subsidiaries is reported as income/expense in the parent company profit and loss account using the equity method. However, the share of the corporation tax of the subsidiaries is included under the item "Tax".

Share of results of associated companies before tax

The proportional share of the results of associated companies is included. The share of the tax is included under "Tax".

Research and development costs

Research and development costs are charged to the profit and loss account as they are incurred.

Extraordinary items

Extraordinary items include income and expenses arising from activities other than ordinary activities, e.g. the sale of properties, subsidiaries or discontinuance of activities. Also income and expenses relating to previous financial years are included in this item.

Tax

The parent company is jointly taxed with a number of Danish and foreign subsidiaries. The Danish corporation tax is allocated among the jointly taxed companies according to the method of full allocation.

Tax includes both tax calculated on the taxable income for the year and any change in deferred tax as well as tax at source abroad.

Balance sheet

Intangible fixed assets

Leasehold improvements are valued at cost less amortisation. Amortisation is calculated according to the straight-line method over the term of the leases.

Deposits are valued at cost.

Tangible fixed assets

Tangible fixed assets are valued at cost plus revaluation and less depreciation.

Depreciation is provided on a straight-line basis over the expected useful economic lives of assets, which have been estimated as follows:

Buildings	20-50 years
Machinery, equipment and motor vehicles	4 years

Assets at a cost not exceeding DKK 10,000 each are fully charged to the profit and loss account in the year of acquisition. In case of sale, removal or scrapping of assets, any losses or gains are included in the profit and loss account.

Financial fixed assets

Participating interests in subsidiaries

In the parent company balance sheet, participating interests in subsidiaries are valued at equity value less intercompany profits on stocks and fixed assets. Participating interests in subsidiaries with negative capital and reserves are written down to zero and the negative balances are set off against the amounts due to the parent company from the individual undertakings. In subsidiaries whose negative balance exceeds the amount owed to the parent company, the remaining amount is included under provisions.

Participating interests in associated companies

Participating interests in associated companies are valued at the share of the equity value according to the accounts less any proportional share of intercompany profits and losses.

Associated companies with a negative equity value according to the accounts are valued at DKK 0, and any amounts due to the parent company from the associated companies are written down by the parent company's share of the negative equity value.

Securities and participating interests

Other securities and participating interests are valued at cost. However, writedowns are made in the case of any permanent diminution in value.

Current assets

Stocks

Stocks are valued at the lower of cost or replacement cost without addition of other production costs, including wages, and after deduction in respect of obsolete stocks.

Work in progress for third parties

Work in progress for third parties is valued at direct costs incurred together with a proportion of the expected profit appropriate to the stage of completion. Amounts invoiced on account are deducted under assets.

If the resulting amount is negative, the amount is shown under liabilities as payments on account from customers.

Trade debtors

Trade debtors are valued individually and shown at the value which they are expected to obtain.

Debt and provisions, etc.

Deferred tax

Deferred tax is calculated under the liability method at a tax rate of 38%. Deferred tax is provided in respect of all timing differences between the profits as stated in the accounts and as computed for taxation purposes.

No deferred tax is provided in respect of any differences that may arise between profits in foreign subsidiaries as stated in the accounts and as computed for taxation purposes.

No deferred tax (permanent differences) is provided in the balance sheet. However, it is disclosed in the notes on deferred tax.

Debt

Debt is valued at nominal value.

Guarantees

Guarantees furnished by group companies are shown in the notes under contingent liabilities and provision of security.

Cash flow statement

The cash flow statement is prepared according to the indirect method based on the results for the year.

The cash flow statement shows the net effect of the group's cash flows for the year and its liquid funds at year-end. The cash flows are generated by and applied within the principal activities – operations, investment and financing.

