eHouse DDE
Dansk Data Elektronik A/S

Annual Report and Accounts 1999/00

(25th financial year)

Registered No. (CVR) 56 23 85 14

CONTENTS

Company management 3
Group highlights 4
Directors' report 5
Management's adoption of the accounts 9
Auditors' report 10
Accounting policies 11
Profit and loss account 15
Balance sheet 16
Cash flow statement 18
Notes to the accounts 19

COMPANY MANAGEMENT

Board of Directors

Jørgen Worning, Managing Director,Chairman
Erik Christoffersen, High Court Attorney, Deputy Chairman
Lars Friis Østergaard, Managing Director
Ole Lading, M.Sc. (Eng.)
Knud Arne Nielsen, M.Sc. (Eng.)
Bent Pedersen, Managing Director
Finn Rebien Christensen, Consultant *
Tina Fjellander, Section Manager*
Kåre Langlet, Chief Consultant*

*= Elected by the employees

Executive Officers

Claus Erik Christoffersen, Chief Executive Officer
Kurt Wamberg Rasmussen, Chief Financial Officer
Torben Krog, Chief Operating Officer

Directorships and executive positions held by members of the Board of Directors and the Executive Officers in other Danish limited companies

Board of Directors

Jørgen Worning

- o Bryggerigruppen A/S (Managing Director)
- o Chr. Hansens Laboratorium A/S
- o (Director)
- o Bang & Olufsen Holding A/S
- o (Deputy Chairman)
- o Ejendomsaktieselskabet af 3/9-1930
- o (Director)
- o Incentive A/S (Director)

Bent Pedersen

- o Kirkbi A/S (Managing Director)
- o Kompan A/S (Chairman)
- o Icopal a/s (Director)
- o Glud & Marstrand A/S (Chairman)
- o Eksportkreditfonden (Chairman)
- o Billund Ejendomsselskab A/S
- o (Chairman)
- o LEGO Invest A/S (Chairman)
- o Axcel IndustriInvestor a.s.
- o (Chairman)
- o Purup-Eskofot A/S (Deputy Chairman)
- o Modulex A/S (Deputy Chairman)

Lars Friis Østergaard

- o Glunz & Jensen A/S (Managing Director)

Executive Officers

Kurt Wamberg Rasmussen, Chief Financial Officer

- o Ellab A/S (Chairman)
- o SoftBASE A/S (Director)
- o ETI A/S (Director)

Company auditors

Lund Thomsen & Partnere
State Authorised Public Accountants

Deloitte & Touche
State Authorised Public Accountants

GROUP HIGHLIGHTS

Profit and loss account (DKKm)	1999/00	1998/99	1997/98	1996/97	1995/96
Turnover	359	314	255	266	256
Contribution margin	234	214	184	189	174
Profit/(loss) before financial items	10	11	(4)	6	(35)
Net financial items	(1)	(4)	(5)	(5)	(5)
Ordinary profit/(loss) before tax	**9**	**7**	**(10)**	**1**	**(40)**
Extraordinary items	0	0	0	(9)	(4)
Profit/(loss) for the year	**11**	**7**	**(10)**	**(8)**	**(44)**
Balance sheet					
Fixed assets	48	106	107	111	119
Current assets	204	119	111	120	98
Total assets	**252**	**225**	**218**	**231**	**217**
Share capital	79	79	79	79	62
Other shareholders' equity	6	(3)	(9)	3	8
Total shareholders' equity	**85**	**76**	**70**	**82**	**70**
Long-term liabilities and provisions	3	46	50	62	55
Current liabilities	164	103	98	87	92
Total liabilities and equity	**252**	**225**	**218**	**231**	**217**
Average number of employees	**352**	**319**	**322**	**312**	**380**

Key figures and ratios	1999/00	1998/99	1997/98	1996/97	1995/96*
Contribution margin ratio	65%	68%	72%	71%	68%
Earnings per share (DKK)	14	9	(13)	1	(64)
Dividend per share (DKK)	0	0	0	0	0
Return on assets	4%	5%	(2%)	3%	(16%)
Operating margin	3%	4%	(2%)	2%	(14%)
Liquidity ratio	124%	116%	113%	138%	107%
Equity ratio	34%	34%	32%	35%	32%
Return on equity	14%	9%	(14%)	1%	(43%)
Book value per share	108	96	89	104	113
Market price per share	614	185	195	150	159
Price/book value	5,7	1,9	2,2	1,4	1,4
Market capitalisation, (DKKm)	485	146	154	119	99
Price earnings	44	21	Neg.	110	Neg.

* The key figures and ratios for 1995/96 are based on a share capital of DKK 62 million.
The key figures and ratios are calculated in accordance with "Recommendations & Ratios, 1997, issued by the Danish Society of Financial Analysts.

DIRECTORS' REPORT

eHuset DDE focuses on Internet and intranet solutions to enhance customers' business in the public and private Danish market within eSolutions, eKompetence and eInfrastructure.

Turnover and profit

eHuset DDE (Dansk Data Elektronik A/S or "The Company") achieved an increase in both turnover and profit in the past financial year. Turnover increased 14% to DKK 359 million, and profit for the year increased to DKK 11 million from DKK 7 million last year

A number of individual events had a favourable impact on profit, while falling revenue from service contracts for hardware previously produced in-house had an adverse impact on profit. Finally, the recruitment of additional staff did not have a full-year impact on turnover and profit.

The growth in *turnover* was composed of a 25% increase in sales of services and products related to eHuset DDE's area of focus and a 22% fall in sales of hardware products developed in-house and related service contract revenue. The latter, which now accounts for only 16% of total turnover, was formerly the most important source of revenue and a crucial part of the foundation on which the Company's competence has been built. Turnover also includes the DKK 6 million proceeds from the below-mentioned sale of SoftBASE know-how, employees and customers.

The overall 14% increase in turnover is satisfactory in view of the fact that revenue from service contracts for hardware products previously produced in-house is falling more rapidly than expected.

The *contribution margin* was DKK 234 million, which was 9% or DKK 20 million higher than in 1998/99. The contribution margin ratio was 65%.

Staff costs totalled DKK 168 million. The DKK 19 million increase was attributable to the increase in the number of staff, which is the foundation for the expected future growth in turnover and profit. The staff had increased by 29 to 347 at 30 April 2000.

Other external expenses increased by DKK 5 million to DKK 51 million. This increase was mainly attributable to marketing and training.

All product development costs are charged to the profit and loss account. As there were significant development activities within industry-specific software solutions during the year, the profit and loss account includes the same level of product development costs as last year.

Depreciation, amortisation and writedowns include a DKK 4 million reversal of writedowns previously taken on land and buildings.

No *corporation tax* will be payable for the 1999/00 financial year as the Company has tax losses carried forward. The remaining unutilised tax losses, which will be carried forward to the coming financial years, total DKK 24 million. A tax receipt of DKK 2 million and interest of DKK 1 million on the amount was recognised in the profit and loss account for the year. This relates to a change of practice by the Danish tax authorities regarding the period of recognition of service revenue.

