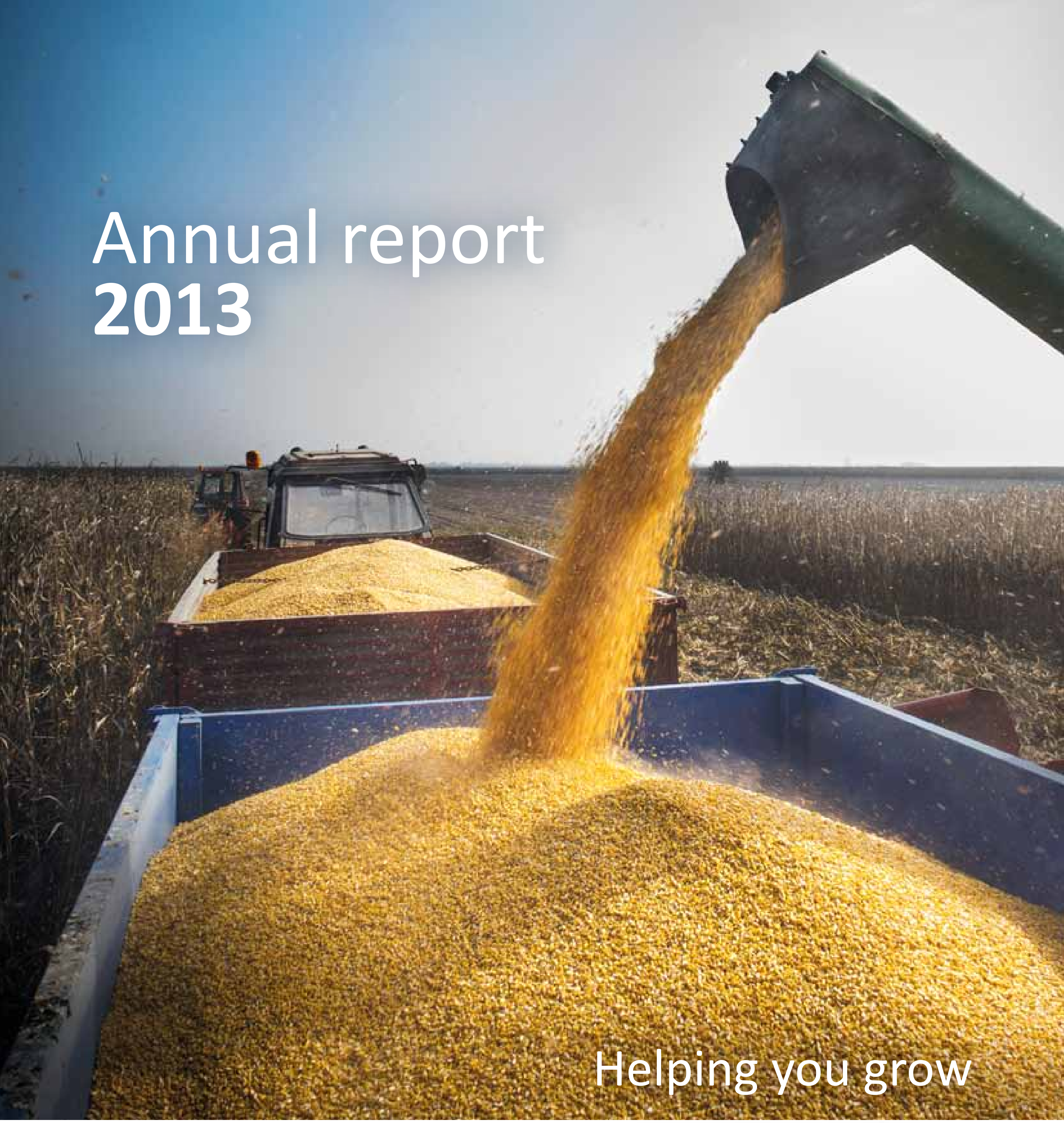
Annual report **2013**



Helping you grow

Company announcement no. 2/2014 | March 6, 2014 | CVR no. 34 62 92 18

AURIGA INDUSTRIES A/S

PARENT COMPANY OF **CHEMINOVA**

MANAGEMENT'S REVIEW

STATEMENTS

ACCOUNTS AND NOTES

Auriga Industries A/S in brief

Auriga Industries A/S is the listed parent of Cheminova A/S, which is the wholly owned operating company domiciled in Denmark.

Cheminova is a global business developing, producing and marketing crop protection products. All activities are carried out with due consideration for the environment and in compliance with ever higher sustainability standards.

Cheminova posts revenue of approx. DKK 6.6 billion a year and has more than 2,200 employees, of whom just under 850 work in Denmark. The group has subsidiaries in 24 countries and is selling crop protection products in more than 100 countries worldwide. More than 98% of total revenue is generated outside Denmark.

It is the overall strategic objective of Auriga to ensure long-term value creation for the benefit of the company's stakeholders. It is the intention to further develop Cheminova aiming at remaining a competitive business generating attractive earnings.

HELPING YOU GROW

HELPING YOU GROW is Cheminova's slogan meaning that we help growers by supplying new and innovative solutions that protect crops against insect pests, weeds and fungal diseases. Our products are improving yields and quality of crops which are used, for example, for foods, animal feed and biofuels. This is our contribution to solve the world's food challenge.

HELPING YOU GROW is also reflecting that we consistently aim at creating value for all stakeholders, both financially, professionally and humanly. The most important stakeholders are customers, shareholders, employees and society in general. To be able to create long-term value for all stakeholders, Cheminova must maintain close stakeholder relations and continuously work on becoming a better and more efficient supplier of crop protection products.

ABOUT THE ANNUAL REPORTING

Auriga's annual report includes the financial results of the fiscal year in addition to the progress on the overall strategic objectives, while Cheminova's CSR report provides an insight into the company's initiatives within corporate social responsibility and sustainability. Cheminova's CSR report forms a part of the total annual reporting and constitutes the group's "Communication on Progress" (COP) under the UN Global Compact.

Auriga has opted to apply the option stipulated in section 99a of the Danish Financial Statements Act concerning the duty of large companies to prepare a corporate social responsibility report by referring to Cheminova's CSR report. This reporting meets the international guidelines from the Global Reporting Initiative (GRI).

Moreover, Auriga's annual reporting comprises the group's compliance on the recommendations of corporate governance which are included in "the statutory report on corporate governance". Furthermore, a compliance report has been prepared summarizing the main elements of the internal control and risk management systems in connection with the annual financial reporting concerning the fiscal year 2013.

The Annual Report will not be published in a printed version, but will be available on www.auriga-industries.com > Investor, where the supplementary reports can be found as well. The Annual Report has been prepared and released in Danish and English. In cases of misunderstandings arising out of the English translation, the Danish version is prevailing.

Continous improvements and satisfactory performance

Strong organic growth and a satisfactory increase in earnings are creating a solid basis for the continued positive development of the Auriga group in the coming years.

The market for crop protection products again developed positively in 2013. For Auriga, 2013 was also a good year with improved financial results as well as growth in all regions. Moreover, the company did well in many other areas as described in Cheminova's CSR report 2013, which outlines the environmental and social results.

2013 – a year of tailwinds and headwinds
2013 was characterized by tailwinds, but also by obstacles along the way. On the one hand, both revenue and profitability increased and improvements could be seen in all the strategic key figures. On the other hand, we experienced declines in key currencies, which negatively impacted the reported revenue and results. The section on pages 12-13 describes the significant risks faced by the group.

On track of strategic objectives
In recent years, the company has undergone radical changes designed to ensure that the group remains a competitive business with attractive earnings. We are on the right track of fulfilling the two long-term strategic objectives of increased earnings and value creation in the period after 2013. At this point by the beginning of 2014, we have realistic expectations of entering the low end of the EBITDA range of 13-18% at the end of the year. With a ROIC of 12.0%, we are now generating a satisfactory return on assets. Even though further improvements are expected on ROIC, we do not expect to achieve approx. 15% by normalized tax rate in 2014.

The lower debt levels combined with higher earnings have reduced the debt burden to just under two times EBITDA. However, we still need to focus strongly on maintaining a low debt, gearing and financial risk tailored to the market conditions in the industry.

Our ambition is to safeguard a capital structure which takes into account the competitive financing of future growth and a further strengthening of the group's business position. The Board of Directors has therefore proposed not to pay dividend for 2013.

New Executive Board maintains strategy
At the end of 2013, we presented a new Executive Board comprising two members to replace the former one-man executive board. The new management team combines skills such as management experience from global groups with considerable insights into the needs of our customers in addition to an understanding of the group's core values and commercial approach.

A focused management team with clearly defined areas of responsibility and close contact with the Board of Directors makes the company better positioned to implement the strategic plan which will lead to continued improvements in profitability and value creation.

We are maintaining our focus on striking the right balance between continued profitable growth in combination with improved efficiency for relatively lower costs and reduced working capital and debt. The Board of Directors is fully confident that the new Executive Board will continue the positive developments.

Foundation in place
Overall, the implemented measures have successfully prepared us for the future. The foundation is in place for improved positioning in key markets and fully realizing our vision: We must match the best among peers in the crop protection industry.

To realize our vision becomes increasingly necessary. According to estimates by the UN's Food and Agriculture Organization (FAO), in 2050 producing 70% more food than at present will be necessary – and on about the same land area as is farmed today. Crop yields must rise significantly just to keep pace with the growing population and the increasing need for food. This places considerable demands on the efficiency and sustainability of the agricultural sector and thus on our products.

The need for crop protection has never been bigger, and we have come a long way in creating a global group which is more capable than ever of meeting this need.

Jens Due Olsen
Chairman of the Board of Directors

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The foundation is in place for improved positioning in key markets and fully realizing our vision: We must match the best among peers in the crop protection industry.

Financial highlights and key figures

	DKKm					EURm	
	2013	2012	2011	2010	2009	2013	2012
Income statement:							
Revenue	6,598	6,263	5,723	5,604	5,437	885	841
Gross profit	1,976	1,853	1,549	1,403	1,185	265	249
EBITDA (before special items)*	821	672	495	409	197	110	90
EBITDA	821	577	495	409	197	110	77
EBIT (before special items)*	637	502	318	215	11	85	67
EBIT	637	407	318	215	11	85	55
Net financials	(218)	(215)	(240)	(172)	(125)	(29)	(29)
Profit/(loss) before tax	417	174	79	58	(107)	56	23
Profit/(loss) after tax and minority interests	290	122	(15)	38	(68)	39	16
Balance sheet:							
Balance sheet total	6,341	6,381	6,048	5,961	5,638	850	855
Share capital	255	255	255	255	255	34	34
Equity	2,255	2,044	1,914	2,138	2,075	302	274
Net working capital	2,005	2,226	2,346	2,498	2,486	269	298
Net assets	3,972	4,138	4,190	4,223	3,976	532	555
Interest-bearing debt	1,965	2,388	2,470	2,285	2,149	263	320
Interest-bearing receivables	49	102	14	14	0	7	14
Net interest-bearing debt	1,578	1,883	2,186	2,005	1,909	211	252
Cash flows:							
Cash flows from operating activities	574	513	207	336	299	77	69
Cash flows from investing activities	(237)	(204)	(293)	(327)	(373)	(32)	(27)
- of which invested in property, plant and equipment	(82)	(117)	(116)	(109)	(104)	(11)	(16)
Free cash flow	338	309	(86)	10	(74)	45	41
Other:							
Depreciation and impairment losses	184	170	177	194	186	25	23
Development and registration costs	199	200	165	195	255	27	27
Number of employees	2,204	2,148	2,127	2,111	2,027	2,204	2,148
Ratios:							
EBITDA margin (before special items)*	12.4%	10.7%	8.7%	7.3%	3.6%	12.4%	10.7%
EBITDA margin	12.4%	9.2%	8.7%	7.3%	3.6%	12.4%	9.2%
EBIT margin (before special items)*	9.6%	8.0%	5.6%	3.8%	0.2%	9.6%	8.0%
EBIT margin	9.6%	6.5%	5.6%	3.8%	0.2%	9.6%	6.5%
NOPLAT	444	287	(37)	166	7	60	38
ROIC (return on invested capital)	11.2%	6.9%	(0.9%)	3.9%	0.2%	11.2%	6.9%
ROIC by normalized tax rate	12.0%	9.1%	5.7%	3.8%	0.2%	12.0%	9.1%
NIBD/EBITDA	1.9	3.3	4.4	4.9	9.7	1.9	3.3
NIBD/Equity	0.7	0.9	1.1	0.9	0.9	0.7	0.9
Debt ratio	40%	46%	52%	47%	48%	40%	46%
Return on equity	14%	6%	(1%)	2%	(3%)	14%	6%
Share data:							
Profit/(loss) in DKK per share of DKK 10	11.44	4.81	(0.60)	1.51	(2.72)	1.53	0.65
Cash flows from operating activities in DKK per share of DKK 10	22.6	20.2	8.2	13.5	12.0	3.0	2.7
Equity value in DKK per share of DKK 10	88.9	80.6	75.8	85.5	83.1	11.9	10.8
Dividend in DKK per share of DKK 10	0.00	0.00	0.00	2.40	2.40	0.00	0.00
Quoted price, end of year	185.5	87.5	74.5	92.0	108.2	24.9	11.7
Price/earnings ratio	16	18	(124)	61	(40)	16	18
Share price/equity value	2.09	1.09	0.98	1.08	1.30	2.09	1.09
Number of shares in millions	25.5	25.5	25.5	25.5	25.5	25.5	25.5
Market value, end of year	4,730	2,231	1,900	2,346	2,758	634	299

* Before special items relating to FY 2012 where the US arbitration case resulted in non-recurring expenditures of DKKm 95.
In the income statement, key figures in EUR are translated using the average exchange rate (745.80), while balance sheet items are translated using the end-of-year exchange rate (746.03). The financial ratios have been calculated in accordance with the recommendations of the Danish Society of Financial Analysts (Den Danske Finansanalytikerforening) except for ROIC which is calculated on end-of-year net assets. The financial ratios have been adjusted for the portfolio of treasury shares.

DEFINITION OF RATIOS

NOPLAT	=	Operating profit/(loss) after tax
Net working capital	=	Inventories + trade receivables + other reivables + accruals ÷ trade payables ÷ other debt ÷ accruals
Net assets	=	Non-current assets + net working capital
Net interest-bearing debt	=	Interest-bearing debt ÷ cash and cash equivalents and securities
ROIC (After tax, including goodwill)	=	NOPLAT x 100 : Net assets
NIBD/EBITDA	=	Net interest-bearing debt : EBITDA
NIBD/equity	=	Net interest-bearing debt : Equity
Debt ratio	=	Net interest-bearing debt x 100 : Net assets
Return on equity (Exclusive of minorities)	=	Net profit/(loss) for the year x 100 : Average equity
Profit/(loss) in DKK per share of DKK 10	=	Net profit/(loss) for the year : Average no. of shares
Cash flows from operating activities in DKK per share of DKK 10	=	Cash flows from operating activities : Average no. of shares
Dividend in DKK per share of DKK 10	=	Dividend : Average no. of shares
Equity value in DKK per share of DKK 10	=	Equity value : Average no. of shares
Price/earnings ratio	=	Share price : Earnings per share
Share price/equity value	=	Share price : Equity value
EBITDA margin	=	Operating profit/(loss) before amortization and impairment of goodwill x 100 : Revenue
EBIT margin	=	Operating profit/(loss) x 100 : Revenue

Satisfactory progress in 2013

With a revenue of DKKm 6,598, the Auriga group achieved organic growth of 15% in 2013. The operating income was improved, and EBITDA was up 22% to DKKm 821, while EBIT rose 27% to DKKm 637. Improved working capital and a positive free cash flow have significantly reduced the net interest-bearing debt. Auriga expects a continued growth in 2014 with organic growth in revenue of 8-10% and an improvement of the EBITDA margin to above 13%.

- The market for crop protection products saw growth of 8-9%. For Auriga, the organic growth totaled 15%, while the reported revenue increased 5%. Revenue was negatively impacted by the developments in foreign exchange rates by 8%, while the divestment of Stähler Switzerland had a negative impact of 2%.

- The gross margin increased to 30.0%. The positive effect of a change in prices and the product portfolio was partly counterbalanced by the negative effect of the development in significant exchange rates and raw material prices.

- Earnings were improved with EBITDA up 22% to DKKm 821, while EBIT increased 27% to DKKm 637. The EBITDA margin improved 1.7 percentage points to 12.4%.

- Financing costs increased DKKm 3 to DKKm 218 due to increasing interest rates and negative currency effects.

- Net working capital was reduced DKKm 221 to DKKm 2,005 and the average working capital measured to revenue improved 3.6 percentage points to 38.3%.

- Cash flows from operating activities increased 12% to DKKm 574, while the free cash flow improved 9% to DKKm 338.

- Net interest-bearing debt, NIBD, was reduced DKKm 305 to DKKm 1,578 leading to a reduction of NIBD/EBITDA to 1.9 relative to 3.3 at the end of 2012.

- The return on invested capital, ROIC, increased 4.3 percentage points to 11.2% corresponding to 12.0% by normalized tax rate.

- At Auriga's annual general meeting on April 2, 2014, the Board of Directors will propose not to pay dividend for 2013. The proposal is made to continue reducing the company's financial gearing for the benefit of the long-term value creation and the company's future development potential.

- In Q4, 16% organic growth was achieved with the reported revenue increasing 3% to DKKm 1,502. EBITDA improved 16% to DKKm 133.

Outlook 2014

- The market for crop protection products is also expected to develop positively in 2014 as the considerable demand for foods continues to support high crop prices.

- The positive developments are expected to continue in 2014 which together with a further improvement of the product portfolio lead to expectations of an organic sales growth of 8-10% and a reported revenue growth of 3-5%.

  Moreover, an EBITDA margin above 13% is expected as well as a positive free cash flow, despite an increasing level of investments in product development and production facilities.

- Given the above outlook for 2014, the long-term financial objective of an EBITDA in the level of 13-18% is maintained. In 2014, the return on invested capital, ROIC, is expected to improve relative to 2013.

RISK AND FORWARD-LOOKING STATEMENTS

The outlook is based on current foreign exchange rate levels. The spot prices of key currencies by March 5, 2014, appear from note 26.

It is assumed that the global economic and financial situation will not materially affect business conditions for the group in 2014. Auriga's results are generally impacted by developments in the agricultural sector, and by climatic, economic, foreign exchange and market conditions, including the scope for obtaining registrations and re-registrations. Further information on risks is included on pages 12-13 and on currency risks in note 26 in this annual report.

Forward-looking statements, including the outlook for revenue and financial results, are associated with risks and uncertainties that may lead to actual results to differ materially from expectations. To the extent that legislation and good practice so require, Auriga is obliged to update and adjust specifically stated expectations.

Increase in earnings and value creation

Profitability has increased significantly, but the announced objectives of increased earnings and value creation still have a scope for improvements of the financial results.

Earnings and value creation
Auriga's strategic objectives are improved earnings and value creation. Focus is on strengthening the financial performance to meet the group's two financial targets for the post-2013 period:

- EBITDA margin must be increased to the level 13-18%.
- ROIC by normalized tax rate must be increased to approx. 15%.

The results for 2013 show continued growth within all strategic focus areas leading to EBITDA increased to 12.4% (10.7%) and ROIC improved to 12.0% (9.1%).