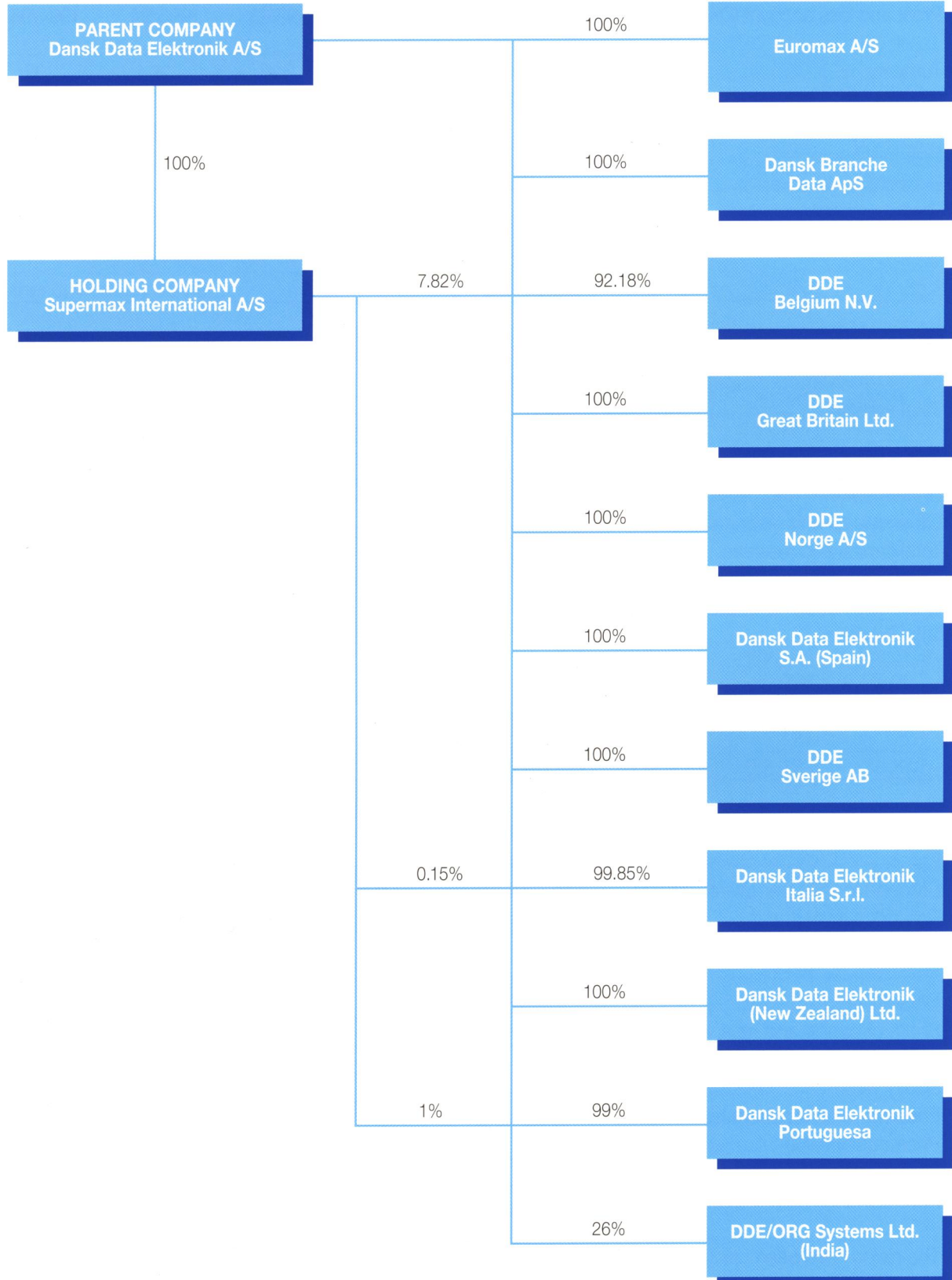
The cash flow from operations is calculated as the result for the year adjusted for profit and loss account items with no effect on the cash flow and for changes in the working capital.

The working capital includes stocks and work in progress, debtors, trade creditors, other short-term debt and taxes payable.

Investments include purchases and sales of fixed assets.

Financing comprises changes in interest-bearing short-term and long-term debt and exchange adjustments.