Profit for the year was DKK 11 million, up from DKK 7 million last year, which was in line with the forecast made in the half-year financial statements. The profit for the year was affected by a reversal of previous writedowns of land and buildings, a tax receipt regarding prior years and the proceeds from the sale of SoftBASE know-how, staff and customers. The profit for the year was furthermore affected by a sharp fall in service revenue regarding hardware products developed in-house. In light of the Company's change of strategy and the factors discussed above, the Board of Directors considers the profit for the year acceptable.

Assets and liabilities

The group's total *assets* stood at DKK 252 million at 30 April 2000, a DKK 27 million increase over the level of DKK 225 million at 30 April 1999. Receivables increased in step with the increase in turnover. Work in progress, which includes an IT package for the counties under the Danish Ministry of the Interior, also shows an increase as compared with last year's level.

The book value of the Company's plot of land at Vesterlundvej 9 opposite of the head office was revalued on 30 April 2000 to the purchase price by reversing DKK 4 million previously written off against the profit and loss account. This was done as The Company expects to be able to accommodate the expected future growth at its existing premises in Herlev.

The remaining revaluation of DKK 2 million regarding the Company's former production facilities in North Jutland, which had been accounted for through shareholders' equity, was reversed through shareholders' equity. The property has been put up for sale.

Land and buildings are now stated at purchase price less accumulated depreciation of buildings.

Shareholders' equity stands at DKK 85 million after giving effect to the profit for the year.

Trade creditors and bank debt increased as a result of the increase in sales.

Cash flow statement

Cash flow from operating activities was an outflow of DKK 8 million, which was primarily attributable to an increase in work in progress and trade debtors owing to the higher activity level.

The group made *investments* of DKK 20 million during the financial year, including DKK 12 million in plant, equipment and vehicles and DKK 6 million in an equity stake in SoftBASE A/S.

Cash flow from operating, investing and financing activities was an outflow of DKK 30 million.

Net bank debt stood at DKK 27 million at 30 April 2000.

Liquidity for growth

eHuset DDE wishes to reduce the funds tied up in fixed assets in order to optimise the utilisation of capital resources and increase value creating activities and investments in e-related companies. The properties at the addresses of Herlev Hovedgade 199 and Vesterlundvej 14, Herlev, were therefore sold at the end of the financial year. The properties were leased back for 20 years with an option to buy the properties after 5, 10 or 20 years.

The properties were sold for DKK 85 million, and the profit amounted to DKK 12 million. The profit is stated as a liability and will be recognised gradually over the expected 20 year lease period. The mortgage debt will be redeemed in connection with the sale, and the cash proceeds from the sale are expected to total approximately DKK 40 million. The net receivable is included in the balance sheet under other receivables.

In accordance with the expected continued growth in turnover and profit, the Company's bankers have made commitments to provide additional finance for working capital.

Focusing on the e-market

The Company has been going through a transition period over a number of years from being a hardware and software supplier to being a supplier of services and competencies. By the end of 1999, this transition process had reached a stage where the Company was relaunched under the name of eHuset DDE in order to communicate its new focus to the market.

The new name has been used for all Company activities during the past six months. This was done in connection with the relaunch of the Company's position in the market as a business focusing on the Internet and intranet markets and underlying technical expertise.

eHuset DDE holds in-depth technological expertise in three areas which can be described collectively as e-enabling of companies:

- *eSolutions* comprises e-commerce solutions, CRM and knowledge management based on Unix, Oracle, Microsoft and web technologies.
- *eCompetence* comprises consulting services, courses and training.
- *eInfrastructure* comprises services and support, operational solutions and sales and installation of infrastructure, servers and networks.

The competencies are used to prepare customers for the Internet and intranet markets and their substantial growth potential.

The Company's activities within Electronic Design Automation (EDA) are organised in an independent division which markets a PCB layout product on the world market to producers of electronic equipment. This division thus has a different focus from that of eHuset DDE. The attempts to divest this division are therefore continued.

As a result of eHuset DDE's focus on e-enabling, the Company's role in the ERP market as a distributor for the ERP supplier SoftBASE A/S has been reconsidered. eHuset DDE wishes to be independent of specific ERP suppliers, and SoftBASE A/S is, moreover, ready to launch its web-enabled ERP product to the world market. SoftBASE A/S has therefore taken over eHuset DDE's SoftBASE knowhow, staff and customers. eHuset DDE continues to be a financial investor in SoftBASE A/S, and has increased its equity stake in the company to 19%.

Capital increase

eHuset DDE plans to strengthen its focus on the Internet and intranet markets in the next few years by increasing its capital base through an offer of new shares, subject to approval by the shareholders at the general meeting.

The capital increase is an important element of the Company's strategy of generating growth, both organically and through acquisitions of related activities which can increase eHuset DDE's competencies in the e-world. Concurrently with the share offer, the Company expects to establish a share option programme which will be used to attract and retain the best employees in the industry.

The timing of and the size of the capital increase have not yet been fixed.

Gudme Raaschou Investment Bank, has been appointed as advisers for this process.

Internationalisation

eHuset DDE believes that its WebTop – a personal portal for users of the Internet and intranets – has significant potential in the global market. The Company have therefore decided that activities relating to the development and sale of WebTop solutions will be hived off into a separate company, and the Company is looking for third-party capital to co-finance further development of the products. This is aimed to contribute to securing a leading position for WebTop on the international market.

eHuset DDE plans to use a similar procedure when any similar future product potential emerges. Strategic partnerships with other companies with broad international marketing could thus contribute to securing optimum distribution of some of eHouse DDE's unique products.

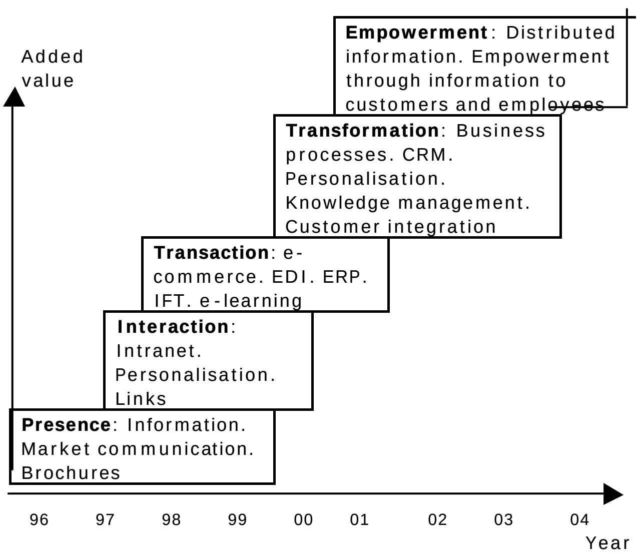
The Company plans also include marketing of the group's special concept for e-enabling companies internationally through its own sales and business consultants. The Company imagines that the consultants will be located in selected markets and attached to an international project organisation, which would allow them to make the best possible utilisation of the competence developed in the Company.

eHouse DDE on the e-market

eHuset DDEs corporate strategy is to focus on and utilise technical competence in the Internet and intranet markets.