The guided EBITDA margin for 2014 is in the low end of the target range of 13-18%. It is expected that ROIC for 2014 will be improved against the 12.0% realized in 2013. The long-term financial target of a ROIC of approx. 15% will not be achieved in 2014. The outlook indicates further improvements, and therefore the focus areas and the long-term financial targets are maintained.

Development and growth
Based on a consistently high level of development, Cheminova's ambition is to ensure the ongoing development of the product portfolio. In 2013, a record number of registrations of products globally was achieved, further building a diversified and competitive product portfolio.

The market position has been strengthened with the broader and more differentiated product portfolio, which contributes to a reduced volatility of the business through introduction and penetration of more markets and segments.

In 2013, sales were positively impacted by the introduction of the fungicide Fortix® (flutriafol+fluoxastrobin) in the USA as well as further market penetration of Authority® (flutriafol+azoxystrobin) in Brazil and several other countries. A substantial contribution to growth comes from increased market penetration of several other products, including e.g. trinexapac, a growth regulator which was also introduced in Germany in 2013.

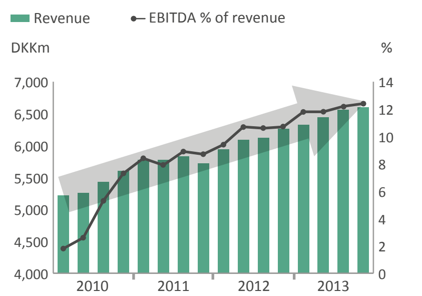
In 2013, Auriga realized a revenue of DKKm 6,598, corresponding to an organic growth of 15% when adjusted for foreign exchange rates and the divestment of Stähler Switzerland. Also, earnings improved considerably.

The gross margin increased to 30.0% (29.6%) as the positive effect from price increases and product mix was only partly counterbalanced the developments in raw material prices and foreign exchange rates.

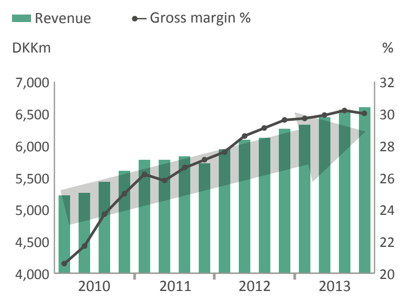
Efficiency improvements and cost control
Auriga aims at strict cost control and efficiency improvements, e.g. through the implementation of Lean measures for optimizing processes in production and administrative functions. Fixed capacity costs relative to revenue declined by 0.5 percentage points to 17.1% (17.6%).

Working capital and debt burden
The company is focusing on initiatives aimed at reducing the working capital and debt levels to ensure continued profitable growth. The divestment in 2013 of Stähler Switzerland and the recommendation not to pay dividend are reflecting this.

EARNINGS AND VALUE CREATION



DEVELOPMENT AND GROWTH



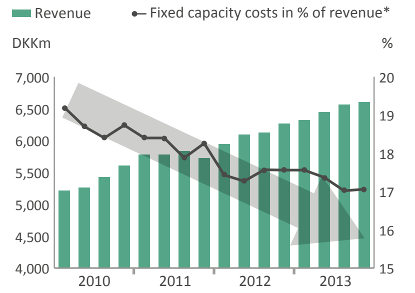
The graphs are based on last-twelve-months data (LTM).

At the end of 2013, the net working capital was reduced to DKKm 2,005 (DKKm 2,226). The reduction of DKKm 221 was primarily generated by increased payables, lower receivables and to a lesser extent the use of new financing instruments. Towards the end of the year, preparations for the upcoming season in Europe resulted in a build-up of inventory.

Measured relative to revenue, the average working capital improved 3.6 percentage points in 2013 to 38.3% (41.9%).

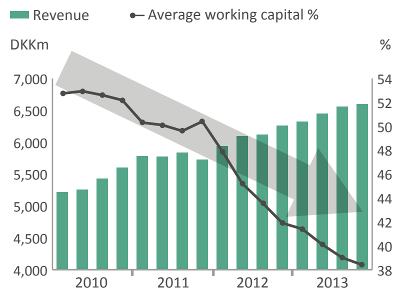
NIBD was reduced by DKKm 305 to DKKm 1,578 (DKKm 1,883) in 2013, while NIBD/EBITDA was reduced to 1.9 (3.3).

EFFICIENCY IMPROVEMENTS AND COST CONTROL



* Fixed capacity costs in production, sales, administration and development.

WORKING CAPITAL AND DEBT BURDEN



The graphs are based on last-twelve-months data (LTM).

LONG-TERM FINANCIAL TARGETS

	REALIZED 2013	OUTLOOK 2014	FINANCIAL TARGETS
EBITDA margin	12.4%	Above 13%	13-18%
ROIC by normal tax rate	12.0%	Improved	15.0%
Revenue growth			
– Organic	15%	8-10%	10% average
– Reported	5%	3-5%	
Gross margin	30.0%		
Capacity costs (LTM in % of revenue)	17.1%		
Net working capital (LTM in % of revenue)	38.3%		
Net interest-bearing debt / EBITDA	1.9		

Financial results

With 15% organic growth in 2013, revenue totaled DKKm 6,598. Earnings improved with EBITDA up 22% to DKKm 821 and EBIT up 27% to DKKm 637. Improved working capital and a positive free cash flow significantly reduced the net interest-bearing debt.

Consolidated revenue
The reported revenue was up just over 5% to DKKm 6,598 (DKKm 6,263), while the organic growth was 15%. Revenue was down 2% due to the divestment of Stähler Switzerland and down 8% due to the negative foreign exchange rate impact.

Gross profit
Gross profits increased to DKKm 1,976 (DKKm 1,853) and the gross margin was up 0.4 percentage points to 30.0% (29.6%). Improved product mix and price increases were partially offset by the negative effect from increased raw material prices and declining exchange rates, particularly setting margins under pressure during second half of the year.

Costs and operating results
Other operating income amounted to DKKm 102 (DKKm 36) primarily due to the proceeds from the divestment of Stähler Switzerland of DKKm 56.

Capacity costs increased 4% to DKKm 1,441 (DKKm 1,387) leading to a further decline in the cost ratio to 21.8% (22.1%). The focus on development and registration activities continued in 2013. Development costs amounted to DKKm 350 or 5% of revenue (DKKm 344 or 5% of revenue) of which DKKm 167 (DKKm 149) were capitalized. Amortizations on prior capitalized development costs totaled DKKm 16 (DKKm 5). Accordingly, total development costs expensed were DKKm 199 (DKKm 200).

EBITDA was up 22% at DKKm 821 (DKKm 672) corresponding to an EBITDA margin of 12.4% (10.7%). After depreciation and amortization of DKKm 184 (DKKm 170), EBIT amounted to DKKm 637 (DKKm 502) corresponding to an EBIT margin of 9.6% (8.0%).

TABLE 1: DEVELOPMENT AND REGISTRATION COSTS

DKKm	Q4 2013	Q4 2012	2013	2012
Development costs incurred before capitalization	98	93	350	344
Of which capitalized	(55)	(46)	(167)	(149)
Amortization and impairment losses, development projects	(4)	5	16	5
Earnings impact of development costs	39	52	199	200

Financial items and results for the period
Financial costs increased marginally to DKKm 218 (DKKm 215) due to increased interest rates in several emerging markets (e.g. Brazil and India) and negative currency effects.

At DKKm 417 (DKKm 174), the profit before tax was more than doubled. Based on an effective tax rate in 2013 of 30.2% (29.5%), net profits for the year totaled DKKm 291 (DKKm 123).

Cash flows and balance sheet
As expected, the cash flows from operating activities developed positively and totaled DKKm 574 (DKKm 513). Trade receivables were reduced to DKKm 1,934 (DKKm 2,156). At the same time, trade payables increased to DKKm 1,349 (DKKm 1,134), while inventories increased to DKKm 1,696 (DKKm 1,597). Total net working capital improved to DKKm 2,005 (DKKm 2,226).

Cash flows are positively affected by the use of factoring and securitization, increasing by DKKm 160 against the prior-year, and the divestment of Stähler Switzerland improving the free cash flow by approx. DKKm 100.

Net investments totaled DKKm 237 (DKKm 204), resulting in a free cash flow for the year of DKKm 338 (DKKm 309).

At the end of the year, total assets amounted to DKKm 6,341 (DKKm 6,381), while equity was up by DKKm 211 to DKKm 2,255 (DKKm 2,044) corresponding to an equity ratio of 36% (32%).

Net interest-bearing debt
The continued growth in earnings combined with an improved working capital as well as the divestment of Stähler Switzerland have resulted in a further reduction of the group's debt. Table 2 shows that the net interest-bearing debt was reduced by DKKm 305 to DKKm 1,578 (DKKm 1,883). The proportion of fixed-rate debt totaled 51% (57%) and a proportion of 30% (52%) is denominated in foreign currencies. NIBD/EBITDA was reduced to 1.9 against 3.3 the prior-year.

Cash reserves
At the end of the year, the financial reserves in the form of unutilized credit facilities and cash totaled DKK 2.4 billion (DKK 1.5 billion). The committed facilities with duration of more than one year totaled DKK 2.6 billion (DKK 2.1 billion) out of total credit facilities of DKK 4.0 billion (DKK 3.4 billion).

TABLE 2: NET INTEREST-BEARING DEBT

DKKm	31.12.2013	31.12.2012
Interest-bearing debt	1,965	2,388
Cash and cash equivalents	338	403
Interest-bearing receivables	49	102
Net interest-bearing debt	**1,578**	**1,883**

TABLE 3: CREDIT FACILITIES

DKKbn	31.12.2013	31.12.2012
Committed over 3 years	0.2	0.1
Committed 1-3 years	2.4	2.0
Committed under 1 year	0.0	0.0
Committed, total	**2.6**	**2.1**
% of total	64%	62%
Uncommitted	1.5	1.3
% of total	36%	38%
Total credit facilities	**4.0**	**3.4**
Cash	0.4	0.4
Utilized credit facilities	2.0	2.3
Unutilized credit facilities	**2.4**	**1.5**

Q4 2013

The reported revenue was up just over 3% in Q4 at DKKm 1,502 (DKKm 1,457), while organic growth was 16%. The negative impact from the divestment of Stähler Switzerland amounted to DKKm 5 and the currency effect was negative with 12%, primarily relating to Latin America.

Margins and the gross profit were under pressure due to the developments in foreign exchange rates. Nevertheless, EBITDA improved 16% to DKKm 133 (DKKm 114) corresponding to an EBITDA margin of 8.8% (7.8%).

EBIT was up 40% at DKKm 93 (DKKm 66) and a profit before tax of DKKm 30 was achieved.

The working capital was reduced further in Q4 with a free cash flow of DKKm 169 (DKKm 259) being realized.

DKKm	Q4 2013	Q4 2012
Revenue	1,502	1,457
Growth	3%	11%
Organic growth	16%	14%
Gross profit	440	444
Gross margin	29.3%	30.5%
EBITDA*	133	114
EBITDA margin*	8.8%	7.8%
EBIT*	93	66
EBIT margin*	6.2%	4.5%
Profit/(loss) before tax	30	(86)
Cash flows from operating activities	265	347
Free cash flow	169	259

* EBITDA and EBIT in Q4 2012 are calculated before special items of DKKm 95 resulting from the arbitration case in the US.

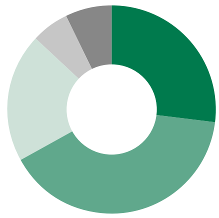
Market and sales

Organic growth in all regions following a good end of the season in Latin America.

REVENUE REGIONS 2013

Europe	38%	(40%)
North America	9%	(8%)
Latin America	30%	(31%)
International	17%	(16%)
Global activities	6%	(5%)

REVENUE PRODUCTS 2013



Herbicides	27%	(27%)
Insecticides	40%	(41%)
Fungicides	20%	(21%)
Other crop protection products	6%	(6%)
Other activities	7%	(5%)

Figures in brackets are 2012 figures.

The market for crop protection products developed positively in 2013, though characterized by considerable declines in foreign exchange rates, especially in several emerging markets (e.g. Brazil and India). Preliminary figures suggest total market growth of approx. 8-9%, with the strongest growth in Latin America benefiting from the economic developments with high crop prices and a strong demand for, e.g., soybeans, maize and sugar cane.

Cheminova has made the most out of the favorable market conditions, and all regions have generated positive organic growth. The total sales of crop protection products amounted to an organic growth of 15% in 2013. Revenue was under pressure from a low level of insect infestation in North America and drought in Australia as well as lower foreign exchange rates. However, a good end of the season in the northern hemisphere and in Latin America combined with a good monsoon in India had a positive impact on the revenue.

In Q4 2013, the regional segmentation was changed leading to the CIS countries (Russia, Ukraine etc.) now being included in region Europe rather than region International. The comparative figures for 2012 have been restated accordingly, as can be seen from the segment information in note 2.

Region Europe
Northern Europe in particular was affected by a very cold and wet climate in Q2. However, the region delivered a satisfactory H2 after a good end of the season. All in all, and when adjusted for the divestment of Stähler Switzerland and exchange rates, an organic growth of 8% was realized. Developments in eastern Europe, including Poland, were good, and large markets such as France, Spain, Germany and Italy are benefiting from both new product launches and from increased market and segment penetration by Cheminova's improved product portfolio. Difficult climatic conditions led to a heavy reduction of the UK market, but Headland successfully compensated for this with among other things increased sales of micro nutrients.

Region North America
After a good H1, the region created further growth in H2 despite climatic conditions leading to a low level of insect infestation and reduced sales of insecticides. Continued growth for selective herbicides and a satisfactory growth for flutriafol-based fungicides resulted in a total organic growth in the region of 27%. Following the introduction of fungicides based on flutriafol and azoxystrobin as well as several new selective herbicides, the market position in the region is expected to be further strengthened in the coming years.

Region Latin America
Good conditions for the agricultural sector and an increasing demand for crop protection products resulted in a satisfactory end of the season in Latin America. The region recorded an organic growth of 17% in 2013. Growth was driven, in particular, by Brazil, where the soybean acreage has increased, and where the incidence of the *Helicoverpa* larva in soybeans had a positive effect on sales of insecticides in Q4. The general streamlining of the product portfolio in the region – which was implemented in 2012 – was continued in 2013. Further market penetration by recently introduced products, such as flutriafol- and azoxystrobin-based products, is generally expected to strengthen the market position in the region.

Region International
The region was favored by a good monsoon in India, while market conditions in Australia were hampered by extreme drought. Also, several Arabic countries were influenced by political unrest. All in all, the region posted an organic growth of 21%. Earnings were under pressure from the competitive situation in Australia as well as declining foreign exchange rates in India and Australia.

Product groups
Herbicides recorded a growth of 7% in 2013 and accounted for 27% (27%) of revenue. Demand for the sulfonylurea herbicides remained strong, and glyphosate accounted for just under 10% of revenue. The most significant increase was seen for the selective pethoxamide-based herbicides.

With an increase in sales of 3%, the insecticides accounted for 40% (41%) of revenue. A satisfactory growth was realized for several new products, including products based on fipronil, gamma-cyhalothrin and abamectin. Demand for traditional products was impacted by the decline in the North American market.

Sales of fungicides showed only a marginal increase compared to 2012 and accounted for 20% (21%) of revenue. Flutriafol developed positively, among other things following successful launches of mixture formulations in the USA and Brazil. Market penetration for products based on azoxystrobin is being strengthened in line with registrations being obtained in several countries.

Sales of other crop protection products developed satisfactorily and accounted for 6% (6%) of the revenue after a satisfactory performance for Headland micro nutrients and growth regulators such as trinexapac. Other activities increased to 7% (5%) of the revenue after a satisfactory level of activity for fine chemicals.

Risk management

Efficient risk management contributes to ensuring robust operations, controlled growth and stable financial results.

Auriga is continuously working to identify and analyze risks in order to identify, avoid and control all unwanted risks thereby optimizing the opportunities given by changes in wanted risks. We aim at identifying financial as well as non-financial risks as early as possible with a view to ensuring the timely handling of such risks.

The group's risks can generally be divided into four categories which are outlined below.

Long-term strategic risks
In connection with the strategy process, the management performs an evaluation of the opportunities for and limitations to the future sustainable development of the business. This evaluation is based on reports on, for example, trends in the industry and the regions supplemented by sensitivity analyses and risk descriptions.

Recently, there has been media speculation regarding how big a risk the research into and the development of natural microbial solutions for crop protection could pose for Cheminova. Research into using microorganisms to replace conventional fertilizers, fertilizing methods and crop protection is not deemed to pose a serious threat as commercialization - if it happens at all at bigger scale - is very long-term. Given the growing world population over the coming decades, yields from cultivated farmland must be increased without negatively impacting the environment, and consequently this area is naturally being monitored.

Industry and market-related risks
The business is sensitive to changes in market risks such as global economic changes, including developments in agriculture, climate change and global crop prices as well as price developments within and the availability of raw materials.

Operational and compliance-related risks
The industry entails potentially significant unwanted risks relating to the environment, health, safety, regulation and legislation. An important element in the group's risk management activities is compliance with statutory and ethical requirements, standards and rules.

We try to limit the risks, for example by obtaining recognized environmental and energy management certificates for the factories in both Denmark and India and by educating and training our people with a view to improving attitudes and behavior in relation to health and safety and the working environment. These activities are described in detail on pages 6-7 in the report on corporate social responsibility, read more on www.auriga-industries.com > Sustainability.

Also, we aim to ensure that the insurance program reflects the risks associated with the group's activities. According to Auriga's insurance policy, the financial risk associated with major claims must be transferred to an insurance company, which implies elements as deductibles and self-financing. The level of self-financing is adjusted over time, depending on the financial situation and on the products and prices offered in the global insurance market at any given point in time.

Financial risks
Auriga's earnings and balance sheet are exposed to a number of financial risks, with foreign exchange risks and tax factors being the primary risks, while it is still important to reduce working capital. The group's finance policy lays down the guidelines for the management of financial risks and also contains a description of approved financial instruments and risk limits. The group's foreign exchange risks are described in detail in note 26.

Internal controls
Auriga has decided to publish the main elements of the internal control and risk management systems connected with the annual financial reporting on the corporate website under About us > Management and structure > Corporate governance > Report on the financial reporting process and internal controls (http://www.cheminova.com/en/about_us/management_and_structure/corporate_governance/report_on_the_financial_reporting_process_and_internal_controls.htm).

PRIMARY RISKS 2014

The Global Executive Committee has identified six primary risk factors which may impact the group's opportunities for realizing the outlook for 2014 and meet its long-term strategic objectives.

DESCRIPTION	POSSIBLE IMPACT	RISK REDUCTION
Exposure in key markets Traditionally, Cheminova enjoys a strong position in Europe and strong growth was seen in Latin America in recent years. Compared with the global market, North America's share of revenue must be improved considerably. A better regional mix will reduce the risks associated with being exposed to the key Brazilian market, for example in relation to climatic conditions, level of insect infestation, working capital etc.	Unsatisfactory market penetration and growth in region North America will curtail the group's opportunities for achieving high organic growth exceeding the industry average leading to a negative impact on market share and stable earnings capacity.	The intention is to achieve a distribution of revenue across the regions corresponding to the global market because it will reduce the volatility of the business. We are therefore focusing in particular on increasing our activities in North America, where growth must be higher than in the other regions. In 2013, high growth rates were achieved in North America, and the growth is expected to continue in the coming years, with the region increasing its share of the growing consolidated revenue by an average of one percentage point a year. To strengthen the company's market position, our focus is on the continued innovation and expansion of the product portfolio for application in the USA and a strengthening of the sales organization. Auriga's market position must also be strengthened in large agricultural markets such as Germany and France in region Europe.