GROUP CHART



THE GROUP'S FINANCIAL HIGHLIGHTS

Profit and loss account (DKKm):	1990/91	1991/92	1992/93	1993/94	1994/95
Turnover	415	416	325	294	292
Contribution margin	298	295	209	195	193
Profit (loss) before financial items	4	11	(28)	(1)	(1)
Financial items, net	(1)	(5)	(10)	(7)	(4)
Extraordinary items	0	0	(3)	0	(1)
Profit (loss) before tax	3	6	(40)	(8)	(6)
Profit (loss) for the year	0	4	(37)	(4)	(7)

Balance sheet:

Fixed assets	157	148	142	135	131
Current assets	182	198	134	135	123
Total assets	339	346	276	270	254

Share capital	62	62	62	62	62
Other capital and reserves	96	100	63	60	52
Total capital and reserves	158	162	125	122	114
Long-term debt and provisions	84	81	72	64	58
Short-term debt	97	103	79	84	82
Total liabilities	339	346	276	270	254

Average number of employees	542	525	468	385	369
-----------------------------------	-----	-----	-----	-----	-----

Ratios

	1990/91	1991/92	1992/93	1993/94	1994/95
Contribution ratio	72%	71%	64%	66%	66%
Earnings in DKK per share	0	6	(55)	(6)	(10)
Dividend in DKK per share	0	0	0	0	0
Return on investment	1%	3%	(10%)	(1%)	(1%)
Profit margin	1%	3%	(9%)	0%	0%

Liquidity ratio	188%	192%	170%	160%	150%
Share of capital and reserves	47%	47%	45%	45%	45%
Return on capital and reserves	0%	2%	(24%)	(3%)	(5%)
Equity value	255	261	202	196	184
Price adjusted for share issues	440	390	135	167	326
Price/equity value	1,7	1,5	0,7	0,9	1,8
Market value	273	242	84	104	202
Price earnings ratio	1.509	69	Neg.	Neg.	Neg.

The ratios have been calculated in accordance with the "Ratio Calculation Guide 1991" prepared by Finansanalytikerforeningen (The Association of Financial Analysts).

PROFIT AND LOSS ACCOUNT

for the year ended 30 april 1995

	Note	GROUP		DKK'000 PARENT COMPANY	
		1994/95	1993/94	1994/95	1993/94
Net turnover	1	292,343	293,808	272,128	262,797
Contribution margin		193,145	195,297	175,427	176,436
Other operating income	2	0	0	5,353	7,135
Salaries incl. personnel costs	3	(132,672)	(135,902)	(112,975)	(114,601)
Production costs		(1,933)	(1,932)	(1,933)	(1,932)
Other expenses	4	(47,635)	(45,004)	(36,849)	(32,907)
		(182,240)	(182,838)	(151,757)	(149,440)
Profit before depreciation and financial items		10,905	12,459	29,023	34,131
Depreciation	5	(12,282)	(13,961)	(12,191)	(12,099)
Profit (loss) before financial items		(1,377)	(1,502)	16,832	22,032
Writedown, financial fixed assets	12	(569)	(1,274)	(569)	(1,274)
Financial items, net	6	(3,466)	(5,541)	(3,654)	(5,241)
Share of results of subsidiaries before tax:	7				
Euromax A/S		-	-	(20,104)	(19,579)
Other subsidiaries		-	-	2,083	(5,001)
Share of results of associated companies before tax	12	121	223	121	223
		(3,914)	(6,592)	(22,123)	(30,872)
Loss before extraordinary items and tax		(5,291)	(8,094)	(5,291)	(8,840)
Extraordinary items	8	(437)	9	(437)	755
Loss before tax		(5,728)	(8,085)	(5,728)	(8,085)
Tax	9	(1,191)	4,340	(1,191)	4,340
LOSS FOR THE YEAR		(6,919)	(3,745)	(6,919)	(3,745)