The Company expects the market for e-solutions to grow rapidly in the next few years. Corporate needs for e-enabling are growing, and up-to-date systems for handling and utilising knowledge on customers and suppliers are important competitive factors.

Phases in corporate e-enabling



Over the past financial year, eHouse DDE has supplied solutions to customers in various e-development phases (see figure above). The solutions include WebTop intranet access, e-commerce, WAP and CRM.

eHuset DDEs thorough IT business understanding and competence, which The Company have built up over 25 years, matches the requirements for e-enabling of businesses – also on the technical side. This competence includes understanding business processes, experience within core technologies, infrastructure, project management and the development of customers' competence.

eHouse DDE's competence thus concentrates on customers' in-house systems and the interface to customers' outside world, while other e-orientated businesses in the market – typically called web agencies – do not normally offer any competence regarding customers' infrastructure but rather focus on their presentation to the outside world. eHouse DDE is thus well positioned in the market and concurrently has the opportunity to expand, for instance by acquiring web agencies.

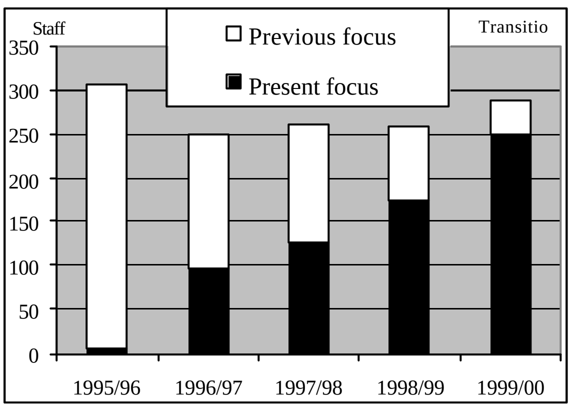
In may 2000, eHuset DDE took over Elsass Wagn & O. A/S, a communications business holding wide-ranging competence and experience within e-marketing, including formulation and implementation of strategies to generate traffic to customers' websites.

Knowledge resources

Over the past year, the Company has focused heavily on developing its human resources and competencies, which are the foundation for eHuset DDE's services and products. Key areas of focus have been recruiting, training, identifying and measuring key competencies, measuring employee satisfaction and management development throughout the organisation. In addition, the Company has issued a knowledge report for the first time.

eHuset DDE's continued growth in the field of knowledge-based solutions depends on the availability of the right human resources.

The figure below shows the growth in the number of employees (excluding administrative and support staff) working on the development, sale and supply of proprietary hardware products and related service contract revenue,



which was formerly DDE's most important source of revenue.

Risk management

An important risk factor is whether the required *employees and competencies* are available within eHouse DDE's business area. The management of this risk is described above in the section on knowledge resources.

The Company has a sound portfolio of *customers* as well as *suppliers*, and its continued growth is not dependent on individual customers or suppliers. The Companys strategy for continued growth is based on an increase of the customer base as well as supplier base. The risk management includes ongoing measurement of the status of this.

The group's *foreign exchange risk* is limited. Major receivables and liabilities denominated in foreign currency are hedged by forward contracts.

Group structure

In connection with the focus on the Danish market, activities have for some time been consolidated, and most of the Companys foreign subsidiaries have been wound up or divested.

At 30 April 2000 the group included the parent company, Dansk Data Elektronik A/S, and two companies related to the EDA activities, (DDE Sverige AB and DDE USA Inc.). In addition the group has a number of small companies without any activities. The subsidiary Dansk Data Elektronik Italia S.r.l. was wound up during the 1999/00 financial year.

The assumptions underlying the transfer of technology by eHouse DDE to DDE Org. Systems Ltd., an Indian joint venture, no longer exist. In a collaboration with the Companys other partners, the Company is therefore looking for a business partner who would take over its interest and contribute to the further development of the venture.

eHouse DDE's accounting policy regarding goodwill has been changed. Goodwill on consolidation is now capitalised and amortised over the estimated life, not to exceed 20 years. The previous policy was to write off goodwill on consolidation against equity. This change has no impact on the profit and loss account for the year.

Shareholders

The company has about 1,100 shareholders whose shares are recorded in the names of the holders in the register of shareholders. The following four shareholders have notified the company of their interests pursuant to section 28(a) of the Danish Companies Act: Claus Erik Christoffersen, Charlottenlund. Ole Lading, Rungsted Kyst. Knud Arne Nielsen, Lyngby. LD Pensions, Copenhagen.

Related-party transactions

The group has no agreements on and is not involved in any material financial transactions with related parties other than the contracts of employment of the , Chief Executive Officer CLaus Erik Christoffersen, and Ole Lading, M.Sc. (Eng.). These contracts have been entered into on arm's length conditions.

Events since the balance sheet date

In May 2000 the group took over a communication business named Elsass Wagn & O. A/S (EWO). Following the acquisition, eHuset DDE holds 85% of the shares of EWO and has an option to buy the remaining 15% of the shares later. EWO has about 20 employees. It is expected, that this acquisition will have a positive effect on the result for the financial year ending 30 April 2001.

No other events have occurred since the end of the financial year, which are of material significance to the Company's financial position.

Outlook

Turnover and profit are expected to continue to increase in the financial year ending 30 April 2001.

This forecast includes the acquisition of EWO, while it does not include the effects of other acquisitions and divestments of activities.

Profit allocation

It is proposed that the profit for the year of DKK 11 million be transferred to retained profit.

MANAGEMENT'S ADOPTION OF THE ACCOUNTS

The Board of Directors and the Management Board have today considered and adopted the accounts of the parent company and the group for the financial year ended 30 April 2000.

The group and parent company accounts are presented in compliance with the accounting regulations in force. We consider the accounting policies chosen to be suitable, and in our opining the accounts give a true and fair view of the parent company's and the group's assets and liabilities, financial position and profit/loss for the year.

We recommend the annual report and accounts for adoption by the shareholders at the Annual General Meeting

Copenhagen, 13 June 2000

Executive Committee

Claus Erik Christoffersen
Chief Executive Officer

Kurt Wamberg Rasmussen
Chief Financial Officer

Torben Krog
Chief Operating Officer

Board of Directors

Jørgen Worning
Chairman

Erik Christoffersen
Deputy Chairman

Bent Pedersen

Lars Friis Østergaard

Knud Arne Nielsen

Ole Lading

Finn Rebien Christensen

Tina Fjellander

Kåre Langlet

AUDITORS' REPORT

We have audited the parent company and consolidated accounts of Dansk Data Elektronik A/S for the year ended 30 April 2000 as presented by the management.

Basis of opinion

We planned and performed our audit in accordance with generally accepted auditing standards to obtain reasonable assurance that the accounts are free of material errors or omissions. Based on an evaluation of materiality and risk, we tested, during the audit, the basis and documentation for the amounts and disclosures in the accounts. Furthermore, we assessed the accounting policies used and estimates made by the management and evaluated the overall adequacy of the presentation of information in the accounts.

Our audit did not give rise to any qualifications.