PRIMARY RISKS 2014 – CONTINUED

DESCRIPTION	POSSIBLE IMPACT	RISK REDUCTION
Foreign exchange rates The significance of foreign exchange risks has grown in step with globalization and sales in different currencies. The group's foreign exchange risks are largely concentrated around the following currencies: the US dollar (USD), the Brazilian real (BRL), the Australian dollar (AUD) and the Indian rupee (INR). Auriga's reporting currency is Danish kroner (DKK).	Falling exchange rates for key currencies have a short-term negative impact on revenue, earnings and cash flows and thus decrease the ability to predict financial results.	Exchange rate fluctuations can have a significant impact on the income statement, statement of comprehensive income, balance sheet and cash flow statement and thus constitute an important risk factor. Significant foreign exchange exposure is hedged on an ongoing basis on currency transactions with a view to supporting the individual subsidiaries in their efforts to achieve satisfactory results in their local currencies. If the balance sheet of the subsidiary has a significant currency exposure in a foreign currency, this is also hedged on an ongoing basis. Efforts are made to the greatest possible extent to create a natural local hedging of risk by matching purchases in a foreign currency with sales in the same or a related currency. The foreign exchange risk associated with translating subsidiaries' earnings and balance sheets into the reporting currency DKK (translation risk) is not hedged. For further information, please see note 26.
Raw materials price developments When raw materials prices increase, it is necessary to raise sales prices to compensate for the higher input costs.	Not being able to raise sales prices when input costs rise reduces the gross margin and thus earnings, which limits the group's opportunities for realizing its objectives of improved value creation.	The crop protection industry is a competitive market where Cheminova is neither market-leading nor price-setting. Consequently, local sales prices are usually modified with a delayed effect and in step with the market, where other players experience the same situation. To manage this risk, we aim at reducing the level of dependence on a few large suppliers of raw materials and spread the risk geographically.
Working capital The crop protection industry is characterized by a generally high level of funds tied up in working capital, among other things due to traditionally long credit periods in Latin America and significant seasonal fluctuations requiring the building of inventories of key products.	Lack of working capital reductions will reduce the group's cash flows and liquidity and limit the opportunities for achieving the desired growth in sales and realizing the announced revenue outlook.	Striking the right balance between profitable growth and debt repayment is still crucial for the future success of the business. The company is therefore focusing on initiatives which can further improve the level of working capital. The improvements are driven by measures that prioritize the product mix in inventories, reduced buffer stocks, longer credit terms with suppliers and reduced trade receivables, i.a. through a strict credit policy and new financing forms. In Latin America in particular, targeted efforts are being made to collect receivables and manage the granting of credit in order to limit the debtor risk. In future, the growing North American business will positively affect the working capital due to the relatively short terms of payment in the USA. Continued working capital improvements are expected in 2014, although not at the same pace as previously.
Reputation Loss of reputation as a result of a breach of business ethics is a significant risk. As a global business engaged in production and processing activities in several regions in addition to sales in more that 100 countries, a precondition for the long-term growth is that we shoulder our responsibilities for society, the environment and occupational health and safety in a global perspective.	Loss of reputation may affect the entire business, from stakeholder relations with customers, owners and suppliers over the authorities to the retention and recruitment of new employees etc.	We aim at ensuring openness in our internal and external communication and consistently work to minimize the risk of situations arising which potentially could damage the group's reputation. The fundamental principle for Cheminova's product stewardship is the reduction of risk. For example, applicable legislation must be complied with, we regularly evaluate the social and environmental impacts of our production sites, and we have committed ourselves to following international standards and to running our business responsibly based on the group's core values and Code of Business Principles which corresponds to a global policy for business ethics. To promote the desired conduct, the code is distributed physically, referenced in internal media and communicated at meetings with the aim of limiting the business ethics risks. For further information, please see pages 10-11 of the CSR report.
Crop commodity prices In recent years, the crop protection industry has been favored by high crop prices giving farmers a strong incentive to increase the farmed acreage and protect their crops through the use of crop protection products in order to optimize crop yields and quality.	Falling crop prices increase the farmers' focus on cost savings and might reduce the area of farmed land and purchases of crop protection products, thereby negatively impacting sales.	Even though crop prices saw a slight declining trend recently, prices are still at a historically high level seen over several years. Growth in the industry is driven by the global population growth, changing diets and the increasing need for biofuel, leading to a growing demand for crops and thus high crop commodity prices. Neither industry reports nor sensitivity analyses convey trends that point to a change in this risk scenario in the coming years. To manage this risk, developments are being closely monitored.

The above primary risk factors, their possible impact on the group and the implemented or planned proactive risk-reducing actions are not listed in order of priority, nor is the list complete.

Corporate social responsibility

Corporate social responsibility is vital for the Auriga group as a global player with production and processing activities on several continents and sales in more than 100 countries.

Socially and environmentally responsible conduct is a precondition for long-term value creation. A strong safety culture and awareness of environmental protection have always been central elements in our way of doing business. We have always aimed at respecting our employees and other stakeholders in our work.

The group operates in a sector which is subject to a high degree of regulation as regards safety, the environment and marketing. Statutory requirements and business ethics are integrated in the value chain as a natural part of developing, producing and selling crop protection products.

Helping you grow – Chemistry with Care
We want to take action and lead the way through our work on corporate social responsibility and the environment based on an objective of "more crop protection, less chemistry and fewer resources". Through specific indexes, we focus on measuring and documenting the group's progress within the Chemistry with Care area. Baseline data, as well as data from 2013, are included in the CSR report, which in future will report on developments.

The CSR work in 2014 and onwards must support "Chemistry with Care". The focus areas are explained in detail in the CSR report and address, for example, the development of new product types, improvements to safety, the environment and to energy consumption as well as active supplier management.

People and diversity
Our employees are the organization's most important resource. Without them we could not take advantage of the group's core competences and would not be able to maintain and develop the business. Human Resources (HR) is a global, strategic function and part of the senior day-to-day management, the Global Executive Committee.

HR focuses on supporting a performance culture while ensuring that the group can attract, develop and maintain qualified employees in key positions globally. The work of the HR function also focuses on diversity and the possibilities this offers, for example in relation to ensuring a dynamic environment for employees and the right balance between continuity and renewal.

In 2013, a diversity policy was prepared. With the aim of promoting diversity, a global recruitment procedure was introduced which, among other things, ensures that diversity is considered when assessing candidates, without being discriminatory.

An English version of the diversity policy is available on www.cheminova.com > About us > Management and structure > Corporate governance > Policies. The policy details the group's targets for the proportion of women – the underrepresented gender – on the Board of Directors as well as how diversity is perceived and promoted in Cheminova's global organization.

Increased diversity is the objective – in the Board of Directors within a four-year period, and in the Danish management within a 10-year period. The proportion of women at both Danish management level and on the Board of Directors must reflect the proportion of women in the Danish organization, which is approx. 24%. At present, Auriga's Board of directors consists of six members elected by the general meeting, including one woman. This corresponds to 17% and is unchanged relative to the prior year. All members of the Board of Directors are recommended for re-election at the annual general meeting on April 2, 2014 with a view to providing the new Executive Board with suitable advice and to ensure continuity in the group management.

People in the organization are covered in more detail in the CSR report pages 32-34.

CSR policy and activities
Auriga is a global company, and our employees and partners come from different cultural backgrounds and with different religious beliefs and political convictions. For this reason, it is important for us to have a formalized common set of values and guidelines on correct conduct.

The group's CSR policy takes the form of a Code of Business Principles setting out 12 principles of good business conduct. The code is available in 14 languages and is distributed to all employees in the global organization; read more on www.cheminova.com > Sustainability > Corporate Social Responsibility > CSR Policy. The purpose of the business principles is to ensure that the business is run professionally and respects human rights, and that all employees and other people representing the group know what we regard as correct conduct.

Whistleblower
A whistleblower scheme has been established with a new external partner to enable employees to report infringements of the Code of Business Principles anonymously. All reports to this external body are passed on anonymously to the internal whistleblower committee, which is responsible for initiating any proceedings. Each quarter, the committee reports to the Audit Committee in a depersonalized and general form, unless special circumstances require the direct involvement of the Board

of Directors. Read more about corporate social responsibility, ethical business principles and the whistleblower function at www.cheminova.com > Sustainability > CSR Policy > Code of business principles.

UN Global Compact
Through Cheminova's support for the UN Global Compact (joined in 2009), we have committed ourselves to promoting the UN's global standards in the fields of human rights, labor rights, environmental protection and anti-corruption, just as we will support the UN Millennium Development Goals, including the eradication of extreme poverty and hunger in the world.

In line with previous years, in 2013 initiatives were launched to maintain and strengthen the group's anti-corruption program. The initiatives are rooted in the group's core values and acknowledge that we, as a global group, can make a positive contribution to combating corruption in the areas where we do business. The targets are described in the CSR report, with a systematic approach being taken with both risk analysis and training selected employees globally.

Through the group's products, we contribute to the global food supply by helping farmers all over the world protect their crops, thereby enabling them to produce more and better food products. In practice, this mission is reflected in our work on village projects in selected local communities in India and Brazil. The projects aim to improve both agricultural practices and the standard of living for the local population. These activities have been described in detail in the CSR report.

Auriga has decided to publish its statutory report on corporate social responsibility, cf. Section 99a of the Danish Financial Statements Act, on its website in the form of Cheminova's CSR report, which includes the progress report for the UN (COP report). The CSR report forms part of Auriga's annual reporting for 2013 and covers the same period as the annual report. Read more in the CSR report at www.cheminova.com > Sustainability > CSR report (http://www.cheminova.com/en/sustainability/corporate_social_responsibility/csr_report/).

EXAMPLES OF CSR ACTIVITIES

Cheminova Deutschland
- Leading the way with niche products and innovative packaging
Innovative products, technology and technical advice are keywords describing our German subsidiary, which has been part of Cheminova since 2008. Here, seed growers, for example, can draw on expertise within sophisticated seed grain treatment solutions.

> Read more in the CSR report 2013 on pages 14-15

Handling used containers
To prevent environmental damage, a collection scheme for used containers has been established together with other industry players. In several countries, this container scheme has been further developed. Here, the plastic is recycled and used to produce special types of new products.

> Read more in the CSR report 2013 on pages 12-13

Possible impact on people often examined from many perspectives
The media and scientific journals sometimes give the impression that proper studies are never made of crop protection products. Fortunately that is not actually the case! Their possible impact on people, health and well-being are examined and reassessed at regular intervals.

> Read more about toxicological studies in the CSR report on pages 16-17

Corporate governance

Auriga's Board of Directors and Executive Board consider corporate governance as the foundation for increased value creation and credibility in the group's relations with its shareholders, customers, employees and other stakeholders.

Auriga's Board of Directors and Executive Board consistently aim at ensuring openness and transparency in addition to providing stakeholders with relevant information on the company and how it is run. The Board of Directors monitors the company to ensure that it develops as planned and is managed in accordance with the strategies, policies and procedures adopted. The Board of Directors' work focuses on ensuring good corporate governance with a view to maximizing the long-term value creation from the group's activities.

Recommendations on corporate governance
The Board of Directors regularly considers how the recommendations issued by the Committee on Corporate Governance may contribute to the continued development of the Auriga group.

Auriga's comments on the recommendations are included in a report on corporate governance, which also contains a description of the requested qualifications and skills of the Board of Directors. This report constitutes "The statutory report on corporate governance, cf. Section 107b of the Danish Financial Statements Act", which the Board has decided to publish on the website under About us > Corporate governance > Report on corporate governance (http://www.cheminova.com/en/about_us/management_and_structure/corporate_governance/report_on_corporate_governance.htm).

The Board of Directors finds that the Auriga group generally complies with the recommendations published on the website www.corporategovernance.dk/english, and explanations are provided for any deviations. The compliance report is part of the management's review in the annual report for 2013 and covers the same period as the annual report.

Board of Directors' responsibilities
The Board of Directors is responsible for the overall management and considers all issues relating to the group's strategic development, including objectives and strategies, organization, budgets, risks, proposed acquisitions and divestments as well as major development and investment projects.

In accordance with Danish law, the group has a two-tier management system with a Board of Directors and an Executive Board where no members are members of both boards. The distribution of responsibilities between the Board of Directors and the Executive Board has been stipulated and described in the respective rules of procedure, which the Board of Directors reviews at least once a year. The rules of procedure contain provisions on matters such as procedures for the Executive Board's reporting, the Board of Directors' working methods and the Chairman of the Board's tasks and responsibilities.

The Board of Directors' main areas of responsibility are:

- To ensure an optimum management and organizational structure.
- To monitor the financial and non-financial measures and the results achieved.
- To inspire, guide and supervise the day-to-day management undertaken by the Executive Board.
- To make decisions on the overall management and strategic development.

The Board of Directors' tasks in this context are described below.

Composition of the Board of Directors
According to Auriga's Articles, four to six members of the Board of Directors must be elected by the annual general meeting. The Board of Directors currently consists of six members elected by the general meeting for one year at a time. They are not eligible for election or re-election after having attained the age of 70. In addition, the Board of Directors has three members elected by the employees for four years at a time. The rules governing the election of employee representatives for the Board of Directors may be found on the website under About us > Management and structure > Board of Directors > Election of employee representatives.

The composition of the Board of Directors must be in such a way that the qualifications and skills of the Board of Directors as a whole enables it to discharge its responsibilities and work to accommodate the company's development and challenges. The Board of Directors consists of members with professional qualifications and practical experience matching the group's tasks. The Board of Directors believes that the current composition is appropriate for the work to be carried out by the Board of Directors.

The individual members of the Board of Directors are presented on pages 22-23 of this report. On the website, the information required according to the Recommendations on Corporate Governance is provided for each member under About us > Management and structure > Board of Directors.

Board of Directors' tasks
A chairmanship has been established in accordance with Auriga's Articles of Association and the Board of Directors' Rules of Procedure. The chairmanship consists of two members elected at the first board meeting after the general meeting. In 2013, the Board of Directors re-elected Jens Due Olsen as Chairman and Torben Svejgård as Deputy Chairman. The chair-

manship is charged with, among other things, planning and preparing board meetings, preparing material for nomination of candidates for the Board of Directors and the Executive Board and recommending appropriate remuneration for the Board of Directors and the Executive Board.

Changes to Executive Board in 2013
One of the most important tasks of the Board of Directors is to define the optimum structure for the Executive Board and appoint members of the Executive Board accordingly.

In the interim report for Q3 2013, it was announced that the President of Region Europe, Jaime Gómez-Arnau, was appointed new CEO with effect from November 13, 2013. On December 1, 2013, René Schneider took up his position as new CFO and member of the Executive Board, which was extended to two people. For more information about the new members of the Executive Board, read more on the website under About us > Management and structure > Executive Board.

Board committees
The Board of Executives has appointed two independent board committees in the form of the Audit Committee and the Product Development Committee. Each board committee consists of two members who are elected at the first board meeting after the general meeting. Jutta af Rosenborg is Chairman of the Audit Committee, while Jørgen Jensen is an ordinary member. Karl Anker Jørgensen is Chairman of the Product Development Committee and Lars Hvidtfeldt is an ordinary member. The Terms of Reference of the committees contain more information on the committees' work and are available at the website under About us > Management and structure > Board of Directors > Board committees, where the members' special competencies are described.

The Board of Directors has decided that further two committees under the Board of Directors will be established in 2014 in the form of a remuneration committee and a nomination committee, each consisting of the chairmanship. These committees have so far been acting as informal ad hoc committees which are now being formalized. The purpose is to prepare and support the decisions of the Board of Directors with regard to remuneration and incentive structures in addition to nomination of candidates for the boards respectively. The new board committees will be mentioned at the Annual General Meeting and the terms of reference will be made available on the website.

Board of Directors' self-assessment
Self-assessment is part of the Board of Directors' annual activity wheel and is handled by the Chairmanship. The Audit Committee also performs an annual self-assessment, and the Chairman of the Audit Committee reports the results of this assessment to the Chairman of the Board of Directors. The Board of Directors' self-assessment comprises, among other things, an assessment of the Board of Directors', the chairman's, the board committees' and the Executive Board's work, cooperation and skills, including the composition of the Board of Directors, considering qualifications and skills as well as diversity. In addition, the quality of the Executive Board's reporting to the Board of Directors is assessed, including the board material, presentations and communication in relation to board meetings. The Board of Directors discusses the conclusions and decides on any new measures to be undertaken. The most recent assessment was performed in 2013 and is ongoing for 2014.

COMPOSITION OF BOARD OF DIRECTORS 2013

NAME	BORN	NATIONALITY	FIRST ELECTED	TERM	INDEPENDENT[2]	REMUNERATION DKK PER YEAR	NO. OF SHARES[3]
Jens Due Olsen, Chairman	1963	Danish	2011	1 year	Yes	500,000	4,122
Torben Svejgård, Deputy Chairman	1955	Danish	2010	1 year	Yes	300,000	2,375
Lars Hvidtfeldt, Member of the Product Development Committee	1966	Danish	2011	1 year	Yes	275,000	1,206
Jørgen Jensen, Member of the Audit Committee	1968	Danish	2012	1 year	Yes	325,000	2,568
Karl Anker Jørgensen, Chairman of the Product Development Committee	1955	Danish	2007	1 year	No	300,000	0
Jutta af Rosenborg,Chairman of the Audit Committee	1958	Danish	2010	1 year	Yes	425,000	0
Kapil Kumar Saini, Employee representative	1960	Danish	2011	4 years[1]	No	225,000	1,103
Peder Munk Sørensen, Employee representative	1963	Danish	2011	4 years[1]	No	225,000	108
Jørn Sand Tofting, Employee representative	1956	Danish	2003	4 years[1]	No	225,000	2,247

[1] Board members elected by the employees are elected for a period of four years. The latest election of employee representatives took place in March 2011.
[2] Independence as defined by the Committee on Corporate Governance. One out of the six board members elected by the general meeting cannot be deemed independent due to his close ties to the majority shareholder.
[3] Any trading in Auriga shares in 2013 is reported in company announcements on transactions in Auriga securities by insiders as well as in the presentations of each Board member at www.auriga-industries.com > About us > Management and structure > Board of Directors.

Meetings of Board of Directors and board committees
The meetings of the Board of Directors follow a meeting schedule, with at least six meetings scheduled each year. In addition, extraordinary meetings or theme seminars are convened as required. A conference call may constitute a board meeting.

In 2013, ten board meetings, six Audit Committee meetings and three Product Development Committee meetings were held. Of these, two board meetings and four meetings of the Audit Committee were held as conference calls. The annual wheel of the Board of Directors and the Audit Committee is shown on the website under About us > Management and structure > Corporate governance.

As part of the Board work, in August 2013 the Board of Directors held a board meeting in the German subsidiary. The visit provided the opportunity for a guided tour at the factory thereby providing improved insight into the formulation work on site as well as the results of the completed restructuring of Cheminova Deutschland.

Remuneration policy
The Board of Directors continuously discusses and assesses the principles governing remuneration of the Executive Board in order to ensure that it follows the general practice in comparable companies and that it reflects the required work effort and results.