Assets

	Note	GROUP		DKK'000 PARENT COMPANY	
		1995	1994	1995	1994
Intangible fixed assets:	10				
Leasehold improvements		282	496	194	291
Deposits		374	387	158	172
		656	883	352	463
Tangible fixed assets:	11				
Land and buildings		107,293	110,887	107,293	110,887
Machinery, equipment and motor vehicles		19,821	18,708	16,796	17,908
		127,114	129,595	124,089	128,795
Financial fixed assets:	12				
Participating interests in subsidiaries		-	-	11,412	30,370
Participating interests in associated companies		2,446	3,029	2,446	3,029
Securities and participating interests		725	1,294	725	1,294
		3,171	4,323	14,583	34,693
Total fixed assets		130,941	134,801	139,024	163,951
Stocks	13	12,481	11,817	12,069	11,310
Work in progress for third parties	14	2,820	0	0	134
		15,301	11,817	12,069	11,444
Debtors:					
Trade debtors		86,221	94,059	67,996	83,798
Subsidiaries		-	-	20,304	6,014
Other debtors		3,327	947	850	476
Prepayments		3,114	3,130	2,218	2,696
		92,662	98,136	91,368	92,984
Cash at bank and in hand		14,841	25,525	8,186	23,264
Total current assets		122,804	135,478	111,623	127,692
TOTAL ASSETS		253,745	270,279	250,647	291,643

SHEET AT 30 APRIL 1995

Liabilities

	Note	GROUP		DKK'000 PARENT COMPANY	
		1995	1994	1995	1994
Capital and reserves:	15				
Share capital		62,093	62,093	62,093	62,093
Share premium account		47	47	47	47
Revaluation reserve		5,098	5,098	5,098	5,098
Other reserves		47,180	54,601	47,180	54,601
Total capital and reserves		114,418	121,839	114,418	121,839
Long-term debt:	16				
Mortgage debt		57,456	63,861	57,456	63,861
Short-term debt:					
Mortgage debt		2,657	3,638	2,657	3,638
Trade creditors		65,014	68,356	58,617	64,649
Subsidiaries		-	-	6,785	27,553
Payments on account from customers	14	0	286	0	0
Corporation tax		95	354	0	0
Accruals		14,105	11,945	10,714	10,103
		81,871	84,579	78,773	105,943
Total debt		139,327	148,440	136,229	169,804
TOTAL LIABILITIES		253,745	270,279	250,647	291,643
Contingent liabilities and provision of security	17				

CONSOLIDATED CASH FLOW STATEMENT

	DKK'000	
	1994/95	1993/94
Cash flow from operations:		
Loss for the year	(6,919)	(3,745)
Depreciation and writedowns	12,851	15,235
Share of result of associated company	(121)	(223)
Tax with no effect on the cash flow from operations	0	843
Cash flow from loss for the year	5,811	12,110
Change in stocks and work in progress	(3,484)	13,287
Change in debtors	5,474	(8,313)
Change in creditors	(1,468)	7,347
Change in provision for tax and tax payable	(259)	(11,473)
Change in working capital	263	848
Cash flow from operations	6,074	12,958
Cash flow from investments:		
Invested in buildings	(592)	(112)
Invested in machinery and equipment etc.	(13,791)	(9,750)
Invested in financial fixed assets	704	(3,768)
Sale of fixed assets	4,969	5,531
Cash flow from investments	(8,710)	(8,099)
Cash flow from financing:		
Change in interest-bearing debt	0	(751)
Exchange adjustment	(660)	694
Change in mortgage debt	(7,386)	1,456
Cash flow from financing	(8,046)	1,399
The year's change in cash flow from operations, investment and financing	(10,684)	6,258
Cash at beginning of year	25,525	19,267
Cash at end of year	14,841	25,525

NOTES

Note	GROUP		DKK'000 PARENT COMPANY	
	1994/95	1993/94	1994/95	1993/94
1. Net turnover:				
Of the year's net turnover exports amounted to	71,705	61,233	44,234	38,823
2. Other operating income:				
Adm. agreement with Euromax A/S	-	-	5,353	7,135
3. Salaries incl. personnel costs:				
Wages and salaries	122,983	128,657	104,040	106,198
Pension contributions	5,869	5,349	5,163	4,599
Social security costs	1,296	1,937	184	293
Other personnel costs	4,057	3,655	3,588	3,511
Transferred to work in progress	(1,533)	(3,696)	0	0
	132,672	135,902	112,975	114,601
The total remuneration of the Management (1993/94 includes a resigned manager) and the Board of Directors amounted to:				
Management	3,197	4,539	3,197	4,539
Board of Directors	230	215	230	215
	3,427	4,754	3,427	4,754
Average number of employees	369	385	313	328
Number of full-time employees (converted) at end of financial year	383	357	324	302
4. Other expenses:				
Audit fee:				
P. J. Aarup			903	-
Deloitte & Touche			460	-
			1,363	-
Other assistance:				
P. J. Aarup			1,187	-
Deloitte & Touche			145	-
			1,332	-
			2,695	-