Opinion

In our opinion, the parent company and consolidated accounts are presented in accordance with the accounting provisions of Danish legislation and give a true and fair view of the Group's and the parent company's assets and liabilities, financial position and profit/loss for the year.

Copenhagen, 13 June 2000

Deloitte & Touche
Statsautoriseret Revisionsaktieselskab

Bent Hansen Kim Gerner
State Authorised Public Accountants

Lund Thomsen & Partnere
State Authorised Public Accountants

Henning Lund Thomsen Jørgen Blom
State Authorised Public Accountants

ACCOUNTING POLICIES

General information

Basis of consolidation

The annual report and accounts of Dansk Data Elektronik A/S are prepared in compliance with the Danish Company Accounts Act and Danish accounting standards, generally accepted accounting standards and the guidelines issued by the Copenhagen Stock Exchange for listed companies.

Accounting policy change

Goodwill on consolidation is amortised over the estimated life, not to exceed 20 year, whereas it was previously written off against shareholders' equity. This change has no impact on neither the profit or the balance sheet for the financial year nor on the comparative figures.

No other changes have been made to the accounting policies compared with previous years. The description of the accounting policies has been clarified, and certain adjustments have been made to the wording.

Consolidated accounts

Basis of consolidation

The consolidated accounts include the parent company, Dansk Data Elektronik A/S and the companies in which the group holds 50% or more of the voting rights or in any other way has a controlling interest.

The consolidated accounts are prepared on the basis of the audited accounts of the parent company and subsidiaries by adding up items of a uniform nature. In the consolidation, intercompany revenue and expenses, investments, balances and any unrealised intercompany profits are eliminated.

The note on fixed asset investments shows which subsidiaries are consolidated.

The translation of the accounts of foreign subsidiaries presented in foreign currencies is described below under "Foreign currency translation".

Subsidiaries

Newly acquired subsidiaries are included in the consolidated accounts from the date of acquisition. Subsidiaries which have been divested or wound up are included in the consolidated accounts until the date of divestment or until the winding up has been completed.

Goodwill on consolidation arising on the acquisition of subsidiaries represents the difference between the purchase price and the book value after adjustment of each asset and liability to the market value at the time of acquisition. Deferred tax thereon is calculated and stated in the accounts.

Goodwill arising on acquisitions is capitalised and amortised on a straight-line basis through the profit and loss account over the estimated life, not to exceed 20 years.

Gains and losses on subsidiaries divested or wound up are recognised in the profit and loss account as the difference between the selling price and the book value, including unamortised goodwill and costs relating to the divestment.

The comparative figures in the consolidated accounts are not adjusted on the acquisition, divestment or winding up of subsidiaries.

Associated companies

Companies that are not subsidiaries but in which Dansk Data Elektronik A/S holds 20% or more of the voting rights or in any other way exercises a significant influence on the operating and financial management are regarded as associated companies.

Associated companies are stated in the consolidated accounts at the proportion of shareholders' equity held. The proportionate share of the profit of associated companies is stated as a separate line item in the profit and loss account.

Foreign currency translation

Transactions

Transactions denominated in foreign currency are translated at standard exchange rates using the exchange rate ruling at the end of the preceding month, as this rate does not deviate materially from the exchange rate ruling at the transaction date. All deviations between the standard exchange rate and the exchange rate ruling at the date of payment are included in financial items in the profit and loss account.

Assets and liabilities

The parent company's assets and liabilities denominated in foreign currency are stated at the exchange rates ruling at the balance sheet date or at the exchange rates at which they have been hedged. Unrealised and realised exchange gains and losses are included in financial items in the profit and loss account.

Hedging

Premiums received or paid on forward contracts are recognised on a straight-line basis over the term of the contracts under financial items.

Translation of subsidiaries

For integrated foreign subsidiaries, the profit and loss account is translated at average monthly exchange rates, while balance sheet items are translated at the exchange rates ruling on the balance sheet date. The average exchange rates do not deviate materially from the exchange rates ruling at the transaction date.

Exchange differences arising on the translation of the opening shareholders' equity of foreign subsidiaries to the exchange rates ruling at the balance sheet date are taken to shareholders' equity. The same procedure is used for exchange differences arising as a result of the translation of the profit and loss accounts of foreign subsidiaries to average exchange rates.

Exchange differences arising as a result of changes made directly to a foreign subsidiary's shareholders' equity are taken directly to shareholders' equity.

Profit and loss account

Net turnover

Net turnover includes invoiced sales less returned goods, price reductions and discounts directly related to sales. Sales are recognised under the completed contract method.

Where the group is working on a contract that runs over several accounting periods, a proportion of the expected contribution margin corresponding to the percentage of completion of the project is recognised.

Contribution margin

The contribution margin represents net turnover less cost of goods sold and expenses directly related to sales. Salaries and wages and production overheads are not deducted from the contribution margin.

Other operating income

Other operating income represents items of a secondary nature relative to the group's principal objects.

Staff costs

Staff costs include total salary and wage costs, pension costs, social security costs, holiday pay adjustments and other staff costs.

Staff pensions are defined-contribution schemes, which are charged to the profit and loss account in the same period as the corresponding work service is received.

Other external expenses

Other external expenses include other costs of the group that have the nature of overheads.

Lease payments for leased vehicles, plant and equipment as well as properties is charged to the profit and loss account when incurred. Lease commitments are disclosed under contingent liabilities.

Depreciation, amortisation and writedowns

Depreciation, amortisation and writedowns represent impairment of the group's capital assets, i.e. buildings, vehicles, plant and equipment and leasehold improvements.

The method of calculation of depreciation, amortisation and writedowns for the period is described under the individual items in the balance sheet.

Gains and losses on the sale of vehicles, plant and equipment are included in this item.

Financial items

Financial items include interest receivable and interest payable as well as realised and unrealised gains and losses relating to foreign exchange, mortgage debt, securities, financial instruments, cash discounts, interest receivable and interest payable relating to corporation tax and other financial income and expenses.

Interest is included in the profit and loss account at the amounts attributable to the period irrespective of the due date.

Share of pre-tax profit of subsidiaries

In this item in the parent company's profit and loss account, a proportion of the profit before tax of subsidiaries is recognised after deduction of unrealised intercompany gains and losses, while the proportion of the tax payable by the subsidiaries is included in tax on the profit for the year.

Share of pre-tax profit of associated companies

In this item in the group's and the parent company's profit and loss account, a proportion of the profit before tax of associated companies is recognised, while the proportion of the tax payable by the subsidiaries is included in tax on the profit for the year

Extraordinary items

Extraordinary items include significant income and expenses clearly distinguished from the group's ordinary items and which do not represent recurring events.

Tax on the profit for the year

The parent company is taxed jointly with all subsidiaries of the group. The estimated Danish tax is allocated to the jointly taxed Danish companies in proportion to their taxable income.

Tax on the profit for the year comprises current tax and movements in deferred tax.

Current tax represents tax payable on the year's jointly taxed taxable income and any prior year adjustments.