In order to align the interests of the shareholders, the Executive Board and the executive employees, it has been agreed that, in addition to the basic salary, a cash bonus may be earned based on value creation and share price. This bonus may amount to up to max. one year's basic salary. No unusual severance schemes have been agreed with the Board of Directors, the Executive Board or executive employees. The Board of Directors receives a fixed remuneration. The management's remuneration is described in Notes 3 and 4.

The remuneration policy for 2011-2014 was approved at the general meeting in 2011 and can be found on the website under About us > Management and structure > Corporate governance > Policies. Remuneration is covered every year at the general meeting, and at this year's general meeting the Board will propose an updated remuneration policy for adoption by the general meeting.

Investor relations

Auriga has a sustainable business model and scope for increasing sales and earnings. As the products contribute to increased agricultural crop yields which are, among other things, sold to the food industry, investing in Auriga is an investment in global food production.

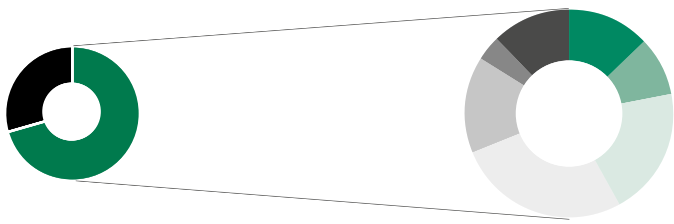
Auriga share in 2013
In 2013, the Auriga share was among the top 30 traded shares on NASDAQ OMX Copenhagen, and the share price more than doubled.

The liquidity in the Auriga share significantly improved in 2013. An average of 62,047 Auriga shares were traded per day, corresponding to an average daily trading value of approx. DKKm 10.4. In 2013, just over 15.4 million shares were traded with a total market value of just under DKK 2.6 billion against 5.8 million traded shares with a total market value of just under DKK 0.5 billion in 2012.

In 2013, the highest and lowest prices quoted for the Auriga share were DKK 219.00 and DKK 85.50, respectively. The closing price at the end of 2013 was DKK 185.50 against DKK 87.50 at the end of 2012. This corresponds to an increase of 112%, while the MidCap index went up 53% and the C20Cap index 31% during the same period. At the end of the year, Auriga's market value was DKK 4.7 billion assuming that the non-negotiable Class A shares are priced like the traded Class B shares.

Shareholders
The level of interest among international and other Danish institutional investors grew significantly in 2013. International ownership has more than doubled from 8% to 19%, corresponding to 27% of the Class B share capital. Danish private investors own approx. 10% of the total share capital corresponding to 15% of the Class B share capital. Investor relations activities must, among other things, contribute to ensure that the shareholder structure remains suitably diversified with respect to geography, investment profile and investment horizon, which is achieved through participating in a number of meetings and events targeted at different investors.

CLASS B SHARE CAPITAL BY SHAREHOLDER GROUP



Total share capital

Class A shares	29.4%
Class B shares	70.6%

Shareholder groups

Aarhus University Research Foundation	13%
Major shareholders	9%
Other Danish institutional investors	20%
International investors	27%
Private investors	15%
Other registered shareholders	4%
Unregistered shareholders	12%

Auriga's holding of treasury shares constitutes 0.5% of the total share capital and 0.7% of Class B share capital.

Investor communication
Auriga's investor relations activities aim to provide investors and analysts with timely and relevant information to ensure a fair pricing of the Auriga share. IR activities include dialog with existing and potential investors – institutional and private – in Denmark and internationally. This contact is handled on a daily basis by the IR department and the company's CFO.

In connection with the release of annual reports and interim financial reports, online presentations are held in the form of audiocasts and conference calls. In 2013, Auriga participated in 90 meetings with investors and analysts, among other things at roadshows in Europe and the US. In addition, the company participated in a number of investor seminars.

Relevant investor relations material is made available at www.auriga-industries.com, where it is also possible to subscribe to email service and receive company announcements immediately following release.

The annual report is not published in a printed version, but a print-out can be requested. In 2013, a brief annual profile was printed and sent to all registered shareholders, which will also be the case in 2014. The annual profile provides an overview of the group's financial and non-financial results.

IR communication with investors, analysts and the media is subject to certain restric-

BASIC DATA

Total share capital	DKK 255,000,000
Class B share capital	DKK 180,000,000
Stock exchange	NASDAQ OMX Copenhagen
Index	MidCap
Short name	AURI B
ID code	DK0010233816

tions for a period of four weeks prior to the publication of financial reports. During these so-called “silent periods”, Auriga does not comment on financial and market results, outlook, market expectations or activity levels in general. For further information on silent periods, please refer to the financial calendar on the website where analyst coverage, IR policy and contact information for the IR department is also available.

General meeting and dividend

The annual general meeting will be held on Wednesday, April 2, 2014 at 2 pm at the company’s offices, Thyborønvej 78, 7673 Harboøre, Denmark.

The Board of Directors proposes no dividend payments for 2013. The proposal is based on the need to further reduce the company’s financial gearing for the benefit of long-term value creation and the company’s future development potential. The company’s capital resources are shown on page 9.

The notice of the annual general meeting is released as a company announcement and announced in the media and on the corporate website www.auriga-industries.com. Shareholders who have signed up for ordinary mail delivery of the invitation will also receive a print-out of the annual report.

Guided tours at the general meeting

In 2013, Auriga introduced a new concept in connection with the annual general meeting, where the traditional buffet was replaced by guided tours and light refreshments. The purpose is to give shareholders the opportunity to learn more about the company. The concept was well received by our shareholders and will be repeated in 2014.

Auriga considers guided tours at annual general meetings to be a shareholder-friendly initiative and a further opportunity for the company to engage in a personal dialogue with shareholders and answer any questions they may have.

Auriga would like to further develop the annual general meeting with a view to supporting shareholder participation and influence. One initiative is to record the entire general meeting and make it available as replay on the website. In 2014, the annual general meeting can be followed online by shareholders who are unable to attend in person. As an improved service for the growing proportion of foreign shareholders, online simultaneous interpretation will be offered, and documents relating to the annual general meeting will be made available in English as the meeting is conducted in Danish.

Share capital

Auriga’s share capital of 25,500,000 shares is divided into two share classes, both with a nominal value of DKK 10 per share. A total of 7,500,000 Class A shares have been issued, which are non-negotiable, and 18,000,000 Class B shares, which are freely negotiable. Each Class A share carries ten votes, while each Class B share carries one vote.

The Aarhus University Research Foundation is Auriga’s biggest shareholder and owns 39% of the total share capital. At the end of 2013, 91% of the share capital was distributed between 7,466 registered shareholders. Read more about shareholders and ownership structure at www.auriga-industries.com > Stock > Shareholders.

Treasury shares

Auriga’s holding of treasury shares remains unchanged at 125,680 shares, corresponding to 0.5% of the share capital.

The annual general meeting has authorized the Board of Directors to arrange for Auriga to acquire treasury shares with a nominal value of up to 10% of the share capital, if deemed expedient. The price must not deviate by more than 10% from the quoted price applicable at the time of acquisition. The authorization is valid until the next annual general meeting in 2014.

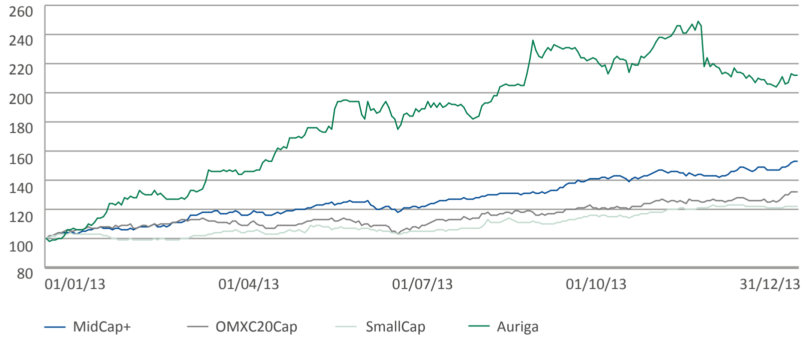
SHARE CLASSES

	CLASS A SHARES	CLASS B SHARES	TOTAL
No. of shares	7,500,000	18,000,000	**25,500,000**
No. of votes	75,000,000	18,000,000	**93,000,000**
Share of votes, %	80.65	19.35	**100**
Nominal share value, DKK	10	10	**10**
The Aarhus University Research Foundation (AUFF), Denmark	7,500,000	2,331,377	**9,831,377**

LARGE SHAREHOLDERS OVER 5%

	CAPITAL	VOTES
The Aarhus University Research Foundation, Aarhus, Denmark	38.55%	83.15%
The Danish Labour Market Supplementary Pension Fund (ATP), Hillerød, Denmark	6.25%	1.71%

INDEXED SHARE PRICE DEVELOPMENT 2013



January 1 till December 31, 2013 with MidCap+, OMXC20Cap (adjusted), SmallCap and Auriga.

Also, an authorization has been incorporated into the Articles of Association whereby the Board of Directors is authorized to increase the share capital by a nominal amount of up to DKK 25 million Class B shares until April 1, 2018, without pre-emption rights for existing shareholders and at a price not below par.

The latest update of the Articles of Association was adopted at the most recent annual general meeting in 2013.

Board of Directors' and Executive Board's Auriga shares
At the end of 2013, the members of the Board of Directors and related parties held a total of 13,729 shares against 11,709 shares the year before, while members of the Executive Board do not own Auriga shares. The shares owned by the Board of Directors represented a value of DKK 2,546,730 as of December 31, 2013.

Members of the Board of Directors and the Executive Board and related parties are covered by Auriga's internal rules and are thus obliged to report any transactions involving Auriga shares. Insiders are restricted to trading Auriga shares for a period of four weeks following the release of financial statements or similar announcements subject to the regulations provided by the Danish Securities Trading Act.

The Board of Directors' and the Executive Board's trading in shares is reported in company announcements on insider tradings in the Auriga share, see www.auriga-industries.com > Investor > IR releases. The Corporate governance section of this report presents an overview of the shareholdings of the individual members of the Board of Directors.

FINANCIAL CALENDAR 2014

April 2, 2014:
Annual General Meeting 2014

INTERIM REPORTS:

May 15, 2014:
Interim report for Q1 2014

August 19, 2014:
Interim report for Q2 2014

November 19, 2014:
Interim report for Q3 2014

INVESTOR CONTACT

Lene Faurskov
IR Manager
Telephone: +45 41 64 05 04
Email: lf@auriga.dk

COMPANY ANNOUNCEMENTS

January 29, 2013	No. 1/2013	Divestment of local activity in Switzerland and confirmation of outlook 2012
March 15, 2013	No. 2/2013	Annual Report 2012
March 15, 2013	No. 3/2013	Reporting of insider transaction
March 18, 2013	No. 4/2013	Notice convening Annual General Meeting
April 16, 2013	No. 5/2013	Outlook maintained in the Chairman's report
April 16, 2013	No. 6/2013	Proceedings at annual general meeting 2013
April 16, 2013	No. 7/2013	Updated Articles of Association 2013
May 23, 2013	No. 8/2013	Interim report, Q1 2013
May 24, 2013	No. 9/2013	Reporting of insider transaction
June 17, 2013	No. 10/2013	Notification of change to major shareholding
August 22, 2013	No. 11/2013	Interim report, Q2 2013
September 9, 2013	No. 12/2013	Notification of change to major shareholding
September 23, 2013	No. 13/2013	Financial calendar 2014
November 13, 2013	No. 14/2013	Interim report Q3, 2013
November 14, 2013	No. 15/2013	Reporting of insider transaction
December 7, 2013	No. 16/2013	Reporting of insider transaction
February 28, 2014	No. 1/2014	Notification of change to major shareholding

Board of Directors

JENS DUE OLSEN
CHAIRMAN OF THE BOARD OF DIRECTORS

MSc in Economics. Chairman of the Board of Directors of Amrop A/S, AtchikRealtime A/S, pierre.dk A/S and Kompan A/S, where he is also Chairman of the Audit Committee, in addition to NKT Holding A/S, where he is also member of the Nomination Committee and Remuneration Committee. Deputy Chairman of the Board of Directors of Bladt Industries A/S, where he is also Chairman of the Audit Committee. Member of the Board of Directors of Cryptomathic A/S, Gyldendal A/S, Royal Unibrew A/S and Heptagon Advanced Micro Optics Inc., where he is also Chairman of the Audit Committe, and Industriens Pensionsforsikring A/S, where he is also a member of the Investment Committee.

With his background as former CFO and Deputy CEO of the listed industrial company GN Store Nord A/S, Jens Due Olsen possesses special skills within management, strategy and business development in international companies. Moreover, he has in-depth knowledge of stock markets and investor relations, extensive experience with consolidated financial reporting and finance and broad international experience from several sectors on account of his former positions as CFO of the listed cement and mineral group FLSmidth and the IT company Aston Group as well as leading positions with the global shipping group A.P. Møller-Mærsk. Moreover, he has extensive experience as a board member in a number of international companies.

TORBEN SVEJGÅRD
DEPUTY CHAIRMAN OF THE BOARD OF DIRECTORS

MSc in Economics. Member of the Board of Directors of R2 Group A/S.

With his background as CEO of the fishfeed manufacturer BioMar A/S, a former member of the top management of the food ingredients group Danisco A/S and his former work at Aarhus Oliefabrik A/S, Torben Svejgård possesses special skills within international management and strategy in processing industry companies in the global business-to-business market as well as active use of R&D for developing and growing the business. Moreover, he has extensive experience in ensuring accountability and sustainability in the supply chain and at assessing and integrating acquisitions from long-standing experience as a member of the top management and from holding other senior positions with Danisco A/S.

JUTTA AF ROSENBORG
CHAIRMAN OF THE AUDIT COMMITTEE

MSc in Business Economics and Auditing and State Authorized Public Accountant (authorization deposited). Member of the Board of Directors of Aberdeen Asset Management PLC, Det Danske Klasselotteri and Zealand Pharma A/S, where she is also Chairman of the Audit Committee and member of the Remuneration Committee.

With her background as former CFO and member of the Board of Management of the listed pharmaceuticals group ALK-Abelló A/S, Jutta af Rosenborg possesses special skills within management, strategy and M&A in international companies as well as in-depth knowledge of the stock market and investor relations. Moreover, she has extensive experience with group finance and auditing, risk management and the streamlining of business processes, among other things after many years in leading positions with, among others, ALK-Abelló A/S, Chr. Hansen A/S, BASF Danmark A/S and Deloitte's auditing and consultancy department, together with broad experience as a member of the Board of Directors of international companies and from positions with a number of committees and councils.

The details about board memberships are provided pursuant to Section 107 of the Danish Financial Statements Act on the disclosure of managerial posts held in other public limited companies as well as Auriga's practice pursuant to the recommendations on corporate governance.

Information about age, first election, independence, remuneration, shareholding etc. is listed on page 17 of this report.

The details were updated at the beginning of March 2014. The full presentations of the individual board members can be found at www.auriga-industries.com under the menu About us > Management and structure > Board of Directors. The presentations are updated on an ongoing basis.

LARS HVIDTFELDT

**MEMBER OF
THE PRODUCT DEVELOPMENT COMMITTEE**

Landowner and MSc in Agriculture. Deputy Chairman of the Danish Agriculture and Food Council and Chairman of Folketidende Gruppen. Deputy Chairman of Malmö Tidningtryck, Rotationen Nykøbing F. and Grønt Center A/S. Member of the Board of Directors of the Knowledge Centre for Agriculture for Landbrug & Fødevarer and Sannarp AB.

As the owner of a modern farming and forestry operation focusing primarily on crop production, Lars Hvidtfeldt possesses special skills within commercial farming operations and crop production. He has in-depth knowledge of the farmers' need for crop protection as well as extensive knowledge of the sector and products. Moreover, Lars Hvidtfeldt has acquired solid experience via his organizational work within agricultural organizations in Denmark and abroad.

JØRGEN JENSEN

**MEMBER OF
THE AUDIT COMMITTEE**

MSc in Economics. Member of the Board of Directors of TCM Group A/S and Nordic Waterproofing Group AB.

With his background as CEO of Widex A/S, which is among the six largest suppliers of hearing aid, and his former work with Nilfisk Advance A/S, Jørgen Jensen possesses special skills within international strategy, business development and management in the global business-to-business market. Moreover, he has extensive international experience with ensuring sustainability in a global supply chain and assessing and integrating acquisitions from many years of experience with manufacturing activities in various countries where he has also acquired in-depth knowledge of production processes, development and commercialization. Moreover, he has extensive experience with global strategy development in a number of industries from his prior work as a consultant with McKinsey & Co.

KARL ANKER JØRGENSEN

**CHAIRMAN OF
THE PRODUCT DEVELOPMENT COMMITTEE**

Professor of Chemistry, DSc. Member of the Board of the Aarhus University Research Foundation (AUFF).

With his background as a research scientist and lecturer in chemistry at the Department of Chemistry, Aarhus University, Karl Anker Jørgensen possesses special skills within the development and production of chemicals, including an understanding of organic reactions and the communication of plans and results. As a long-serving member of various boards associated with the state investment fund Vækstfonden, he also has extensive experience from knowledge-intensive organizations and the interaction between university research and new high-tech start-ups within IT and the life sciences.

KAPIL KUMAR SAINI

EMPLOYEE REPRESENTATIVE

Senior laboratory technician

With his background as a laboratory technician in several units of the R&D department and subsequent responsibility for the chemicals and glass store at Cheminova A/S, Kapil Kumar Saini has acquired considerable practical insight into the company's product development and production. He was born and raised in India, where he trained as a pharmacist and worked as a pharmaceutical consultant within veterinary medicine and farming. He came to Denmark in 1989 as a trainee agriculturalist and has been working with Cheminova since 2000.

PEDER MUNK SØRENSEN

EMPLOYEE REPRESENTATIVE

Plant operator

Having worked since 1985 as a plant operator with Cheminova A/S, Peder Munk Sørensen has a solid knowledge of the company's production processes, operations and organization. He possesses broad experience from having worked as a substitute at many different plants.

JØRN SAND TOFTING

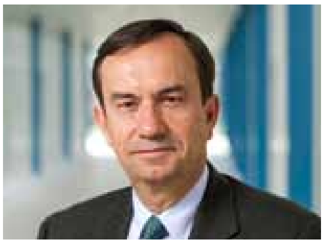
EMPLOYEE REPRESENTATIVE

Electrician and union representative

Having worked as an electrician with Cheminova A/S since 1987, Jørn Sand Tofting has a solid knowledge of the company's operations, maintenance activities and organization. He has gained broad experience with board and committee work following many years of involvement with internal liaison committees and bodies, external organizations and associations besides his membership of the Board of Directors, to which he has been re-elected twice by the employees.

Global Executive Committee

EXECUTIVE BOARD



JAIME GÓMEZ-ARNAU

Chief Executive Officer (CEO)
& President, Region Europe

CEO in Auriga Industries A/S and Cheminova A/S since November 13, 2013, where he entered the Executive Board. President of Region Europe and, since 2003, CEO of the Spanish subsidiary. Responsible for restructuring the Italian and French sales organizations. He has been with the group since 1999, initially as Head of Sales in the Spanish subsidiary. Prior to joining Cheminova, he held senior positions with Ciba-Geigy and Rhône-Poulenc in Spain and France. MSc in Agriculture.