Note	DKK'000			
	GROUP		PARENT COMPANY	
	1994/95	1993/94	1994/95	1993/94
5. Depreciation:				
Leasehold improvements	162	166	97	100
Buildings	4,186	2,632	4,186	2,632
Machinery, equipment and motor vehicles	8,517	11,126	8,096	9,548
Loss (profit) on sale of plant and equipment	(583)	37	(188)	(181)
	<u>12,282</u>	<u>13,961</u>	<u>12,191</u>	<u>12,099</u>
6. Financial items, net:				
Interest income, banks etc.	2,848	2,113	2,655	1,945
Capital gain in connection with remortgaging	1,640	0	1,640	0
Interest income, subsidiaries	-	-	532	2,008
Financial income	<u>4,488</u>	<u>2,113</u>	<u>4,827</u>	<u>3,953</u>
Interest expenses, banks etc.	(246)	(273)	(77)	(236)
Exchange loss	(1,723)	(643)	(1,244)	(430)
Interest expenses, subsidiaries	-	-	(1,175)	(1,790)
Interest expenses, mortgage debt	(5,985)	(6,738)	(5,985)	(6,738)
Financial expenses	<u>(7,954)</u>	<u>(7,654)</u>	<u>(8,481)</u>	<u>(9,194)</u>
Financial items, net	<u>(3,466)</u>	<u>(5,541)</u>	<u>(3,654)</u>	<u>(5,241)</u>
7. Share of results of subsidiaries before tax:				
Euromax A/S			(20,104)	(19,579)
Supermax International A/S			99	(142)
Dansk Branche Data ApS			341	366
DDE Belgium N.V.			526	(1,210)
DDE Great Britain Ltd.			(985)	(3,221)
DDE Norge A/S			177	(831)
Dansk Data Elektronik S.A. (Spain)			36	(324)
DDE Sverige AB			2,206	1,120
Dansk Data Elektronik Italia SRL			(261)	(645)
Dansk Data Elektronik (New Zealand) Ltd.			(56)	(92)
Dansk Data Elektronik Portuguesa			0	(22)
Other subsidiaries			2,083	(5,001)
			<u>(18,021)</u>	<u>(24,580)</u>
8. Extraordinary items:				
Adjustment of CO ₂ tax relating to previous years	(437)	0	(437)	0
Interest on repaid tax	0	755	0	755
Loss on termination of lease	0	(746)	0	0
	<u>(437)</u>	<u>9</u>	<u>(437)</u>	<u>755</u>

Note	GROUP		DKK'000 PARENT COMPANY	
	1994/95	1993/94	1994/95	1993/94
9. Tax:				
Tax on the loss for the year	5	0	5	0
Adjustment of current tax in subsidiaries in respect of previous years	-	0	303	0
Adjustment of current tax in respect of previous years	670	(108)	367	(108)
Adjustment of provision for royalty tax abroad relating to previous years	(436)	0	(436)	0
Royalty tax abroad	966	1,161	966	1,161
Repaid corporation tax relating to previous years	(14)	(5,393)	(14)	(5,393)
	1,191	(4,340)	1,191	(4,340)
Tax on extraordinary items	0	0	0	0
Corporation tax paid in the financial year, net (repaid)	1,191	(1,917)	732	(1,197)

The group has no deferred tax liability (timing differences or permanent differences).