Deferred tax is provided in the balance sheet using the liability method, under which changes in the tax rules and the tax rate affect the deferred tax provided and includes all timing changes between the book values and tax values of assets and liabilities except for goodwill, which cannot be amortised in the tax accounts, and investments in subsidiaries. The tax value of tax losses carried forward is included in the determination of deferred tax to the extent it is likely that the losses can be used against future jointly taxed income. Deferred tax is provided at the current Danish tax rate, which is 32%. Deferred tax on revaluation and writedowns taken directly to shareholders' equity is offset against the adjustment to shareholders' equity.

Deferred tax assets are not disclosed in the balance sheet.

Research and development costs
Research costs are charged to the profit and loss account when incurred under the items they relate to.

Development costs are charged to the profit and loss account when incurred. This is primarily done as the company does not believe, that the conditions for capitalising these expenses have been met, as the development of new products cannot be distinguished reliably from the ongoing maintenance of other products. Development costs are capitalised in respect of development projects, where the expenses can be distinguished, and where the conditions are otherwise met.

Financial estimates
Changes to previous financial estimates are included in the profit and loss account in the original items.

Balance sheet

Intangible fixed assets
Leasehold improvements are stated at the third-party costs involved less accumulated amortisation and writedowns. Leasehold improvements are amortised over the shorter of the economic life of the assets, normally the term of the lease, and five years. The amortisation is detailed in the notes to the accounts.

Goodwill arising on acquisitions is capitalised and amortised on a straight-line basis over the estimated life, not to exceed 20 years.

Deposits are stated at cost.

Tangible fixed assets
Tangible fixed assets are stated at cost plus any revaluation, less accumulated depreciation and writedowns.

Plant and equipment, machinery, furniture, fittings and vehicles are stated at cost less accumulated depreciation and writedowns.

Cost includes direct costs relating to the acquisition of the assets. Overheads and interest are not included in the calculation of cost. Improvement costs which increase the utility value of assets are added to the cost of the assets.

Depreciation is charged on a straight-line basis over the expected useful economic lives of the assets. The economic lives of major assets are determined on an individual bases, while other assets are divided into uniform depreciation groups based on the expected economic lives of the assets. The following expected lives are used:

	Years
Buildings and installations..................	20-50
Plant, equipment and vehicles	2-4

Tangible fixed assets with a purchase price below the tax limit for immediate writeoff, currently DKK 9,200 per unit, are normally charged to the profit, unless the useful life must be expected to be longer than one year. The cost of software and internal licences is also charged to the profit and loss account in the year of acquisition. Repair and maintenance costs for tangible fixed assets are charged to the profit and loss account in the year of acquisition.

Tangible fixed assets are written down if the utility value is considered to be permanently lower than the book value. Such writedowns are charged to the same items in the profit and loss account as the related depreciation.

Gains or losses on the disposal or scrapping of tangible fixed assets are determined as the difference between the book value and the selling price less any related costs. Gains and losses are included in depreciation in the profit and loss account and are disclosed separately in the notes to the accounts.

Fixed asset investments
In the balance sheet, fixed asset investments include investments in subsidiaries, investments in associated companies, securities and investments.

Investments in subsidiaries are stated in the parent company's accounts using the equity method to the effect that investments are stated in the balance sheet at the parent company's proportionate share of the shareholders' equity of the subsidiaries.

For new acquisitions, any goodwill on consolidation is added. Investments in subsidiaries with negative shareholders' equity are offset against any amounts owing by the subsidiary. Any residual negative balances are stated as provisions. The treatment of shares in the profits/losses of subsidiaries is described under "Profit and loss account". The net revaluation of investments in subsidiaries is taken to shareholders' equity to the extent it exceeds dividends declared by the subsidiaries.

Investments in associated companies are included in the group's and the parent company's accounts using the equity method.

Other securities and investments are stated at current value. Investments whose current value cannot be determined as the market value are stated at cost less writedowns for impairment not considered to be of a temporary nature.

Finished goods
Finished goods are stated at the last known purchase price at the balance sheet date.

Finished goods are written down to net realisable value if that is lower than the purchase price or cost.

Stocks are valued using the FIFO principle, under which the latest acquired goods are considered to be the goods that remain in stock.

Contracted work in progress
This item includes work in progress under contracts running for several accounting periods.

Such work is stated at direct costs incurred less salaries and wages plus a proportion of the contribution margin corresponding to the percentage of completion less invoiced progress payments. Overheads are not included in the determination of the value of work in progress. Any negative amounts are included in prepaid income and accrued expenses as amounts invoiced to customers in advance.

Provisions are made for anticipated losses on work in progress. Such provisions are made on an individual basis until the project is completed.

Receivables
Debtors are stated at nominal value less writedowns to cover risks of losses on the basis of an individual assessment.

Cash at bank and in hand and securities
Cash at bank and in hand is stated at nominal value. Foreign exchange holdings are translated to the exchange rate ruling at the balance sheet date.

Provisions
Provisions are included in the balance sheet when, owing to a preceding event, a legal or constructive liability exists at the balance sheet date, and it is likely that the settlement thereof will result in a drain on the financial resources. Any deferred tax provided as described under “Tax” in the description of the profit and loss account is included in this item.

Contingent liabilities and contingent assets
Contingent liabilities and contingent assets, including guarantee commitments, are not stated in the balance sheet but are disclosed in the notes to the accounts under contingent liabilities and collateral.

Liabilities
Mortgage debt, trade creditors and other liabilities are stated at nominal value.

Cash flow statement

The consolidated cash flow statement is presented according to the indirect method based on the profit/loss for the year and shows the group’s cash flows divided into cash flows from operating, investing and financing activities, respectively, and the group’s cash and cash equivalents at the beginning and end of the period.

Cash flow from operating activities
The cash flow from operating activities represents the profit/loss for the year adjusted for items of a non-cash nature representing results, financial items, corporation tax paid and changes in working capital. Working capital represents current assets less current liabilities excluding items included in financial reserves.

Cash flow from investing activities
The cash flow from investing activities comprises payments in connection with the purchase and sale of intangible, tangible and fixed asset investments.

Cash flow from financing activities
The cash flow from financing activities represents mortgage loans raised and repayments thereof as well as any payments to and from shareholders, i.e. dividends and contributions of capital as well as currency translation adjustments. Any acquisitions of own shares would be included in this item.

Cash and cash equivalents
Cash and cash equivalents represent balances on bank and giro accounts as well as cash in hand less short-tem bank debt due on demand. Cash and cash equivalents also include any securities stated as current assets in the balance sheet.