RENÉ SCHNEIDER

Chief Financial Officer
(CFO)

CFO and Senior Vice President with global chief responsibility for finance and support since December 1, 2013. Prior to joining the group, he held senior executive positions as CFO and later CEO with NeuroSearch. Formerly, he worked with the finance organization in Novo Nordisk where he held several management positions. MSc in Economics.

JAKOB LYNGSØ ANDERSEN

Senior Vice President
HR & Communications

Senior Vice President and globally chief responsible for Human Resources since December 1, 2013. Prior to joining the group, he held a similar senior HR position with FLSmidth. He has many years of experience from various management positions within the HR area in and outside Denmark. Executive MBA.

ANTON BRO

Senior Vice President
Development & Registration

Senior Vice President and globally chief responsible for development and registration. Was appointed Vice President with global responsibility for formulation development in 2010. In 2008-2010, Vice President with global responsibility for the development of active ingredients, and in 1992-2008 employed in the pilot plant department, initially as a development engineer and from 1995 as Manager. MSc in Civil Engineering.

RICO TOFT CHRISTENSEN

President
Region North America

President of Region North America and CEO of the US subsidiary. In 2008-2010, Vice President, Global Portfolio Management, and responsible for global marketing, having been expat in Cheminova's subsidiary in Brazil in 2002-2007 as head of marketing and subsequently as CEO. He was formerly a Product Manager and has been with the group since 1997. MSc in Economics and Business Administration.

NIELS MORTEN HJORT

Senior Vice President
Production & Logistics

Senior Vice President and globally chief responsible for production and logistics. In 1997-2002, expate in Cheminova India as a member of the Executive Board. He is a former head of sales of intermediates and responsible for contract production. He has been with the group since 1989. BSc in Electrical Engineering.

PRAMOD KARLEKAR

President
Region International

President of Region International since February 1, 2013, and CEO of the Indian subsidiary since June 16, 2008. Prior to joining Cheminova, he has worked with various engineering, chemical and agrochemical companies at senior levels on both, technical and manufacturing side as well as overall business management side. His basic training is in chemical engineering and management studies.

CESAR ROJAS

President
Region Latin America

President of Region Latin America and CEO of the Brazilian subsidiary. Former CEO of the Mexican subsidiary and has been with the group since 2004. Prior to joining Cheminova, he held senior positions with Rhône-Poulenc, Aventis and Bayer, for a time responsible for Bayer CropScience in Latin America. MSc in Agriculture.

JENS THORSEN

Senior Vice President
Global Portfolio Management

Senior Vice President and globally chief responsible for marketing. In 2010, Global Portfolio Manager after an expatriation in 2008-2010 as General Manager and member of the Executive Board of the international Stähler group in Germany in connection with the acquisition. He is a former Marketing Manager, Regional Sales Manager and Portfolio Manager. He has been with the group since 1999. MSc in Economics and Business Administration.

Management's statement

The Board of Directors and the Executive Board have today considered and approved the annual report of Auriga Industries for the financial year January 1 - December 31 2013.

The annual report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at December 31, 2013, as well as of their financial performance and their cash flow for the financial year January 1 - December 31, 2013.

We believe that the management commentary contains a fair review of the development and performance of the Group's and the Parent's business and of their position as well as the Parent's financial position and the financial position as a whole of the entities included in the consolidated financial statements, together with a description of the principal risks and uncertainties that the Group and the Parent face.

We recommend the annual report for adoption at the Annual General Meeting.

Harboøre, March 6, 2014

BOARD OF DIRECTORS:

Jens Due Olsen
Chairman

Torben Svejgård
Deputy Chairman

Lars Hvidtfeldt

Jørgen Jensen

Karl Anker Jørgensen

Jutta af Rosenborg

Kapil Kumar Saini

Peder Munk Sørensen

Jørn Sand Tofting

EXECUTIVE BOARD:

Jaime Gómez-Arnau
Chief Executive Officer (CEO)

René Schneider
Chief Financial Officer (CFO)

Independent auditor's report

TO THE SHAREHOLDERS OF AURIGA INDUSTRIES A/S

Report on the consolidated financial statements and parent financial statements
We have audited the consolidated financial statements and parent financial statements of Auriga Industries A/S for the financial year January 1 - December 31, 2013, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including the accounting policies, for the Group as well as for the Parent.

The consolidated financial statements and parent financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management's responsibility for the consolidated financial statements and parent financial statements
Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control as Management determines is necessary to enable the preparation and fair presentation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to express an opinion on the consolidated financial statements and parent financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements and parent financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and parent financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements of the consolidated financial statements and parent financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements and parent financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as the overall presentation of the consolidated financial statements and parent financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion
In our opinion, the consolidated financial statements and parent financial statements give a true and fair view of the Group's and the Parent's financial position at December 31, 2013, and of the results of their operations and cash flows for the financial year January 1 - December 31, 2013, in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the management commentary
According to the Danish Financial Statements Act, we have read the management commentary. We have not performed any further procedures in addition to the audit of the consolidated financial statements and parent financial statements.

On this basis, it is our opinion that the information provided in the management commentary is consistent with the consolidated financial statements and parent financial statements.

Aarhus, March 6, 2014

Deloitte
Statsautoriseret Revisionspartnerselskab

Kirsten Aaskov Mikkelsen
State Authorised Public Accountant

Torben Aunbøl
State Authorised Public Accountant

Financial statements

Helping you grow

FINANCIAL STATEMENTS AND NOTES

LIST OF NOTES

Income statement 2013

		Group		Parent	
DKK '000	**Note**	**2013**	**2012**	**2013**	**2012**
Revenue	2	6,597,749	6,262,542	-	-
Production costs	3	4,621,479	4,409,938	-	-
Gross profit/(loss)		**1,976,270**	1,852,604	**-**	-
Other operating income	6	101,768	35,960	200	200
Selling and distribution costs	3	886,855	837,738	-	-
Administrative costs	3, 4, 5	355,774	349,378	16,891	13,327
Development and registration costs	3	198,803	199,683	-	-
Operating profit/(loss) before special items		**636,605**	501,765	**(16,691)**	(13,127)
Special items, costs	7	-	95,232	-	-
Operating profit/(loss)		**636,605**	406,533	**(16,691)**	(13,127)
Share of profit in subsidiaries, dividend		-	-	100,000	-
Profit/(loss) after tax from investments in associates		(1,469)	(1,642)	(520)	-
Gains and losses from sale of investments		-	(16,170)	-	(35,612)
Financial income	8	294,849	316,653	357	1,226
Financial expenses	8	512,732	531,245	2,895	4,118
Profit/(loss) before tax		**417,253**	174,129	**80,251**	(51,631)
Tax on profit/(loss) for the year	9	125,869	51,309	1,510	(7,896)
Net profit/(loss) for the year		**291,384**	122,820	**78,741**	(43,735)
To be distributed as follows:					
Shareholders of Auriga Industries A/S		290,383	122,123		
Minority interests		1,001	697		
		291,384	122,820		
Earnings per share (EPS):					
Earnings per share	10	11.44	4.81		
Diluted earnings per share	10	11.44	4.81		

Statement of comprehensive income

		Group		Parent	
DKK '000	**Note**	**2013**	**2012**	**2013**	**2012**
Net profit/(loss) for the year		**291,384**	122,820	**78,741**	(43,735)
Other comprehensive income					
Items for reclassification to the income statement:					
Foreign currency translation adjustment of foreign enterprises		(67,837)	24,567	-	-
Fair value adjustment of financial instruments		(4,822)	(14,243)	-	-
Other movements, adjustment of minority interests etc.		(3,165)	2,009	-	-
Tax on other comprehensive income	9	(4,189)	(4,827)	-	-
Other comprehensive income		**(80,013)**	7,506	**-**	-
Total comprehensive income		**211,371**	130,326	**78,741**	(43,735)
To be distributed as follows:					
Shareholders of Auriga Industries A/S		216,768	130,553		
Minority interests		(5,397)	(227)		
		221,371	130,326		

Cash flow statement 2013

DKK '000	Note	Group 2013	Group 2012	Parent 2013	Parent 2012
Net profit/(loss) for the year		291,384	122,820	(21,259)	(8,123)
Depreciation, amortization, impairment losses and write-downs, assets		184,096	170,066	-	-
Other adjustments	11	395,940	440,352	4,045	(5,003)
Change in working capital	11	(61,446)	106,385	13,268	5,078
Operating cash flows		**809,974**	839,623	**(3,946)**	(8,048)
Financial income received		287.495	290,089	357	1,226
Financial expenses paid		(458.832)	(499,989)	(2,895)	(4,118)
Cash flows generated from operations		**638,637**	629,723	**(6,484)**	(10,940)
Income tax paid		(64,185)	(117,068)	204	-
Cash flows from operating activities		**574,452**	512,655	**(6,280)**	(10,940)
Sale of companies	33	41,017	-	-	-
Acquisition of intangible assets		(74,417)	(57,529)	-	-
Investments concerning intangible assets under development		(134,387)	(130,976)	-	-
Sale of intangible assets		2,909	5	-	-
Acquisition of property, plant and equipment		(82,415)	(117,388)	-	-
Sale of property, plant and equipment		3,015	107,651	-	-
Acquisition of financial assets		(471)	(7,680)	-	-
Sale of financial assets		8,121	1,877	-	30,972
Cash flows from investing activities		**(236,628)**	(204,040)	**-**	30,972
Free cash flow		**337,824**	308,615	**(6,280)**	20,032
Repayment of non-current payables		(1,018,578)	(1,258,912)	-	-
Raising of long-term loan		881,420	1,100,000	-	-
Dividend paid		(955)	(1,343)	-	-
Acquisition of minority interests		(6,391)	-	-	-
Cash flows from financing activities		**(144,504)**	(160,255)	**-**	-
Change in cash and cash equivalents		**193,320**	148,360	**(6,280)**	20,032
Cash and cash equivalents as at January 1	12	(458,893)	(645,450)	(52,874)	(72,906)
Value adjustment	12	62,633	38,197	-	-
Cash and cash equivalents as at December 31	12	**(202,940)**	(458,893)	**(59,154)**	(52,874)

Balance sheet as of December 31, 2013 – Assets

		Group		Parent	
DKK '000	**Note**	**2013**	**2012**	**2013**	**2012**
NON-CURRENT ASSETS					
Intangible assets	13				
Goodwill		409,747	416,260	-	-
Sales and registration rights etc.		130,435	156,741	-	-
Know-how		1,056	1,408	-	-
Software		135,226	130,117	-	-
Completed development projects		260,914	140,365	-	-
Intangible assets under development		296,675	272,720	-	-
Total intangible assets		**1,234,053**	1,117,611	**-**	-
Property, plant and equipment	14				
Land and buildings		187,672	198,779	-	-
Technical plant and machinery		294,491	292,892	-	-
Fixtures and fittings, tools and equipment		34,898	64,826	-	-
Plant under construction		15,046	17,605	-	-
Total property, plant and equipment		**532,107**	574,102	**-**	-
Financial assets					
Investments in subsidiaries	15	-	-	899,450	899,450
Investments in associates	16	3,915	4,864	-	-
Other financial assets	16, 17	52,510	25,023	11,095	13,451
Deferred tax asset	22	182,484	190,213	-	-
Total financial assets		**238,909**	220,100	**910,545**	912,901
Total non-current assets		**2,005,069**	1,911,813	**910,545**	912,901
CURRENT ASSETS					
Inventories	18	1,696,300	1,597,370	-	-
Receivables					
Trade receivables	19	1,934,475	2,155,805	-	-
Receivables from associates		16,350	9,783	-	-
Income taxes receivable		40,017	47,233	10,798	12,512
Other receivables		268,600	223,724	34	161
Prepayments		41,928	32,460	-	-
Total receivables		**2,301,370**	2,469,005	**10,832**	12,673
Securities	12, 20	195	235	195	235
Cash	12	338,080	402,637	-	-
Total current assets		**4,335,945**	4,469,247	**11,027**	12,908
Total assets		**6,341,014**	6,381,060	**921,572**	925,809

Balance sheet as of December 31, 2013 – Equity and liabilities

		Group		Parent	
DKK '000	**Note**	**2013**	**2012**	**2013**	**2012**
EQUITY					
Share capital	21	255,000	255,000	255,000	255,000
Retained earnings		2,111,298	1,820,915	583,098	504,357
Accumulated fair value adjustments		(4,634)	(1,072)	-	-
Accumulated translation adjustments		(109,952)	(39,899)	-	-
Auriga shareholders' share of equity		**2,251,712**	**2,034,944**	**838,098**	**759,357**
Minority interests		3,169	9,505	-	-
Total equity		**2,254,881**	2,044,449	**838,098**	759,357
NON-CURRENT LIABILITIES					
Mortgage debt	24	173,945	187,530	-	-
Employee bonds	24	7,144	11,640	523	528
Lease commitments	24, 25	1,888	3,481	-	-
Credit institutions	24	1,225,638	1,143,982	-	-
Deferred tax	22	4,825	6,155	-	-
Retirement benefit obligations	23	6,524	13,595	235	235
Other provisions	23	56,410	81,407	-	-
Total non-current liabilities		**1,476,374**	1,447,790	**758**	763
CURRENT LIABILITIES					
Non-current payables falling due within one year	24	12,540	43,006	-	-
Credit institutions	12, 24	541,215	993,657	59,349	53,109
Lease commitments	24, 25	2,742	5,083	-	-
Trade payables		1,349,075	1,134,299	1,584	1,491
Payables to subsidiaries		-	-	21,257	110,723
Income taxes payable		82,991	37,089	-	-
Other payables		391,293	343,665	311	151
Deferred income		212,708	305,074	-	-
Other provisions	23	17,195	26,948	215	215
Total current liabilities		**2,609,759**	2,888,821	**82,716**	165,689
Total liabilities		**4,086,133**	4,336,611	**83,474**	166,452
Total equity and liabilities		**6,341,014**	6,381,060	**921,572**	925,809

Statement of changes in equity

EQUITY, GROUP

DKK '000	Share capital	Retained earnings	Accumu-lated fair value ad-justments	Accumu-lated trans-lation ad-justments	Total	Minority interests	Total
Equity as at January 1, 2012	**255,000**	**1,698,792**	**9,610**	**(59,011)**	**1,904,391**	**9,732**	**1,914,123**
Net profit/(loss) for the year	-	122,123	-	-	122,123	697	122,820
Other comprehensive income							
Foreign currency translation adjustment of foreign enterprises	-	-	-	24,530	24,530	37	24,567
Fair value adjustment of financial instruments	-	-	(14,243)	-	(14,243)	-	(14,243)
Other movements	-	-	-	2,970	2,970	(961)	2,009
Tax on other comprehensive income	-	-	3,561	(8,388)	(4,827)	-	(4,827)
Total other comprehensive income	**-**	**-**	**(10,682)**	**19,112**	**8,430**	**(924)**	**7,506**
Total comprehensive income	**-**	**122,123**	**(10,682)**	**19,112**	**130,553**	**(227)**	**130,326**
Total changes in equity in 2012	**-**	**122,123**	**(10,682)**	**19,112**	**130,553**	**(227)**	**130,326**
Equity as at December 31, 2012	**255,000**	**1,820,915**	**(1,072)**	**(39,899)**	**2,034,944**	**9,505**	**2,044,449**
Net profit/(loss) for the year	-	290,383	-	-	290,383	1,001	291,384
Other comprehensive income							
Foreign currency translation adjustment of foreign enterprises	-	-	-	(67,837)	(67,837)	-	(67,837)
Fair value adjustment of financial instruments	-	-	(4,822)	-	(4,822)	-	(4,822)
Other movements	-	-	-	3,233	3,233	(6,398)	(3,165)
Tax on other comprehensive income	-	-	1,260	(5,449)	(4,189)	-	(4,189)
Total other comprehensive income	**-**	**-**	**(3,562)**	**(70,053)**	**(73,615)**	**(6,398)**	**(80,013)**
Total comprehensive income	**-**	**290,383**	**(3,562)**	**(70,053)**	**216,768**	**(5,397)**	**211,371**
Paid dividend	-	-	-	-	-	(939)	(939)
Total changes in equity in 2013	**-**	**290,383**	**(3,562)**	**(70,053)**	**216,768**	**(6,336)**	**210,432**
Equity as at December 31, 2013	**255,000**	**2,111,298**	**(4,634)**	**(109,952)**	**2,251,712**	**3,169**	**2,254,881**

EQUITY, PARENT

DKK '000	Share capital	Retained earnings	Total
Equity as at January 1, 2012	**255,000**	**548,092**	**803,092**
Net profit/(loss) for the year	-	(43,735)	(43,735)
Total comprehensive income	**-**	**(43,735)**	**(43,735)**
Total changes in equity in 2012	**-**	**(43,735)**	**(43,735)**
Equity as at December 31, 2012	**255,000**	**504,357**	**759,357**
Net profit/(loss) for the year	-	78,741	78,741
Total comprehensive income	**-**	**78,741**	**78,741**
Total changes in equity in 2013	**-**	**78,741**	**78,741**
Equity as at December 31, 2013	**255,000**	**583,098**	**838,098**

NOTE 1 – ACCOUNTING POLICIES

Unless otherwise indicated, all figures are stated in DKK '000.

General

The Annual Report of Auriga Industries A/S, which comprises both the consolidated financial statements and the financial statements of the parent, is presented in compliance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

The annual report has been prepared on the historical cost basis, except for derivative financial instruments, which are measured at fair value. The principal accounting policies adopted are set out below.

The accounting policies are applied consistently with last year, except for the implementation of new and revised standards. Annual reporting figures are stated in Danish kroner.

Implementation of new and changed standards and interpretations

The annual report for 2013 is presented in accordance with the new and changed standards and new interpretations effective for financial years beginning on or after January 1, 2013, including IFRS 7 Financial Instruments: Disclosures, IFRS 13 Fair Value Measurement, IAS 1 Presentation of Financial Statements and IAS 19 Employee Benefits. Due to amendments to IAS 1, the reporting format for other comprehensive income is changed as of 2013. Apart from this, neither of these impacted recognition and measurement in 2013.

Standards and interpretations not yet effective

Changes in standards and interpretations approved by IASB, but not yet effective at the time of publication of this annual report, have not been incorporated into this report.

New standards which are relevant for the company, but which do not become effective until after January 1, 2013, include amendments to IAS 27 Separate Financial Statements, IAS 28 Investments in Associates and Joint Ventures, IAS 32 Financial Instruments: Presentation, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IFRS 12 Disclosure of Interests in Other Entities. In the opinion of management, the group's future implementation of these will not have a significant impact on the annual report.

Basis of consolidation

The consolidated financial statements include the financial statements of Auriga Industries A/S (the parent) and the subsidiaries in which the parent has a direct or indirect stake in the form of at least 50% of the voting rights or in any other way has control as well as associates.

The consolidated financial statements are prepared on the basis of the financial statements of the parent and subsidiaries through a consolidation of items of a similar nature according to the group's accounting policies. Intercompany income and expenditure, shareholdings, balances and dividend, and unrealized intercompany profits and losses have been eliminated.

Business combinations

On acquisition of new companies, where the group acquires a controlling interest in the enterprise acquired, the identifiable assets, liabilities and contingent liabilities of the enterprise acquired are measured at fair value at the date of acquisition using the acquisition method. The date of acquisition is the date of actual acquisition of control of the enterprise.

The cost of the company acquired is the fair value of the consideration paid for the acquired enterprise. If the final consideration sum is conditional upon one or more future events, these are recognized at fair value at the date of acquisition. Costs incidental to the acquisition of the company are recognized in the income statement when expensed.