Note	Leasehold improvements		Leasehold improvements	
	improvements	Deposits	improvements	Deposits
10. Intangible fixed assets:				
Cost 1/5 1994	1,666	387	821	172
Exchange adjustment	(65)	(20)	0	0
Year's additions	35	77	0	2
Disposals at cost	(348)	(70)	0	(16)
Cost 30/4 1995	1,288	374	821	158
Amortisation 1/5 1994	1,170	0	530	0
Exchange adjustment	(45)	0	0	0
Year's amortisation	162	0	97	0
Amortisation relating to disposals	(281)	0	0	0
Amortisation 30/4 1995	1,006	0	627	0
Book value 30/4 1995	282	374	194	158
Book value 30/4 1994	496	387	291	172

Note	GROUP		DKK'000 PARENT COMPANY	
	Land and buildings	Machinery, equipment and motor vehicles	Land and buildings	Machinery, equipment and motor vehicles
11. Tangible fixed assets:				
Cost 1/5 1994	121,615	103,341	121,615	97,677
Exchange adjustment	0	(849)	0	0
Year's additions	592	13,999	592	10,343
Disposals at cost	0	(16,673)	0	(13,704)
Cost 30/4 1995	122,207	99,818	122,207	94,316
Revaluations 1/5 1994	5,098	0	5,098	0
Total revaluations	5,098	0	5,098	0
Depreciation 1/5 1994	15,826	84,633	15,826	79,769
Exchange adjustment	0	(729)	0	0
Year's depreciation	4,186	8,517	4,186	8,096
Depreciation relating to disposals	0	(12,424)	0	(10,345)
Depreciation 30/4 1995	20,012	79,997	20,012	77,520
Book value 30/4 1995	107,293	19,821	107,293	16,796
Book value 30/4 1994	110,887	18,708	110,887	17,908

Property valuation:

The official cash valuation at 1/1 1995 amounted to DKK 77,951,000.

Non-valued properties abroad are valued at cost DKK 2.3 million.

	Participating interests in subsidiaries	Participating interests in associated companies	Securities and participating interests
12. Financial fixed assets in parent company:			
Cost 1/5 1994	89,135	2,806	3,770
Year's additions	21,108	0	0
Cost 30/4 1995	110,243	2,806	3,770
Revaluations and writedowns 1/5 1994	(58,765)	223	(2,476)
Year's revaluations and writedowns	*(40,066)	(583)	(569)
Revaluations and writedowns 30/4 1995	(98,831)	(360)	(3,045)
Book value 30/4 1995	11,412	2,446	725
Book value 30/4 1994	30,370	3,029	1,294

*) The amount includes partly the subsidiaries' results for the year and partly writedown of newly subscribed capital in subsidiaries to offset negative balances relating to previous years.

Note	Share of ownership %	Capital in '000	Share of results before tax	DKK'000 Capital and reserves in subsidiaries
<i>12. continued</i>				
<i>Subsidiaries:</i>				
Euromax A/S	100.0	DKK 1,500	(20,104)	(6)
Supermax International A/S	100.0	DKK 500	99	1,239
Dansk Branche Data ApS	100.0	DKK 1,500	341	5,961
DDE Belgium N.V.	92.2	BEF 76,710	526	3,076
DDE Great Britain Ltd.	100.0	GBP 1,350	(985)	(304)
DDE Norge A/S	100.0	NOK 700	177	751
Dansk Data Elektronik S.A. (Spain)	100.0	ESB 10,000	36	447
DDE Sverige AB	100.0	SEK 100	2,206	2,160
Dansk Data Elektronik Italia SRL	99.9	ITL 20,000	(261)	(121)
Dansk Data Elektronik (New Zealand) Ltd.	100.0	NZD 600	(56)	294
Dansk Data Elektronik Portuguesa	99.0	PTE 2,000	0	052
			(18,021)	13,549

Elimination of intercompany profits, stocks, computer equipment and trade marks (2,797)

Total share of equity value after deduction of intercompany profits 10,752

The wholly-owned subsidiary, Supermax International A/S, holds 7.82% of the capital in DDE Belgium N.V., 0.15% of the capital in Dansk Elektronik Italia SRL and 1% of the capital in Dansk Data Elektronik Portuguesa. These three companies are thus wholly-owned by Dansk Data Elektronik A/S and Supermax International A/S jointly.