PROFIT AND LOSS ACCOUNT

For the year ended 30 April

DKK '000

Note		GROUP 1999/00	GROUP 1998/99	PARENT COMPANY 1999/00	PARENT COMPANY 1998/99
1.	**Net turnover**	**358,889**	**314,044**	**355,308**	**306,398**
	Contribution margin	**233,998**	**214,095**	**230,609**	**207,071**
2.	Staff costs	(167,673)	(149,018)	(164,709)	(145,745)
3.	Other external expenses	(50,754)	(45,350)	(49,302)	(42,197)
		(218,427)	(194,368)	(214,011)	(187,942)
	Profit before depreciation, amortisation and financial items	**15,571**	**19,727**	**16,598**	**19,129**
4.	Depreciation, amortisation and writedowns	(5,289)	(8,743)	(5,213)	(8,625)
	Profit before financial items	**10,282**	**10,984**	**11,385**	**10,504**
5.	Net financial items	(809)	(3,760)	(1,148)	(3,008)
6.	Share of pre-tax profit of subsidiaries	-	-	(764)	(272)
10.	Share of pre-tax profit of associated companies	(581)	79	(581)	79
		(1,390)	(3,681)	(2,493)	(3,201)
	Ordinary profit before tax	**8,892**	**7,303**	**8,892**	**7,303**
7.	Tax on ordinary profit	1,937	122	1,937	122
	PROFIT FOR THE YEAR	**10,829**	**7,425**	**10,829**	**7,425**

BALANCE SHEET AT 30 APRIL

Assets

DKK '000

Note		GROUP 1999/00	GROUP 1998/99	PARENT COMPANY 1999/00	PARENT COMPANY 1998/99
8.	*Intangible fixed assets*				
	Leasehold improvements	563	696	563	696
	Deposits	344	354	344	352
		907	1,050	907	1,048
9.	*Tangible fixed assets*				
	Land and buildings	20,280	88,280	20,280	88,280
	Plant, equipment and vehicles	18,049	13,835	17,859	13,689
		38,329	102,115	38,139	101,969
10.	*Fixed asset investments*				
	Investments in subsidiaries	-	-	9,748	10,080
	Investments in associated companies	938	1,375	938	1,375
	Other securities and investments	7,212	1,212	7,212	1,212
		8,150	2,587	17,898	12,667
	Total fixed assets	**47,386**	**105,752**	**56,944**	**115,684**
	Stocks				
	Finished goods	10,204	7,887	10,199	7,879
11.	Contracted work in progress	27,220	4,386	27,220	4,386
		37,424	12,273	37,419	12,265
	Receivables				
	Trade debtors	108,564	97,723	102,750	89,818
	Amounts owed by subsidiaries	-	-	6,787	5,597
	Amounts owed by associated companies..	1,642	1,286	1,642	1,286
12.	Other receivables	45,175	300	45,054	130
	Prepaid expenses and accrued revenue	7,923	3,954	7,569	3,559
		163,304	103,263	163,802	100,390
	Cash and cash equivalents	3,422	3,171	1,383	2,078
	Total current assets	**204,150**	**118,707**	**202,604**	**114,733**
	TOTAL ASSETS	**251,536**	**224,459**	**259,548**	**230,417**

BALANCE SHEET AT 30 APRIL

Liabilities

DKK '000

Note		GROUP 1999/00	GROUP 1998/99	PARENT COMPANY 1999/00	PARENT COMPANY 1998/99
13.	*Shareholders' equity*				
	Share capital	79,093	79,093	79,093	79,093
	Share premium account	-	2,098	-	2,098
	Other reserves	5,427	(5,216)	5,427	(5,216)
	Total shareholders' equity	**84,520**	**75,975**	**84,520**	**75,975**
	Long-term liabilities				
14.	Mortgage debt	3,450	45,607	3,450	45,607
		3,450	45,607	3,450	45,607
	Current liabilities				
14.	Current portion of mortgage debt	555	3,274	555	3,274
	Credit institutions	30,651	-	30,651	-
	Trade creditors	55,499	29,778	55,351	29,686
	Amounts owed to subsidiaries............	-	-	10,518	10,055
	Other liabilities concerning tax deducted from employees, VAT, holiday pay, etc.	49,219	53,782	47,347	50,784
15.	Prepaid income and accrued expenses	27,642	16,043	27,156	15,036
		163,566	102,877	171,578	108,835
	Total liabilities	**167,016**	**148,484**	**175,028**	**154,442**
	TOTAL LIABILITIES AND EQUITY	**251,536**	**224,459**	**259,548**	**230,417**

16. Financial commitments and contingent liabilities
17. Collateral

CASH FLOW STATEMENT

For the year ended 30 April

DKK '000

Note		1999/00	1998/99	1997/98	1996/97	1995/96
	Cash flow from operating activities					
	Profit/(loss) for the year	10,829	7,425	(9,671)	(8,496)	(44,188)
18.	Adjustments	6,679	12,424	14,306	17,384	21,452
19.	Change in working capital	(24,768)	(23,224)	17,352	(344)	17,451
	Cash flow from operating activities before financial items...........................	(7,260)	(3,375)	21,987	8,544	(5,285)
	Interest received and similar income ...	3,554	2,257	1,585	1,015	1,419
	Interest paid and similar expenses	(4,363)	(6,017)	(6,249)	(5,689)	(6,518)
	Cash flow from operating activities ...	**(8,069)**	**(7,135)**	**17,323**	**3,870**	**(10,384)**
	Cash flow from investing activities					
	Change in intangible fixed assets	(33)	(747)	(278)	(36)	(15)
	Change in buildings	(2,205)	(404)	(298)	-	(81)
	Change in plant, equipment and vehicles	(12,099)	(8,222)	(9,188)	(5,819)	(7,331)
	Change in securities and investments	(6,000)	-	(1,200)	-	1,049
	Sale of fixed assets	543	1,593	2,783	525	2,033
	Cash flow from investing activities ...	**(19,794)**	**(7,780)**	**(8,181)**	**(5,330)**	**(4,345)**
	Cash flow from financing activities					
	Change in interest-bearing current liabilities	(2,719)	199	296	(4,541)	6,518
	Change in interest-bearing long-term liabilities	522	(3,279)	(2,912)	(2,708)	(2,828)
	Net capital increase	-	-	-	19,883	-
	Currency translation adjustment	(340)	(93)	(89)	21	(175)
	Cash flow from financing activities ...	**(2,537)**	**(3,173)**	**(2,705)**	**12,655**	**3,515**
	Net cash inflow / (outflow) for the year from operating, investing and financing activities	(30,400)	(18,088)	6,437	11,195	(11,214)
	Cash and cash equivalents, beginning of year	3,171	21,259	14,822	3,627	14,841
	Cash and cash equivalents, end of year	**(27,229)**	**3,171**	**21,259**	**14,822**	**3,627**
	Breakdown of cash and cash equivalents:					
	Liquid funds	3,422	3,171	21,259	14,822	3,627
	Credit institutions................................	(30,651)	-	-	-	-
		(27,229)	**3,171**	**21,259**	**14,822**	**3,627**