Any excess of cost of the identifiable net assets acquired over the fair values of the net assets and the value of minority interests in the enterprise acquired is recognized as goodwill under intangible assets. If the fair values of the identifiable net assets acquired exceeds the cost of the net assets acquired and the value of minority interests in the company acquired (i.e. negative goodwill), the calculated fair values are reassessed. If the balance is still negative, the amount is recognized as income at the date of acquisition.

The profit or loss of subsidiaries acquired during the year is included in the consolidated income statement from the date of acquisition.

Profit or loss from the divestment of subsidiaries and associates

Profit or loss from the divestment of subsidiaries and associates which leads to the loss of control and significant influence, respectively, is calculated as the difference between the fair value of the sales proceeds and the fair value of any remaining equity investments offset against the carrying amount of the net assets at the date of divestment, including goodwill, less any minority interests. The then calculated profit or loss is recognized in the income statement together with accumulated foreign currency translation adjustments, which were previously recognized in other comprehensive income.

The profit or loss of subsidiaries and associates divested during the year is included in the consolidated income statement up until the date of divestment.

Minority interests

Upon initial recognition, minority interests are stated either at fair value or at their proportionate share of the fair values of the identifiable assets, liabilities and contingent liabilities of the enterprise acquired. The choice of method is determined for each individual transaction. Minority interests are subsequently adjusted for their proportionate share of any changes in the equity of the subsidiaries. Comprehensive income is allocated to minority interests regardless of whether minority interests may then become negative. In the consolidated financial statements, the acquisition of minority interests in a subsidiary and the sale of minority interests in a subsidiary which does not lead to a loss of control are recognized as equity transactions, and the difference between the consideration and the carrying amount is allocated to the parent's share of equity.

Foreign currency translation

The individual financial statements of subsidiaries are presented in the currency of the primary economic environment in which the subsidiary operates (its functional currency).

Transactions in currencies other than the functional currency of the individual subsidiary are recognized on initial recognition using the exchange rate at the transaction date. Monetary assets and liabilities that are denominated in foreign currencies are translated into Danish kroner at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on translation are recognized in the income statement, except for exchange rate differences arising on non-monetary assets and liabilities where the changes in fair value are recognized directly in other comprehensive income.

On consolidation, the assets and liabilities of the group's foreign operations are translated at the exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless these deviate significantly from the actual exchange rates at the transaction dates. In the latter case, the actual exchange rates are used. Translation differences arising, if any, are recognized in other comprehensive income as foreign currency translation adjustments of foreign entities. Such translation differences are recognized as income or expenses in the income statement in the period in which the equity interest is disposed of.

Translation adjustments of receivables from or payables to subsidiaries which are considered to be part of the parent's total investment in the subsidiary in question are recognized in other comprehensive income for the group and in the income statement of the parent. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the rate prevailing on the balance sheet date.

Significant accounting estimates and judgements

In preparing the annual report, management necessarily makes estimates and assumptions which form the basis of the presentation, recognition and measurement of the reported assets and liabilities as at the balance sheet date as well as the income and expenses reported for the financial period.

The estimates made by management are based on historical experience and on a number of other assumptions and factors which are deemed to be reasonable in the circumstances. The result of this process forms the basis of the assessment of the income and expenses reported which do not appear from other material.

The estimates made and the underlying assumptions are reassessed on a regular basis. Changes to accounting estimates are recognized in the financial period in which the change is made, and in future financial periods if the change affects both the period in which the change is made and subsequent financial periods.

The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise, which may lead to the actual results deviating from such estimates. Special risks for the group are described on page 12-13 of the management's review and in notes 26, 27 and 29.

In the financial statements for 2013, the following assumptions and uncertainties are worth noting as they have impacted the recognition of assets and liabilities in the financial statements:

Recoverable amount of goodwill
Determination of the required impairment of recognized goodwill amounts requires the calculation of value in use of the cash-generating units to which the goodwill amounts relate. Calculating value in use entails an estimate of expected future cash flows in the individual cash-generating units and determination of a reasonable discount factor. The carrying amount of goodwill amounts to DKK 410 million (DKK 416 million). For a detailed description of goodwill and the discount factor applied etc., please see note 13.

Impairment test for development projects
Development projects in progress are tested for impairment at least once a year. The development projects are progressing in line with expectations. Looking at the individual development projects, management has estimated the need for impairment and believes that the carrying amounts of the individual development projects will be recovered. The carrying amount of intangible assets under construction amounts to DKK 297 million (DKK 273 million). For further information on development projects in progress, please see note 13.

Recovery of deferred tax assets
Deferred tax assets are recognized for all unutilized tax losses in so far as it is deemed likely that taxable income will be realized in future against which the losses can be offset. The determination of the amount of deferred tax assets to be recognized is based on an estimate of the likely point in time that such taxable income will be realized and the amounts involved. As at December 31, 2013, management was of the opinion that the recognized tax losses could be realized within the foreseeable future. For further information on tax losses, please see note 22.

Income statement
Revenue
Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes. Revenue is recognized in the income statement when goods are delivered and risk has passed.

Government grants
Government grants comprise development and financing grants, investment grants etc. Grants are recognized when there is reasonable certainty that they will be received. Grants for the purchase of assets and development projects are offset against the cost of the asset. Grants to cover costs incurred are offset against the costs incurred.

Production costs
Production costs comprise the consumption of raw materials, including delivery costs, repairs and maintenance, wages and salaries, and other production costs as well as depreciation, amortization, impairment losses and write-downs, including the amortization of borrowing costs.

Other operating income
Other operating income comprises income of a secondary nature in relation to the companies' main objectives, including, among other things, the disposal of non-current assets and royalties.

Selling and distribution costs
Selling and distribution costs comprise costs incurred in connection with marketing and sales, including wages and salaries, rent, advertising, freight, customs duties as well as depreciation, amortization, impairment losses and write-downs, bad debts and the amortization of borrowing costs.

Administrative costs
Administrative costs comprise salaries for administrative staff and management plus other office costs, including depreciation, amortization, impairment losses and write-downs, IT operations and canteen costs.

Development and registration costs
Development and registration costs include wages and salaries and any other costs which relate to the group's development projects, including depreciation, amortization, impairment losses and write-downs. These costs also include costs incurred in respect of development projects, where such costs do not fulfill the capitalization requirements. Also included are costs incurred on an ongoing basis in connection with the maintenance of registration rights in respect of the group's products.

Special items
Special items comprise significant income and costs that are not directly attributable to the group's usual operating activities, but are related to non-recurring events.

Bonus schemes
The group issues bonus schemes to certain employees. The bonus schemes are debt schemes. The bonus calculated is expensed on a straight-line basis over the vesting period, based on employee vesting and on the group's earnings and value creation. Profit-sharing is provided for under other payables.

Leasing
Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Assets held under finance leases are recognized in the balance sheet at the lower of fair value and the present value of the minimum lease payments. The individual lease payment is determined on conclusion of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance costs and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance costs are recognized directly in the income statement.

Operating lease payments are recognized as expenses on a straight-line basis over the term of the relevant lease.

Net financials
Financial income and expenses comprise interest, capital gains and losses on securities and write-downs concerning securities, payables and foreign currency transactions, amortization of financial liabilities, including financial lease obligations as well as supplementary payments and refunds under the tax prepayment scheme etc. Realized and unrealized gains and losses on derivative financial instruments which cannot be classified as hedging agreements are also recognized. Interest income and expenses are accrued based on the principal amount and the effective interest rate.

Tax
The parent is jointly taxed with its Danish sister companies and subsidiaries and with Forskningsfondens Ejendomsselskab A/S as trust company. Current income tax is distributed among the jointly taxed Danish companies in proportion to their taxable incomes.

Current tax payable is based on the taxable profit/loss for the year. The group's current tax liability is calculated using tax rates that have been enacted at the balance sheet date. Tax for the year, comprising the expected current tax for the year and deferred tax for the year, is recognized in the income statement with the portion attributable to the net profit/loss for the year and in other comprehensive income with the portion attributable to other comprehensive income. Current tax is recognized in the balance sheet under receivables where excess on-account tax has been paid and under payables where the on-account tax paid does not cover the current tax.

Deferred tax is measured using the balance sheet liability method on all temporary differences between carrying amount and tax base of assets and liabilities. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are recognized to the extent that it is probable that tax losses allowed for carry-forward can be offset against tax profits. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit or loss nor the accounting profit or loss.

Deferred tax liabilities are recognized for taxable temporary differences arising on equity investments in subsidiaries or associates, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the foreseeable future.

The carrying amount of deferred tax assets is reviewed on the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the group intends to settle its current tax assets and liabilities on a net basis.

Balance sheet

Intangible assets

Goodwill

Goodwill arising on the acquisition of a subsidiary, associate or jointly controlled entity represents the excess of fair value over the group's interest in the cost of the identifiable assets, liabilities and contingent liabilities of such subsidiary, associate or jointly controlled entity at the date of acquisition and the value of minority interests.

Goodwill is not amortized. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Impairment of goodwill cannot be reversed in a subsequent period. On disposal of a subsidiary or associate, the attributable amount of goodwill is recognized in the income statement.

Sales and registration rights etc., know-how and software

These intangible assets are measured at cost less accumulated amortization and impairment. The assets are amortized in accordance with the straight-line method over their expected useful lives, such lives being 3-10 years.

Completed development projects

Internally generated intangible assets are carried at cost, less accumulated depreciation and impairment, and are amortized on a straight-line basis over their useful lives. Where no internally generated intangible asset can be recognized, development costs are recognized in the income statement in the period in which they are incurred.

Intangible assets under development

An internally generated intangible asset arising from the group's attainment of sales and registration rights is recognized only if all of the conditions specified by IAS 38 are met. Expenditure in respect of development projects is recognized if certain criteria are fulfilled under intangible assets and is measured at cost less accumulated amortization and impairment. Capitalization is usually subject to it being deemed to be sufficiently certain that future earnings will cover the development costs. Moreover, in the opinion of the group, capitalization assumes that all required public registration and authority approvals can be expected to be obtained and that the development costs can be reliably measured.

The basis for registering and capitalizing internally generated development costs has been established in the group's ERP system. In accordance with the accounting policies, the company then capitalizes the development costs meeting the criteria for capitalization. Intangible assets under development are measured at cost plus loan costs relating to the development period and less any impairment losses. Amortization of such assets begins when the assets are ready for use.

Property, plant and equipment

Land and buildings, technical plant and machinery and other fixtures and fittings, tools and equipment are carried at cost less accumulated depreciation and impairment losses. Land is not depreciated. Assets in the course of construction for production, rental or administrative purposes are carried at cost, less any impairment losses.

Cost comprises the purchase price, costs directly related to the purchase and costs of preparing the asset up until such time as the asset is ready for use. The cost of own production of non-current assets includes direct and indirect expenses incurred in respect of wages and salaries, consumption of materials as well as subsuppliers and borrowing costs relating to the period of construction.

Depreciation of the assets commences when the assets are ready for their intended use. Depreciation is based on cost less the expected residual value after the end of their useful lives. Depreciation is charged using the straight-line method over the expected useful lives, which are:

Office and laboratory buildings, residential and tenanted properties and garages:	30 years
Production and factory buildings and road systems:	15-20 years
Technical plant and machinery:	8 years
Fixtures and fittings, tools and equipment:	5 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as similar owned assets or, where shorter, over the term of the relevant lease. The gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets at the time of the sale and is recognized in the income statement.

Impairment of property, plant and equipment and intangible assets excluding goodwill

At each balance sheet date, the group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least once a year and if there is an indication of impairment, the asset is impaired accordingly.

The recoverable amount of the asset is the higher of fair value less selling costs and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The impairment loss is recognized in the income statement.

Where an impairment loss is subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized as income in the income statement.

Investment properties

Investment properties are properties owned for the purpose of generating rental income or capital gains. Investment properties are measured at cost, comprising purchase price and costs incurred, less accumulated depreciation and impairment. The basis of depreciation is cost, and depreciation is calculated on a straight-line basis over the expected useful lives of the properties, such lives being 30 years.

Equity investments in subsidiaries in the financial statements of the parent

Equity investments in subsidiaries are measured at cost in the financial statements of the parent. If the cost exceeds the recoverable amount of the investment, it is written down to the lower value. If more dividend is distributed than has been earned by the enterprise since the parent's acquisition of the equity investments, this is regarded as an indication of impairment. In connection with the divestment of equity investments in subsidiaries, gains or losses are stated as the difference between the carrying amount of the equity investments divested and the fair value of the sales proceeds.

Equity investments in associates in the consolidated financial statements
Equity investments in associates are recognized and measured in the consolidated financial statements in accordance with the equity method. This means that the investments are measured at the proportionate share of the enterprises' equity value stated in accordance with the group's accounting policies less or plus intercompany profits or losses and plus the carrying amount of goodwill.

The profit includes the proportionate share of the company's profits or losses after tax and elimination of unrealized proportionate intercompany profits or losses and less any impairment of goodwill. Other comprehensive income for the group comprises the proportionate share of all transactions and events recognized in the other comprehensive income of the associate.

Equity investments in associates with a negative equity value are measured at DKK 0. Receivables and other non-current financial assets which are regarded as part of the combined investment in the associate are written down by any remaining negative equity value. Trade receivables and other receivables are written down only if they are deemed to be uncollectible. Provisions to cover the remaining negative equity value are made only if the group has a legal or actual obligation to cover the liabilities of the enterprise in question. On the acquisition of equity investments in associates, the purchase method is applied.

Inventories
Inventories are stated at the lower of cost calculated according to the FIFO method and net realizable value. Cost comprises direct materials, direct labor costs and the share of indirect production overheads that has been incurred in bringing the inventories to their present location and condition. Indirect production overheads include the share of capacity costs directly related to own production of goods and work in progress. Indirect production overheads include indirect materials and wages and salaries as well as maintenance and depreciation of the plant, factory buildings and equipment used in the production process as well as costs relating to production administration and management.

The net realizable value of inventories is calculated as the sales sum less completion costs and costs necessary to make the sale and is determined by taking into account marketability, obsolescence and the development in the expected selling price.

Receivables
Receivables comprise trade receivables and other receivables. Receivables are included in the category loans and receivables which are financial assets with fixed or identifiable payments which are not listed in an active market and which are not derivative financial instruments.

Receivables are measured at amortized cost and are initially recognized at fair value. Write-down is carried out to cover expected bad debts on the basis of individual assessments of the risk of loss.

Factoring arrangements which transfer all significant financial risks and benefits in respect of receivables to third parties are recognized by offsetting the cash proceeds from the factoring arrangement against the receivable.

Securitization arrangements, under which some, but not all financial risks and benefits are transferred to third parties, are recognized by continuing to recognize the receivable in the balance sheet and by recognizing the cash proceeds as a liability.

Securitization arrangements which transfer all significant financial risks and benefits in respect of receivables to third parties are recognized by offsetting the cash proceeds from the securitization arrangement against the receivable and alone recognize the groups own risk as a receivable.

Prepayments
Prepayments under assets comprise costs incurred in respect of future financial years. Prepayments are measured at cost.

Securities and other investments
Securities are recognized and derecognized on the trading date, and are initially measured at fair value.

Securities are classified as securities available for sale and are subsequently measured at fair value. Gains and losses arising from changes in fair value are recognized in the income statement.

Fair value is stated as the listed price of listed securities.

Equity investments which are not traded in an active market and in respect of which the fair value cannot be calculated in a sufficiently reliable manner are measured at cost.

Securities and investments are included in the category financial assets available for sale. Financial assets available for sale are financial assets which cannot be classified as either loans or receivables, financial assets measured at fair value via the income statement or held-to-maturity financial assets.

Equity
Equity instruments issued by the company are recognized at the proceeds received, net of direct costs.

Accumulated fair value adjustment includes the accumulated net change in the fair value of hedging transactions satisfying the criteria for hedging of future cash flows and where the hedged transaction has not yet been completed.

Accumulated translation adjustment includes all translation adjustments arising on translation of the financial statements of entities with a functional currency other than Danish kroner, and translation adjustments concerning assets and liabilities that are part of the group's net investment in such entities as well as translation adjustments concerning hedging transactions hedging the group's net investment in such entities.

Dividend is recognized as a liability at the time of adoption by the general meeting.

The acquisition of treasury shares is recognized directly in equity at cost under 'Retained earnings'. Proceeds from the disposal of treasury shares and dividends received are also recognized directly in equity.

Retirement benefit obligations
Payments to defined-contribution plans are charged as an expense for the period in which the employee has performed the work entitling him or her to the payments. Payments to state-managed retirement benefit plans are treated as payments to defined-contribution plans where the group's obligations under the plan are equivalent to those arising in a defined-contribution plan.

For defined-benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the period in which they occur. They are not recognized in the income statement but presented as other comprehensive income in the statement of comprehensive income.

Pension costs relating to previous years are recognized immediately in the income statement if the vesting period has terminated, and is otherwise depreciated on a straight-line basis over the average period until the vesting period terminates.

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined-benefit obligation reduced by the fair value of plan assets. Any net asset cannot exceed the present value of refunds and reductions in future contributions to the plan.

The cost of providing benefits for defined-benefit plans specified in note 23 represents DKK 4 million (DKK 2 million). The management has estimated that the obligation is immaterial for the group and has omitted specifications requested by IAS 19.

Provisions
Provisions are recognized when the group, following a past event, has a legal or constructive obligation, the settlement of which is expected to result in an outflow from the company of economic benefits. Provisions are measured as the best estimate of the expenses necessary to discharge the liabilities as at the balance sheet date. Provisions expected to fall due more than one year from the balance sheet date are measured at present value.

Payables
Interest-bearing bank loans and overdrafts etc. are recognized initially at fair value, net of direct borrowing costs.

Subsequent measurements are made at amortized cost. Finance costs, including premiums payable on settlement or redemption and direct costs, are accounted for on an accrual basis in the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that the loans are not settled in the period in which they arise. As regards securitization arrangements, under which not all financial risks and benefits have been transferred to a third party, the related obligation is recognized under interest-bearing liabilities.

Trade payables
Trade payables are non-interest-bearing and are measured on initial recognition at fair value. Subsequent measurements are made at amortized cost.

Deferred income
Deferred income under liabilities comprises income received in respect of future financial years. Deferred income is measured at cost.

Derivative financial instruments and foreign currency hedging
The group's activities expose it primarily to the financial risks of changes in exchange rates and interest rates. The group uses, among other things, forward exchange contracts and interest rate swap contracts to hedge these exposures.

Derivative financial statements are measured at cost on initial recognition. Subsequent measurements are made at fair value.

Changes in the fair values of derivative financial instruments that are designated and effective as hedges of future cash flows are recognized directly in other comprehensive income, and the ineffective portion is recognized immediately in the income statement. If the hedging of a cash flow from a firm commitment or forecast transaction results in the recognition of an asset or a liability, amounts offset against other comprehensive income are transferred from other comprehensive income and recognized in the cost of the asset or liability. Where the forecast transaction results in income or expenses, amounts offset against other comprehensive income are transferred to the income statement. The transfer is effected in the period in which the hedged transaction is completed.

Changes in the fair values of derivative financial instruments, classified as and satisfying the criteria for hedging of the fair value of a recognized asset or a recognized liability, are recognized in the income statement together with the changes in value of the hedged asset or hedged liability.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the income statement as they arise.