The share of equity value after deduction of intercompany profits is analysed as follows for accounting purposes:

Participating interests in subsidiaries with positive capital and reserves 11,412

Participating interests in subsidiaries with negative capital and reserves set off against amounts due from subsidiaries (660)
10,752

	Share of ownership	Capital	Share of result before tax	Share of capital and reserves in associated company
<i>Associated companies:</i>				
DDE/ORG Systems Ltd., India	26%	INR 50 m	121	2,446

Note	GROUP		DKK'000 PARENT COMPANY	
	1995	1994	1995	1994
	13. Stocks:			
Raw materials and consumables	7,422	7,524	7,422	7,524
Work in progress	1,095	415	1,095	415
Finished goods	3,964	3,878	3,552	3,371
	12,481	11,817	12,069	11,310
Indirect production costs	720	625	720	625
14. Work in progress for third parties:				
Costs	13,810	12,277	0	12,021
Attributable profit	18,911	16,812	0	5,469
	32,721	29,089	0	17,490
Invoiced on account	(29,901)	(29,375)	0	(17,356)
	2,820	(286)	0	134
Transferred to payments on account from customers	0	286	0	0
Book value 30/4	2,820	0	0	134

Note	Share capital	Share premium account	Revaluation reserve	Reserves	Total
15. Capital and reserves:					
Balance 1/5 1994	62,093	47	5,098	54,601	121,839
Exchange adjustment of subsidiaries and associated company, capital and reserves at beginning of year				(502)	(502)
Loss for the year				(6,919)	(6,919)
Balance 30/4 1995	62,093	47	5,098	47,180	114,418
Share capital				1995	1994
The company's share capital consists of:					
A-shares: 12 shares of DKK 1,000,000 each				12,000	12,000
B-shares: 500,930 shares of DKK 100 each				50,093	50,093
				62,093	62,093
Other reserves:					
Balance at 1/5				54,601	4,236
Transferred from liquid reserve fund				0	53,472
Exchange adjustment in respect of capital and reserves in subsidiaries and associated company at beginning of year				(502)	638
Applied in covering the loss for the year				(6,919)	(3,745)
Balance at 30/4				47,180	54,601

Note

16. Long-term debt:

Of total long-term debt of DKK 57,456,000, an amount of DKK 45,141,000 falls due for payment after 5 years.

Note	GROUP		DKKm PARENT COMPANY	
	1995	1994	1995	1994
<u>17. Contingent liabilities and provision of security:</u>				
Lease agreements, remaining rent	5,8	7,8	3,0	4,2
Subsidiaries	-	-	0,9	1,1
Guarantees, customers	6,7	7,8	6,7	7,8
Leasing commitments	2,3	2,8	1,3	1,7
Mortgage deed registered to the mortgagor on the property of Herlev Hovedgade 199 as security for the group's bank commitments, nom.	1,2	1,2	1,2	1,2

No other guarantees or security has been provided by the group.

In the financial year under review, the taxation authorities claimed payment of additional tax in the amount of approx DKK 4.3 million in respect of previous years. The claim is disputed and is not expected to involve the company in any expense.

Copenhagen, 21 June 1995

MANAGEMENT:

Claus Erik Christoffersen
Ole Lading

BOARD OF DIRECTORS:

Poul Laurits Hansen
Erik Christoffersen
Knud Arne Nielsen
Jørgen Worning
Allan Poul Petersen
Lars Skiveren

AUDITORS' REPORT:

We have audited the annual accounts and the consolidated accounts of Dansk Data Elektronik A/S for 1994/95.

The audit has been performed in accordance with generally accepted auditing principles and included such auditing procedures as we considered necessary.

The annual accounts of the parent company and the group have been prepared in conformity with the accounting requirements laid down by Danish legislation and the company's articles of association, and, in our opinion, the accounts give a true and fair view of assets and liabilities, the financial position and the results.

Copenhagen, 21 June 1995

DELOITTE & TOUCHE
Statsautoriseret Revisionsaktieselskab

Bent Hansen, Britta Fladeland Iversen
State-Authorised Public Accountants

P. J. AARUP

Henning Lund Thomsen, Ove Frederiksen
State-Authorised Public Accountants



Dansk Data Elektronik A/S
Herlev Hovedgade 199
DK-2730 Herlev, Denmark

Phone: int. +45 42 84 50 11
Telex: 35258 dde dk
Telefax: int. +45 42 84 52 20