NOTES TO THE ACCOUNTS

For the year ended 30 April

DKK '000

Note		GROUP 1999/00	GROUP 1998/99	PARENT COMPANY 1999/00	PARENT COMPANY 1998/99
1.	**Net turnover**				
	Of the net turnover for the year, exports accounted for	10,985	22,798	16,596	28,771
	Segmental information is not disclosed as the group solely has activities within one business segment.				
2.	**Staff costs**				
	Salaries and wages	152,929	135,359	150,828	133,057
	Pension contributions	7,138	5,998	7,046	5,927
	Social security costs	1,602	1,836	920	988
	Other staff costs	6,004	5,825	5,915	5,773
		167,673	149,018	164,709	145,745
	Total remuneration of Executive Committee and Board of Directors:				
	Executive Committee	4,166	3,424	4,166	3,424
	Board of Directors	585	564	585	564
		4,751	3,988	4,751	3,988
	Average number of employees	352	319	345	313
	Number of full-time employees at end of financial year	347	318	340	311
3.	**Other external expenses**				
	Audit fees:				
	Lund Thomsen & Partnere			506	520
	Deloitte & Touche			291	274
				797	794
	Other assistance:				
	Lund Thomsen & Partnere			76	79
	Deloitte & Touche			-	50
				76	129
				873	923

NOTES TO THE ACCOUNTS

DKK '000

Note		GROUP 1999/00	GROUP 1998/99	PARENT COMPANY 1999/00	PARENT COMPANY 1998/99
4.	**Depreciation, amortisation and writedowns**				
	Leasehold improvements	166	131	166	131
	Buildings	1,653	2,760	1,653	2,760
	Reversed writedown on buildings	(3,892)	(1,000)	(3,892)	(1,000)
	Plant, equipment and vehicles	7,129	6,751	7,053	6,631
	Losses (gains) on sales of plant and equipment	233	101	233	103
		5,289	8,743	5,213	8,625
5.	**Net financial items**				
	Interest receivable, debtors and banks	1,173	362	1,127	327
	Interest receivable, prior year tax	1,351	-	1,351	-
	Interest receivable, securities	-	1,137	-	1,137
	Capital gains on securities	-	684	-	684
	Exchange gains	1,030	74	324	23
	Interest receivable, subsidiaries........	-	-	1,816	1,633
	Financial income	3,554	2,257	4,618	3,804
	Interest payable, banks, etc.	(1,443)	(1,519)	(1,442)	(1,519)
	Capital losses on securities	(159)	(282)	(159)	(282)
	Exchange losses	-	(407)	-	(70)
	Interest payable, subsidiaries	-	-	(1,404)	(1,133)
	Interest payable, mortgage debt	(2,761)	(3,809)	(2,761)	(3,808)
	Financial expenses	(4,363)	(6,017)	(5,766)	(6,812)
	Net financial items	(809)	(3,760)	(1,148)	(3,008)
6.	**Share of pre-tax profit of subsidiaries**				
	eHuset A/S (formerly Supermax International A/S)			91	64
	Dansk Branche Data ApS			533	558
	Euromax A/S			(1,002)	(508)
	DDE Belgium N.V.			115	(282)
	DDE Great Britain Ltd.			(69)	(891)
	DDE Sverige AB			(432)	787
	Total subsidiaries			(764)	(272)

NOTES TO THE ACCOUNTS

DKK '000

Note		GROUP 1999/00	GROUP 1998/99	PARENT COMPANY 1999/00	PARENT COMPANY 1998/99
7.	**Tax on profit for the year**				
	Tax, subsidiaries	-	-	(200)	207
	Tax, parent company	-	-	200	(207)
	Prior year adjustment of parent company tax	1,937	(172)	1,937	(172)
	Foreign royalty tax	-	50	-	50
	Tax on profit for the year..................	1,937	(122)	1,937	(122)
	Corporation tax paid	-	-	-	-

Prior year tax, DKK 1,937 thousand, represents a tax case in respect of the 1991/92 financial year. In addition, the company won a tax case during the 1999/00 financial year in respect of the 1994/95 financial year regarding a claim for payment of an additional approximately DKK 4.3 million in tax, and as expected the case did not involve any expenses to the company.

	GROUP 1999/00	GROUP 1998/99	PARENT COMPANY 1999/00	PARENT COMPANY 1998/99
Breakdown of non-capitalised deferred tax assets:				
Leasehold improvements	(10)	(19)	15	13
Buildings	3,970	2,005	3,970	2,005
Plant, equipment and vehicles	(8,639)	(7,576)	(7,468)	(5,951)
Provisions	(748)	(757)	(337)	(349)
Tax losses carried forward	(7,633)	(14,883)	(7,633)	(14,883)
Total deferred tax assets	(13,060)	(21,230)	(11,453)	(19,165)

Note		GROUP Leasehold improvements	GROUP Deposits	PARENT COMPANY Leasehold improvements	PARENT COMPANY Deposits
8.	**Intangible fixed assets**				
	Cost at 1 May 1999	975	354	827	352
	Additions	33	-	33	
	Disposals at cost	-	(10)	-	(8)
	Cost at 30 April 2000	1,008	344	860	344
	Accumulated amortisation at 1 May 1999	(279)	-	(131)	-
	Amortisation	(166)	-	(166)	-
	Amortisation on disposals	-	-	-	-
	Accumulated amortisation at 30 April 2000	(445)	-	(297)	-
	Net book value at 30 April 2000	563	344	563	344
	Net book value at 30 April 1999	696	354	696	352

NOTES TO THE ACCOUNTS

DKK '000

Note		GROUP		PARENT COMPANY	
		Land and buildings	Plant, equipment and vehicles	Land and buildings	Plant, equipment and vehicles
9.	**Tangible fixed assets**				
	Cost at 1 May 1999	122,990	95,900	122,990	102,203
	Currency translation adjustment	-	140	-	-
	Additions	2,205	12,099	2,205	11,989
	Disposals at cost	(99,125)	(75,433)	(99,125)	(75,433)
	Cost at 30 April 2000	26,070	32,706	26,070	38,759
	Revaluation at 1 May 1999	2,098	-	2,098	-
	Reversed revaluation	(2,098)	-	(2,098)	-
	Revaluation at 30 April 2000	0	0	0	0
	Accumulated depreciation at 1 May 1999	(36,808)	(82,065)	(36,808)	(88,514)
	Currency translation adjustment	-	(130)	-	-
	Depreciation and writedowns	(1,653)	(7,129)	(1,653)	(7,053)
	Reversed prior year writedown	3,892	-	3,892	-
	Depreciation on disposals	28,779	74,667	28,779	74,667
	Accumulated depreciation and writedowns at 30 April 2000	(5,790)	(14,657)	(5,790)	(20,900)
	Net book value at 30 April 2000	20,280	18,049	20,280	17,859
	Net book value at 30 April 1999	88,280	13,835	88,280	13,689

The disposal of plant, equipment and vehicles for the year includes disposal of fully depreciated assets acquired more than five years ago.

Property valuation

The publicly assessed cash value of properties at 1 January 2000 was DKK 13,269 thousand. Unassessed properties abroad have a net book value of DKK 2.3 million.