Cash flow statement
The cash flow statement, which is presented in accordance with the indirect method, shows cash flows by operating, investing and financing activities for the year, changes in cash and cash equivalents for the year and cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the net profit or loss adjusted for non-cash operating items, changes in working capital, including securitization debt, interest income and expenses and income tax.

Cash flows from investing activities comprise payments made in connection with the acquisition and divestment of enterprises, the purchase and sale of intangible assets, property, plant and equipment and financial assets as well as dividend received from associates.

Cash flows from financing activities comprise changes in share capital and the arrangement and repayment of loans, repayments of interest-bearing debt, the purchase and sale of treasury shares, the purchase of minority shares and the distribution of dividend.

Cash and cash equivalents comprise cash and securities, net of the share of the short-term bank debt included in the company's continuous liquidity management.

The cash-flow statement cannot be compiled exclusively on the basis of the published financial statements.

Segment information
The segment information includes five regions and five business segments. The group's regions are: Europe, North America, Latin America, International and Global activities. The segment information complies with the group's accounting policies and internal financial management.

In Q4 2013, the regional segmentation was changed so that the CIS countries (Russia, Ukraine etc.) are now included in region Europe, rather than region International. The comparative figures for 2012 have been restated accordingly, as can be seen from the segment information in note 2.

Segment income and expenses and segment assets and liabilities comprise items which are directly attributable to the individual segment and items that can be reliably distributed onto the individual segments. Undistributed items primarily concern assets and liabilities as well as income and expenses associated with the group's administrative functions, investing activities, income tax etc.

Non-current assets in the segments comprise assets which are used directly in the operation of the segment, including intangible assets and property, plant and equipment as well as equity investments in associates. Current assets in the segments comprise assets which are directly associated with the operation of the segment, including inventories, trade receivables, other receivables and cash.

Liabilities associated with the segments comprise liabilities which are derived from the operation of the segment, including trade payables, provisions and other payables.

NOTE 2 – REVENUE – SEGMENT INFORMATION

Unless otherwise indicated, all figures are stated in DKK '000.

Auriga's activities are segmented by geographical regions based on the group's reporting structure.

Regions 2013:	Europe	North America	Latin America	Inter-national	Global activities	Group elimination	Group
Revenue including internal revenue	2,778,291	619,140	2,442,926	1,430,287	389,964	-	**7,660,608**
Internal revenue	256,202	14,213	458,059	334,385	-	-	**1,062,859**
Revenue	2,520,089	604,927	1,984,867	1,095,902	389,964	-	**6,597,749**
Operating profit/(loss)	297,897	81,264	209,984	55,055	(7,595)	-	**636,605**
Profit/(loss) after tax from investments in associates	-	-	-	(949)	(520)	-	**(1,469)**
Net financials	-	-	-	-	-	-	**(217,883)**
Profit/(loss) before tax	-	-	-	-	-	-	**417,253**
Tax on profit/(loss) for the year	-	-	-	-	-	-	**125,869**
Net profit/(loss) for the year	-	-	-	-	-	-	**291,384**
Assets	988,776	263,149	2,178,025	1,068,286	1,842,778	-	**6,341,014**
Liabilities	514,993	204,011	1,896,898	785,956	674,001	-	**4,075,859**
Investments in intangible assets, property, plant and equipment	15,923	4,061	3,051	53,263	261,585	(22,220)	**315,663**
Depreciation and amortization	18,959	1,381	4,287	20,233	139,236	-	**184,096**
Impairment losses and write-downs	1,119	-	-	-	6,768	-	**7,887**

The regional segmentation was changed in Q4 2013: The CIS countries have been transferred from region International to region Europe. Comparative figures for 2012 have been restated accordingly.

Activities are divided into four geographical regions: Europe (including CIS countries: Russia, Ukraine etc.), North America, Latin America and International (India, Australia, New Zealand, Asia, the Middle East and Africa). Global activities include Cheminova's sales of fine chemicals and the parent's direct sales to global contract customers.

Revenue is broken down by geographical location of customers.

The operating profit for Europe includes the gain on sale of Stähler Switzerland of DKKm 48.8.

Regions 2012:	Europe	North America	Latin America	Inter-national	Global activities	Group elimination	Group
Revenue including internal revenue	2,678,388	494,396	2,522,914	1,213,546	341,472	(156)	**7,250,560**
Internal revenue	198,302	8,974	571,184	206,895	2,663	-	**988,018**
Revenue	2,480,086	485,422	1,951,730	1,006,651	338,809	(156)	**6,262,542**
Operating profit/(loss)	179,872	58,828	205,709	57,744	(95,620)	-	**406,533**
Profit/(loss) after tax from investments in associates	-	-	-	(1,642)	-	-	**(1,642)**
Profit/(loss) on sale of investments	(578)	-	-	-	(15,592)	-	**(16,170)**
Net financials	-	-	-	-	-	-	**(214,592)**
Profit/(loss) before tax	-	-	-	-	-	-	**174,129**
Tax on profit/(loss) for the year	-	-	-	-	-	-	**51,309**
Net profit/(loss) for the year	-	-	-	-	-	-	**122,820**
Assets	1,038,546	252,243	2,408,506	961,492	1,720,273	-	**6,381,060**
Liabilities	668,805	184,097	2,167,291	696,097	620,321	-	**4,336,611**
Investments in intangible assets, property, plant and equipment	12,256	3,737	2,703	49,807	237,390	-	**305,893**
Depreciation and amortization	24,940	2,356	5,465	16,776	119,702	-	**169,239**
Impairment losses and write-downs	-	-	-	-	827	-	**827**
Rental income, investment properties	-	-	-	-	4,007	(156)	**3,851**
Operating expenses, investment properties	-	-	-	-	3,276	-	**3,276**
Investments in associates	-	-	-	6,506	-	-	**6,506**

The profit/(loss) for Global activities includes compensation in connection with the arbitration case of DKKm 95.2.
The investment property Auriga Ejendomme A/S, which is part of Global activities, was sold on June 29, 2012.

NOTE 2 – REVENUE – SEGMENT INFORMATION (CONTINUED)

Revenue by product types:	Herbi-cides	Insecti-cides	Fungi-cides	Other Crop protection products	Other activities	Group elimination	Group
Revenue, 2013	1,814,347	2,659,478	1,326,397	383,455	414,072	-	**6,597,749**
Revenue, 2012	1,701,616	2,578,022	1,310,784	357,839	314,437	(156)	**6,262,542**

Other crop protection products include micronutriens and growth regulators. Other activities include the company´s sales of a number of intermediates and flotation agents for the mining industry (fine chemicals) and Auriga Ejendomme.

It has not been possible to distribute assets by product group.

Revenue split on Denmark and rest of world:	Denmark	Rest of world	Group
Revenue, 2013	108,910	6,488,839	**6,597,749**
Revenue, 2012	85,878	6,176,664	**6,262,542**

Non-current assets:	Denmark	Rest of world	Group
Non-current assets, 2013	1,465,739	356,846	**1,822,585**
Non-current assets, 2012	1,356,616	364,984	**1,721,600**

NOTE 3 – COSTS

Production costs

Production costs include cost of sales, comprising the following main items:	Group	
	2013	**2012**
Cost of sales for the year	4,477,212	4,241,618
Write-downs for the year relating to inventories	11,263	13,175
Reversed write-downs relating to inventories	(5,358)	(6,026)

Reversed write-downs relating to inventories totaling DKKm 5 concern Brazil, France and Russia.
Reversed write-downs in 2012 relating to inventories totaling DKKm 6 concern the USA, Canada, Brazil, France and Russia.

Staff costs

Staff costs include the following main items:	Group		Parent	
	2013	**2012**	**2013**	**2012**
Wages and salaries	732,513	711,574	3,746	2,681
Severance pay	10,713	2,538	1,585	-
Retirement benefit payments	42,583	45,445	345	345
Remuneration for the Board of Directors	2,737	2,675	2,737	2,675
Social security expenses	56,703	54,560	20	20
Other staff costs	51,291	28,193	-	-
Total staff costs	**896,540**	844,985	**8,433**	5,721

NOTE 3 – COSTS (CONTINUED)

Staff costs are recognized as follows:	Group		Parent	
	2013	2012	2013	2012
Production costs	357,787	326,195	-	-
Selling and distribution costs	273,219	262,579	-	-
Administrative costs	162,241	156,757	8,433	5,721
Development and registration costs	103,293	99,454	-	-
Total staff costs	**896,540**	844,985	**8,433**	5,721

The groups remuneration of Board of Directors, Executive Board and senior employees:	Board of Directors		Executive Board of Auriga Industries A/S		Senior employees in the group	
	2013	2012	2013	2012	2013	2012
Remuneration	-	-	4,135	3,110	12,400	13,019
Remuneration for the Board of Directors	2,737	2,675	-	-	-	-
Retirement benefit contributions	-	-	26	-	1,494	1,513
Severance pay	-	-	3,523	-	2,611	-
Bonus	-	-	1,873	1,050	5,198	5,850
Total	**2,737**	2,675	**9,557**	**4,160**	**21,703**	20,382

Members of the Executive Board and senior employees each have a company car at their disposal. Cheminova's top management, the Global Executive Committee (GEC), consists of the Executive Board and 7 (2012: 9) senior employees.

The parent company´s remuneration of Board of Directors, Executive Board and senior employees:	Board of Directors		Executive Board of Auriga Industries A/S	
	2013	2012	2013	2012
Remuneration	-	-	2,061	1,121
Remuneration for the Board of Directors	2,737	2,675	-	-
Retirement benefit contributions	-	-	26	-
Severance pay	-	-	1,586	-
Bonus	-	-	890	473
Total	**2,737**	2,675	**4,563**	1,594

Average no. of employees:	Group		Parent	
	2013	2012	2013	2012
Average no. of employees	**2,204**	2,148	**2**	2

Depreciation and impairment losses

Expenses include depreciation, amortization, impairment losses and write-downs distributed on the following groups of expenses:		Group	
	Note	2013	2012
Production costs		81,866	72,412
Selling and distribution costs		33,740	36,618
Administrative costs		40,859	46,264
Development and registration costs		27,631	14,772
Total depreciation, amortization, impairment losses and write-downs		**184,096**	170,066
Depreciation, amortization, impairment losses and write-downs are distributed on the following assets:			
Amortization of intangible assets	13	78,792	72,709
Impairment of intangible assets	13	7,865	827
Depreciation of property, plant and equipment	14	97,417	96,530
Impairment of property, plant and equipment	14	22	-
Total depreciation, amortization, impairment losses and write-downs		**184,096**	170,066

NOTE 4 – INCENTIVE SCHEMES

The company's remuneration policy, which was adopted at the annual general meeting in 2011, has been published on the company website and sets out the company's general guidelines concerning performance-related remuneration of the Board of Directors and the Executive Board.

The members of the Board of Directors are not comprised by any incentive scheme, but receive a fixed annual remuneration.

Bonus scheme, Executive Board:

A bonus pay agreement has been made with the Executive Board for FY 2013. Under the agreement, a cash bonus can be earned in 2013 to be disbursed over a four-year period based on the development in Auriga's share price (shadow shares). The size of the cash bonus depends on the earnings and value created in FY 2013 in Cheminova A/S. The bonus scheme is expensed on an ongoing basis, based on the expected payments to be made in 2014-2017. The bonus pay earned for the year and disbursed can maximally amount to the fixed annual pay, regardless of the development in the price of the Auriga share. As regards the Executive Board's bonus scheme, provisions had been made at the end of 2013 totaling DKKm 1.3 for the 2013 scheme, DKKm 1.4 (DKKm 1.1 in 2012) for the 2012 scheme and DKKm 0.7 (DKKm 0.5 in 2012) for the 2011 scheme.

Other incentive schemes:

Incentive schemes for senior employees who are not members of the company's Executive Board are administered in accordance with the overall guidelines.

NOTE 5 – REMUNERATION FOR AUDITORS APPOINTED BY THE GENERAL MEETING

	Group		Parent	
	2013	**2012**	**2013**	**2012**
Deloitte, audit of annual report	5,058	6,347	275	300
Deloitte, other assurance engagements	123	24	-	-
Deloitte, tax advice	3,400	3,189	-	-
Deloitte, other services	2,006	936	137	242
Other audit firms, audit of annual report	119	74	-	-
Other audit firms, tax advice	30	-	-	-
Other audit firms, other services	32	-	-	-
Total	**10,768**	10,570	**412**	542

NOTE 6 – OTHER OPERATING INCOME

	Group		Parent	
	2013	**2012**	**2013**	**2012**
Reversal of provisions	13,780	1,064	-	-
Proceeds from sale of non-current assets etc.	4,414	15,477	-	-
Divestment of Stähler Switzerland	56,288	-	-	-
Compensation regarding registration rights	10,765	9,056	-	-
Energy conservation subsidies	-	1,046	-	-
Other income	16,521	9,317	200	200
Total	**101,768**	35,960	**200**	200

Other income of DKKm 16.5 (DKKm 9) pertains, among other things, to various payments and compensations.

NOTE 7 – SPECIAL ITEMS, COSTS

The termination of a commercial supply contract with an industrial customer in the USA in August 2010 has subsequently led to a dispute which has been settled by arbitration, as stipulated in the contract. According to the contract, the award of the arbitration tribunal is final and binding for both parties. The customer has been awarded compensation, including own legal fees, of DKKm 95.2. The amount was paid in December 2012.

No further costs have been recognized in respect of the case in 2013.

NOTE 8 – NET FINANCIALS

	Group		Parent	
	2013	**2012**	**2013**	**2012**
Financial income:				
Interest income	111,044	91,462	357	465
Foreign currency translation adjustments	183,805	224,430	-	-
Fair value adjustment, financial assets	-	761	-	761
Total	**294,849**	316,653	**357**	1,226
Financial expenses:				
Interest expenses to subsidiaries	-	-	(1,561)	(2,396)
Interest expenses	(308,367)	(284,623)	(1,294)	(1,477)
Foreign currency translation adjustments	(204,325)	(246,377)	-	-
Fair value adjustment, financial assets	(40)	(245)	(40)	(245)
Total	**(512,732)**	(531,245)	**(2,895)**	(4,118)
Total net financials	**(217,883)**	(214,592)	**(2,538)**	(2,892)

In 2013, DKKm 12 (DKKm 8) has been included in the cost price of constructed assets. Recognition is based on an effective interest rate of 3.6% (2.8%), corresponding to the group's weighted average borrowing costs in respect of general borrowing. No specific loans have been arranged for the construction or development of assets.

Financial items measured at amortized cost:	Group		Parent	
	2013	**2012**	**2013**	**2012**
Interest income from financial assets	111,044	91,462	357	465
Interest expenses in respect of financial liabilities	(308,367)	(284,623)	(2,855)	(3,873)

Net gain/loss on financial assets and liabilities, defined in IAS 39:	Group		Parent	
	2013	**2012**	**2013**	**2012**
Fair value adjustment of derivative financial instruments	60,152	(12,140)	(40)	516
Derivative financial instruments	**60,152**	(12,140)	**(40)**	516
Interest income	107,087	89,568	357	465
Interest expenses	(295,476)	(275,381)	(2,855)	(3,873)
Fee expenses	(18,774)	(4,626)	-	-
Foreign exchange gain	33,399	112,267	-	-
Foreign exchange loss	(58,629)	(127,267)	-	-
Loans and receivables	**(232,393)**	(205,439)	**(2,498)**	(3,408)
Interest income	1,223	789	-	-
Interest expenses	(3,221)	(5,635)	-	-
Foreign exchange gain	103,086	125,724	-	-
Foreign exchange loss	(146,730)	(117,891)	-	-
Financial liabilities measured at amortized cost	**(45,642)**	2,987	**-**	-
Total	**(217,883)**	(214,592)	**(2,538)**	(2,892)

Ineffectiveness in respect of hedging transactions of DKKm 0,8 (DKKm -1.4) is included in financial liabilities measured at amortized cost.

NOTE 9 – TAX ON PROFIT/(LOSS) FOR THE YEAR

	Group		Parent	
	2013	**2012**	**2013**	**2012**
Tax for the year can be categorized as follows:				
Tax on profit/(loss) for the year	125,869	51,309	1,510	(7,896)
Tax on other comprehensive income, financial instruments and translation adjustment of loans	4,189	4,827	-	-
Tax for the year	**130,058**	56,136	**1,510**	(7,896)
Tax on profit/(loss) for the year is calculated as follows:				
Current tax	84,177	91,085	-	(7,896)
Deferred tax	17,990	(37,490)	-	-
Effect of changed tax rate	1,780	-	-	-
Adjustment of tax relating to previous years	21,922	(2,286)	1,510	-
Total	**125,869**	51,309	**1,510**	(7,896)
Reconciliation of tax rate:				
Danish income tax rate	25.0%	25.0%	25.0%	25.0%
Adjustment relating to previous years	7.3%	(1.3%)	(23.1%)	0.0%
Effect of changed tax rate	0.4%	0.0%	0.0%	0.0%
Surtax in subsidiaries	4.9%	7.7%	0.0%	0.0%
Non-capitalized tax losses	0.9%	0.0%	0.0%	0.0%
Capitalization of tax losses for previous years	(2.9%)	0.0%	0.0%	0.0%
Use of non-capitalized tax losses	(7.0%)	(6.6%)	0.0%	0.0%
Dividend tax etc.	0.3%	5.8%	0.0%	0.0%
Other adjustments	1.3%	(1.1%)	0.0%	(9.7%)
Effective tax rate	**30.2%**	29.5%	**1.9%**	15.3%

In the above tax for 2013, a preliminary provision of DKKm 19 has been included in the adjustment relating to previous years concerning the transfer pricing audit.