NOTES TO THE ACCOUNTS

DKK '000

Note

10. **Fixed asset investments**

	Investments in subsidiaries	Investments in associated companies	Securities and investments
Cost at 1 May 1999	104,500	2,806	1,212
Additions	-	-	6,000
Disposals	(5,628)	-	-
Cost at 30 April 2000	98,872	2,806	7,212
Accumulated revaluation and writedowns at 1 May 1999	(94,420)	(1,431)	-
Share of ordinary profit before tax	(764)	(581)	-
Tax	(200)	-	-
Disposals	4,787	-	-
Currency translation adjustment	(329)	144	-
Other revaluation and writedowns	1,802	-	-
Accumulated revaluation at writedowns at 30 April 2000	(89,124)	(1,868)	0
Net book value at 30 April 2000	9,748	938	7,212
Net book value at 30 April 1999	10,080	1,375	1,212

Subsidiaries	Ownership interest %	Capital '000	Share of pre-tax profit	Interest in shareholders' equity of subsidiaries
eHuset A/S (formerly Supermax International A/S)	100,0	500 DKK	91	1,299
Dansk Branche Data ApS	100,0	1,500 DKK	533	7,614
Euromax A/S	100,0	2,600 DKK	(1,002)	(12,962)
DDE Belgium N.V.	92,2	76,710 BEF	115	835
DDE Great Britain Ltd.	100,0	1,350 GBP	(69)	(3,364)
DDE Sverige AB	100,0	100 SEK	(432)	(344)
DDE USA Inc.	100,0	- USD	-	-
			(764)	(6,922)

The 100% owned subsidiary eHuset A/S holds 7.8% of the capital of DDE Belgium N.V. This company is wholly owned by Dansk Data Elektronik A/S jointly with eHuset A/S.

NOTES TO THE ACCOUNTS

DKK '000

Note

10. **Fixed asset investments, continued:**

Breakdown of the interests in shareholders' equity of subsidiaries after deduction of intercompany profits:

Investments in subsidiaries with positive shareholders' equity	9,748
Investments in subsidiaries with negative shareholders' equity set off against amounts owed by subsidiaries	(16,670)
	(6,922)

Associated companies

	Ownership interest	Capital	Pre-tax profit	Share of pre-tax profit	Shareholders' equity	Share of shareholders' equity
DDE/ORG Systems Ltd., India	26%	50 million INR	(2,233)	(581)	3,604	938

	GROUP		PARENT COMPANY	
	1999/00	1998/99	1999/00	1998/99
11. **Contracted work in progress**				
Costs, excluding salaries and wages.	17,573	10,824	17,573	10,824
Attributable profit	26,220	18,846	26,220	18,846
	43,793	29,670	43,793	29,670
Invoiced on account	(16,573)	(25,284)	(16,573)	(25,284)
Net book value at 30 April	27,220	4,386	27,220	4,386
12. **Other receivables**				
Net proceeds relating to properties sold and leased back	42,321	-	42,321	-
Other receivables	2,854	300	2,733	130
Net book value at 30 April	45,175	300	45,054	130

NOTES TO THE ACCOUNTS

DKK '000

Note	13. Shareholders' equity	Share capital	Revaluation reserve	Other reserves	Total
	Balance at 1 May 1999	79,093	2,098	(5,216)	75,975
	Currency translation adjustment	-	-	(186)	(186)
	Reversed revaluation reserve	-	(2,098)	-	(2,098)
	Net profit/(loss) for the year	-	-	10,829	10,829
	Balance at 30 April 2000	79,093	0	5,427	84,520
	Balance at 30 April 1999	79,093	2,098	(5,216)	75,975

	1999/00	1998/99
Share capital		
The company's share capital consists of		
12 class A shares of DKK 1,000,000 each	12,000	12,000
670,930 class B shares of DKK 100 each	67,093	67,093
	79,093	79,093
Revaluation reserve		
Balance at 1 May	2,098	3,098
Reversed revaluation reserve	(2,098)	(1,000)
Balance at 30 April	0	2,098
Other reserves		
Balance at 1 May	(5,216)	(12,514)
Currency translation adjustment of opening shareholders' equity of subsidiaries and associated companies	(186)	(127)
Profit for the year	10,829	7,425
Balance at 30 April	5,427	(5,216)

14. **Mortgage debt**

Breakdown of mortgage debt:

	Due with 1 year	Due within 2-5 years	Due after 5 years	Total long-term portion due after 1 year	Total outstandin g debt
Mortgage debt	43,234	2,262	1,188	3,450	46,684
Of which offset against receivable from sale and leaseback of properties	(42,679)	-	-	-	(42,679)
Balance at 30 April 2000	555	2,262	1,188	3,450	4,005
Balance at 30 April 1999	3,274	15,274	30,333	45,607	48,881

Mortgage debt of DKK 42.7 million offset represents redemption of mortgage debt for properties sold and leased back in connection with the disbursement of the purchase price. The market value of this debt was DKK 42.4 million at 30 April 2000.

DKK '000

NOTES TO THE ACCOUNTS

Note		GROUP 1999/00	GROUP 1998/99	PARENT COMPANY 1999/00	PARENT COMPANY 1998/99
15.	**Prepaid income and accrued expenses**				
	Accrued service contracts, etc.….	15,957	16,043	15,471	15,036
	Accrued profit on sale and leaseback of property………………….	11,685	-	11,685	-
		27,642	16,043	27,156	15,036
16.	**Financial commitments and contingent liabilities**				
	Rental agreements, residual rent	618	1,010	444	436
	Guarantees, customers	6,793	8,088	6,793	8,088
	Commitments under leases of assets..	94,091	7,675	94,091	7,675

Breakdown of expected periods of realisation of rent and lease commitments:

	Expected to be realised within 1 year	Expected to be realised within 2-5 years	Expected to be realised after 5 years	Total expected to be realised after 1 year	Total expected to be realised
Rental agreements, residual rent	618	-	-	0	618
Commitments under leases of assets	11,042	32,928	50,121	83,049	94,091

Commitments under leases of assets include commitments of DKK 85,000 thousand regarding properties sold and leased back.

Trade debtors and trade creditors in the balance sheet include DKK 14,490 thousand regarding financial leases where the group acts as an intermediary between a customer and the leasing company.

17. **Collateral**

Letters of indemnity have been provided in respect of some of the subsidiaries.

No collateral has been provided by the group.

The parent company is jointly liable for the tax liability of the jointly taxed Danish companies.

NOTES TO THE ACCOUNTS

DKK '000

Note		1999/00	1998/99	1997/98	1996/97	1995/96
18.	**Adjustments to the cash flow statement**					
	Depreciation and writedowns	5,289	8,743	8,950	12,444	15,750
	Share of profits of investments	581	(79)	692	266	603
	Interest receivable and similar income	(3,554)	(2,257)	(1,585)	(1,015)	(1,419)
	Interest payable and similar expenses	4,363	6,017	6,249	5,689	6,518
	Total adjustments	**6,679**	**12,424**	**14,306**	**17,384**	**21,452**
19.	**Changes of working capital in profit and loss account**					
	Stocks and work in progress............	(25,151)	2,332	(4,937)	7,459	(1,826)
	Receivables......................................	(17,720)	(28,365)	20,156	(17,821)	15,429
	Provisions	-	(1,004)	(8,996)	10,000	-
	Trade creditors, etc.	18,103	3,986	11,129	(155)	3,943
	Corporation tax	-	(173)	-	173	(95)
	Total change in working capital.....	**(24,768)**	**(23,224)**	**17,352**	**(344)**	**17,451**