NOTE 10 – EARNINGS PER SHARE

	Group	
	2013	**2012**
Net profit/(loss) for the year	291,384	122,820
Minority interests' share of the net profit/(loss) for the year	(1,001)	(697)
Auriga Industries A/S's share of the net profit/(loss) for the year	**290,383**	122,123
Average no. of shares of DKK 10 each	25,500,000	25,500,000
Average no. of treasury shares	(125,680)	(125,680)
Average no. of shares	**25,374,320**	25,374,320
Diluted average no. of shares	**25,374,320**	25,374,320
Earnings per share of DKK 10 each	11.44	4.81
Diluted earnings per share of DKK 10 each	11.44	4.81

NOTE 11 – CASH FLOW

Cash flow, other adjustments:	Group		Parent	
	2013	2012	2013	2012
Net financials	171,337	214,592	2,538	2,892
Tax on profit/(loss) for the year	125,869	51,309	1,510	(7,896)
Adjustment of provisions	(39,126)	67,968	-	-
Translation adjustments	133,630	107,807	-	-
Other	4,230	(1,324)	(3)	1
Total	**395,940**	440,352	**4,045**	(5,003)

Cash flow, change in working capital:	Group		Parent	
	2013	2012	2013	2012
Change in receivables	(339,792)	(249,780)	2,486	287
Change in inventories	(251,625)	(76,814)	-	-
Change in trade payables etc.	370,211	245,122	10,782	4,791
Change in factoring and securitization	159,760	187,857	-	-
Total	**(61,446)**	106,385	**13,268**	5,078

NOTE 12 – CASH

	Group		Parent	
	2013	2012	2013	2012
Cash and cash equivalents as at January 1 include:				
Beginning of year	(458,893)	(645,450)	(52,874)	72,906
Value adjustment	62,633	38,197	-	-
Cash and cash equivalents as at January 1	**(396,260)**	(607,253)	**(52,874)**	72,906
Cash and cash equivalents as at December 31 include:				
Securities	195	235	195	235
Cash	338,080	402,637	-	-
Bank debt	(541,215)	(861,765)	(59,349)	(53,109)
Cash and cash equivalents as at December 31	**(202,940)**	(458,893)	**(59,154)**	(52,874)
Liquidity:				
Unexercised drawing rights	1,932,007	1,146,277	15,651	21,891

NOTE 13 – INTANGIBLE ASSETS, GROUP

	Goodwill	Sales and registration rights etc.	Know-how	Software	Completed develop-ment projects	Intangible assets under de-velopment	Intangible assets, total
Cost as at January 1, 2012	440,375	479,892	239,422	121,669	-	300,827	1,582,185
Foreign currency translation adjustment	162	363	-	(189)	-	-	336
Transfer	-	(5,083)	-	31,143	128,447	(154,478)	29
Additions during the year	-	9,725	-	30,688	17,380	131,803	189,596
Disposals during the year	-	(522)	-	(1)	-	-	(524)
Cost as at December 31, 2012	**440,537**	**484,376**	**239,422**	**183,309**	**145,827**	**278,152**	**1,771,623**
Amortization and impairment losses as at January 1, 2012	24,261	292,372	226,512	33,216	-	4,605	580,966
Foreign currency translation adjustment	16	(1)	-	(7)	-	-	8
Transfer	-	(681)	-	20	681	-	20
Reversed amortization and impairment losses on disposals for the year	-	(517)	-	(1)	-	-	(519)
Amortization during the year	-	36,462	11,502	19,965	4,781	-	72,709
Impairment losses during the year	-	-	-	-	-	827	827
Amortization and impairment losses as at December 31, 2012	**24,277**	**327,635**	**238,014**	**53,192**	**5,462**	**5,432**	**654,012**
Carrying amount as at December 31, 2012	**416,260**	**156,741**	**1,408**	**130,117**	**140,365**	**272,720**	**1,117,611**
Cost as at January 1, 2013	440,537	484,376	239,422	183,309	145,827	278,152	1,771,623
Foreign currency translation adjustment	(126)	(571)	1	(603)	(1)	(2)	(1,302)
Transfer	-	-	-	-	103,742	(103,742)	-
Additions during the year	1,068	4,841	-	32,615	32,476	134,387	205,387
Disposals during the year	(7,455)	-	-	(6,715)	-	(6,688)	(20,858)
Cost as at December 31, 2013	**434,024**	**488,646**	**239,423**	**208,606**	**282,044**	**302,107**	**1,954,850**
Amortization and impairment losses as at January 1, 2013	24,277	327,635	238,014	53,192	5,462	5,432	654,012
Foreign currency translation adjustment	-	(704)	-	(516)	-	-	(1,220)
Reversed amortization and impairment losses on disposals for the year	-	-	-	(3,806)	-	-	(3,806)
Amortization during the year	-	31,280	353	24,495	15,668	-	71,796
Impairment losses during the year	-	-	-	15	-	-	15
Amortization and impairment losses as at December 31, 2013	**24,277**	**358,211**	**238,367**	**73,380**	**21,130**	**5,432**	**720,797**
Carrying amount as at December 31, 2013	**409,747**	**130,435**	**1,056**	**135,226**	**260,914**	**296,675**	**1,234,053**
Amortized over the following number of years		**5-10 years**	**5-10 years**	**3-10 years**	**5-10 years**		

Intangible assets under construction comprise the costs of the group's development projects and current investments in SAP, which are recognized as described in the accounting policies.

Goodwill
Goodwill in connection with the acquisition of enterprises is distributed at the time of acquisition on the cash-generating units expected to enjoy the financial advantages of the combination. The useful life of goodwill is undetermined.

Impairment test for goodwill
Pursuant to the rules contained in IAS 36, the management has carried out an impairment test of the carrying amount of goodwill as at December 31, 2013. For each cash-generating unit (CGU), the impairment test compares the discounted value of future cash flows and earnings with the carrying amounts. The impairment tests carried out have not given rise to impairment losses on goodwill.

Goodwill is allocated to the group's CGUs, with DKKm 328 (DKKm 334) on Europe, DKKm 48 (DKK 48) on Latin America and DKKm 34 (DKKm 34) on International. Impairment tests have been carried out for the individual subsidiaries in the group. A relative goodwill split on local and global has been carried out through impairment test of the local part relative to the local earnings and of the global part relative to the global consolidated margin, therefore comparative figures for 2012 has been adjusted.

Future cash flow and earnings are based on the budget for 2014 and business plan for 2015-2017. The budget and the business plan rest on specific commercial assessments of the business areas. For the period after 2017, the calculation of the terminal value is based on a growth rate of 2%. The growth rate applied does not exceed the average expected growth rate for the individual CGUs.

Sensitivity analyses based on break-even analyses on earnings and WACC have been carried out to establish whether changes in key assumptions will entail a need for impairment. Probable changes in the fundamental key assumptions will not entail a need for impairment.

The calculations for goodwill allocated for Europe and International are based on a discount factor (WACC) of 9% after tax, 10% before tax, corre-sponding to the group's estimated average capital costs. Calculations regarding the Latin American companies and India (International) are based on a discount factor of 12% after tax and 13% before tax.

NOTE 14 – PROPERTY, PLANT AND EQUIPMENT, GROUP

	Land and buildings	Technical plant and machinery	Fixtures and fittings, tools and equipment	Invest-ment properties	Plant under con-struction	Property, plant and equipment total
Cost as at January 1, 2012	610,843	2,246,874	323,120	143,484	41,085	3,365,406
Foreign currency translation adjustment	(668)	(1,590)	(6,210)	-	(632)	(9,099)
Transfer	3,534	22,857	(109)	-	(26,311)	(29)
Additions during the year	13,649	83,023	17,361	78	3,462	117,573
Disposals during the year	-	(41)	(18,491)	(143,562)	-	(162,094)
Cost as at December 31, 2012	**627,358**	**2,351,123**	**315,671**	**-**	**17,605**	**3,311,757**
Depreciation and impairment losses as at January 1, 2012	411,351	2,006,493	243,658	40,980	-	2,702,482
Foreign currency translation adjustment	(911)	(2,729)	(3,254)	-	-	(6,894)
Transfer	-	81	(101)	-	-	(20)
Reversed depreciation and impairment losses on disposals for the year	-	(32)	(11,972)	(42,440)	-	(54,444)
Depreciation during the year	18,139	54,418	22,513	1,460	-	96,530
Depreciation and impairment losses as at December 31, 2012	**428,579**	**2,058,231**	**250,845**	**-**	**-**	**2,737,655**
Carrying amount as at December 31, 2012	**198,779**	**292,892**	**64,826**	**-**	**17,605**	**574,102**
Of which finance leases	**-**	**-**	**9,640**	**-**	**-**	**9,640**
Cost as at January 1, 2013	627,358	2,351,123	315,671	-	17,605	3,311,757
Foreign currency translation adjustment	(14,410)	(29,694)	(12,829)	-	3,060	(53,873)
Transfer	6,878	24,352	(21,116)	-	(10,114)	-
Additions during the year	9,211	53,826	15,569	-	4,495	83,101
Disposals during the year	(656)	(3,892)	(11,782)	-	-	(16,330)
Cost as at December 31, 2013	**628,381**	**2,395,715**	**285,513**	**-**	**15,046**	**3,324,655**
Depreciation and impairment losses as at January 1, 2013	428,579	2,058,231	250,845	-	-	2,737,655
Foreign currency translation adjustment	(4,560)	(17,484)	(5,284)	-	-	(27,328)
Reversed depreciation and impairment losses on disposals for the year	(541)	(2,860)	(9,914)	-	-	(13,315)
Depreciation during the year	17,231	63,337	14,968	-	-	95,536
Depreciation and impairment losses as at December 31, 2013	**440,709**	**2,101,224**	**250,615**	**-**	**-**	**2,792,548**
Carrying amount as at December 31, 2013	**187,672**	**294,491**	**34,898**	**-**	**15,046**	**532,107**
Of which finance leases	**-**	**-**	**5,823**	**-**	**-**	**5,823**
Depreciated over the following number of years	**15-30 years**	**8 years**	**5 years**	**30 years**		

NOTE 15 – INVESTMENTS IN SUBSIDIARIES

	Parent	
	2013	**2012**
Cost as at January 1	899,450	930,422
Disposals during the year	-	(30,972)
Cost as at December 31	**899,450**	**899,450**
Carrying amount as at December 31	**899,450**	**899,450**

The parent's investments and voting rights in subsidiaries comprise:	**Investments and voting rights in %**	
	2013	**2012**
Cheminova A/S, Harboøre, Denmark	100%	100%

NOTE 16 – FINANCIAL ASSETS, GROUP

	Investments in associates	Other financial assets	Financial assets total
Cost as at January 1, 2012	-	26,357	26,357
Foreign currency translation adjustment	-	(2,468)	(2,468)
Additions during the year	6,506	1,286	7,792
Disposals during the year	-	(5)	(5)
Cost as at December 31, 2012	**6,506**	**25,170**	**31,676**
Revaluation and impairment losses as at January 1, 2012	-	(36)	(36)
Foreign currency translation adjustment	-	(2)	(2)
Impairment losses during the year	-	(109)	(109)
Net profit/(loss) for the year	(1,642)	-	(1,642)
Revaluation and impairment losses as at December 31, 2012	**(1,642)**	**(147)**	**(1,789)**
Carrying amount as at December 31, 2012	**4,864**	**25,023**	**29,887**
Cost as at January 1, 2013	6,506	25,170	31,676
Foreign currency translation adjustment	-	(496)	(496)
Additions during the year	-	38,458	38,458
Disposals during the year	-	(8,121)	(8,121)
Cost as at December 31, 2013	**6,506**	**55,011**	**61,517**
Revaluation and impairment losses as at January 1, 2013	(1,642)	(147)	(1,789)
Foreign currency translation adjustment	-	2	2
Impairment losses during the year	-	(2,356)	(2,356)
Net profit/(loss) for the year	(949)	-	(949)
Revaluation and impairment losses as at December 31, 2013	**(2,591)**	**(2,501)**	**(5,092)**
Carrying amount as at December 31, 2013	**3,915**	**52,510**	**56,425**

Associates include:	**Investment in %**	
	2013	**2012**
Agrinova OPCO, Lebanon	35%	35%

Selected financial ratios for the group's associates:	**Group**	
	2013	**2012**
Revenue	36,503	24,425
Net profit/(loss) for the year	(1,833)	(4,262)
Current assets	31,679	25,880
Non-current assets	2,127	1,417
Current liabilities	36,969	28,196

NOTE 17 – OTHER FINANCIAL ASSETS, PARENT

	Parent	
	2013	**2012**
Cost as at January 1	13,451	13,451
Cost as at December 31	**13,451**	**13,451**
Disposals during the year	(2,356)	-
Revaluation and impairment as at December 31	**(2,356)**	**-**
Carrying amount as at December 31	**11,095**	**13,451**

NOTE 18 – INVENTORIES

	Group	
	2013	**2012**
Finished goods	949,188	1,005,887
Work in progress	345,238	192,463
Raw materials	245,579	245,317
Packaging materials	49,481	50,035
Spare parts etc.	106,814	103,668
Total	**1,696,300**	1,597,370

NOTE 19 – RECEIVABLES

Trade receivables:	Group	
	2013	**2012**
Trade receivables, end of year, gross	2,160,621	2,375,227
Write-down to cover bad debts, beginning of year	219,422	216,230
Value adjustment	(29,773)	(15,540)
Write-down for the year to cover bad debts	66,182	28,373
Reversed write-downs	(9,106)	(4,276)
Losses realized during the year	(20,579)	(5,365)
Write-down to cover bad debts, end of year	**226,146**	219,422
Trade receivables, end of year, net	**1,934,475**	2,155,805

Write-downs of receivables are included under selling and distribution costs.

The carrying amounts of receivables reflect the maximum risk of loss on receivables when taking into account the write-downs made. Write-down is carried out to cover expected bad debts based on individual assessments of the risk of loss.

Age distribution of non-written-down receivables due as at the balance sheet day:	Group	
	2013	**2012**
Under 3 months	261,627	260,499
3-6 months	34,327	50,443
6-12 months	11,377	32,162
1-2 years	14,596	20,971
More than 2 years	44,540	54,766
Total	**366,467**	418,841

Of receivables, approx. 58% (2012: 54%) have been covered by credit insurance, letters of credit, harvest mortgages and farms or other forms of guarantees. Security provided has been recognized at fair value.

Factoring and securitization

For the purpose of contributing to financing growth, Auriga's subsidiary Cheminova entered into factoring and securitization agreements with independent third-party financing institutions.

Factoring

In 2013, factoring was used by the group's companies in France, Spain, Denmark, Italy, India and Brazil. All agreements are non-recourse factoring agreements whereby the most important risks are transferred to the factoring company, and receivables are consequently reduced in the balance sheet. At the end of 2013, the outstanding amount is DKKm 5 (2012: DKKm 6).

Securitization

Securitization is the transfer of a portfolio of receivables to an established third party in return for a subordinated share of the receivables.

In December 2012, a transfer of receivables in Brazil was organized in the amount of DKKm 227. This program was settled in full in September 2013.

In connection with securitization in 2012, an agreement was made to the effect that Auriga retained the risk of any loss on the first 35% of the portfolio, and thus received only 65% of the amount upon conclusion of the agreement. Consequently, the greatest risk was deemed to still rest with Auriga, and thus receivables in the balance sheet were not reduced as the cash proceeds received was recognized as a liability.

In December 2013, a transfer of receivables in Brazil was organized in the amount of DKKm 169. This program is expected to be settled in full by october 2014. In connection with this securitization agreement, an agreement was made in December 2013, that all important risks and benefits are transferred to third parties, thus receivables was reduced in the balance sheet with the cash proceeds received and only the groups own risk share of 2% was recognized as a receivable.

NOTE 20 – SECURITIES

	Group		Parent	
	2013	**2012**	**2013**	**2012**
Listed shares	90	130	90	130
Unlisted securities	105	105	105	105
Total, fair value	**195**	235	**195**	235

NOTE 21 – SHARE CAPITAL

	Group		Parent	
	2013	**2012**	**2013**	**2012**
Share capital:				
Class A shares	75,000	75,000	75,000	75,000
Class B shares	180,000	180,000	180,000	180,000
Total share capital	**255,000**	255,000	**255,000**	255,000

The share capital has been fully paid in. The share capital has not changed in the past five years. Class A shares are non-negotiable and carry ten votes per DKK 10 share, while Class B shares carry one vote per DKK 10 share.

Treasury shares **Parent holding of Class B shares in Auriga Industries A/S:**	**No. of shares**		**Nominal value**		**% of share capital in Auriga Industries A/S**	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
Shareholding as at January 1	125,680	125,680	1,256,800	1,256,800	0.49%	0.49%
Shareholding as at December 31	**125,680**	125,680	**1,256,800**	1,256,800	**0.49%**	0.49%

	Group		Parent	
	2013	**2012**	**2013**	**2012**
Value of treasury shares as at December 31	23,314	10,997	23,314	10,997

NOTE 22 – DEFERRED TAX

	Group	
	2013	2012
Deferred tax as at January 1	184,058	147,579
Foreign currency translation adjustment	2,194	(66)
Deferred tax for the year recognised in net profit/(loss) for the year	(9,853)	37,490
Deferred tax for the year recognized in other comprehensive income	1,260	(945)
Deferred tax as at December 31	**177,659**	184,058
Deferred tax is recognized in the balance sheet as follows:		
Deferred tax (asset)	182,484	190,213
Deferred tax (liability)	(4,825)	(6,155)
Deferred tax as at December 31, net	**177,659**	184,058
Deferred tax pertains to:		
Intangible assets	(16,323)	24,493
Property, plant and equipment	37,970	29,006
Current assets	50,720	41,000
Provisions	10,080	11,067
Other liabilities	(469)	(6,500)
Tax losses allowed for carryforward	95,681	84,992
Total deferred tax	**177,659**	**184,058**

Change in temporary differences during the year:	Group, 2013				
	Balance sheet Jan. 1	Foreign currency translation adjustment	Recognized in net profit/(loss) for the year	Recognized in other comprehen-sive income	Balance sheet Dec. 31
Intangible assets	24,493	(2,575)	(38,241)	-	(16,323)
Property, plant and equipment	29,007	590	8,373	-	37,970
Receivables	5,892	(274)	9,389	-	15,007
Inventories	57,886	5,784	(5,183)	-	58,487
Other current assets	(22,779)	(10)	15	-	(22,774)
Provisions	11,067	(874)	(113)	-	10,080
Other liabilities	(6,500)	(233)	5,004	1,260	(469)
Tax losses	84,992	(214)	10,903	-	95,681
Total	**184,058**	**2,194**	**(9,853)**	**1,260**	**177,659**

	Group, 2012				
	Balance sheet Jan. 1	Foreign currency translation adjustment	Recognized in net profit/(loss) for the year	Recognized in other comprehen-sive income	Balance sheet Dec. 31
Intangible assets	(25,008)	4	49,497	-	24,493
Property, plant and equipment	8,840	161	20,005	-	29,007
Receivables	5,984	(74)	(18)	-	5,892
Inventories	32,895	24	24,967	-	57,886
Other current assets	(22,760)	(3)	(15)	-	(22,779)
Provisions	(2,194)	17	13,243	-	11,067
Other liabilities	4,839	(85)	(10,308)	(945)	(6,500)
Tax losses	144,983	(111)	(59,880)	-	84,992
Total	**147,579**	**(66)**	**37,490**	**(945)**	**184,058**

NOTE 22 – DEFERRED TAX, CONTINUED

	Group		Parent	
	2013	2012	2013	2012
Deferred tax for the Danish companies is calculated at a rate of	22-24,5%	25%	-	-
Deferred tax for the group's foreign companies is based on the applicable local tax rates	9-35%	9%-38%	-	-
Retaxation liability from jointly taxed foreign subsidiaries	2,775	2,775	2,775	2,775
Recognized tax losses for the year concerning not previously recognized tax losses	99,854	39,395	-	-
Non-capitalized tax losses	310,919	542,575	-	-
Capitalized tax losses	232,323	139,577	-	-
Expiry date for capitalization of tax losses:				
1-5 years	137,574	125,508	-	-
More than 5 years	13,927	43,162	-	-
No expiry	391,741	513,482	-	-
Total	**543,242**	682,152	**-**	-

Sale of shares in group enterprises and associates may imply increased taxation.

As regards the tax value of tax losses which can be carried forward and which are included in the balance sheet, it is deemed to be sufficiently likely that the loss will be capitalized within the foreseeable future.

NOTE 23 – PROVISIONS

Retirement benefit obligations and other provisions comprise:	Group		Parent	
	2013	2012	2013	2012
Retirement benefit provisions, beginning of year	13,810	6,720	450	450
Foreign currency translation adjustment	(1,575)	933	-	-
Provisions for the year	6,847	3,783	-	-
Used during the year	(7,078)	-	-	-
Reversed provisions during the year	(373)	(117)	-	-
Adjustment of present value	-	2,491	-	-
Retirement benefit provisions, end of year	**11,631**	13,810	**450**	450
Other provisions, beginning of year	108,140	47,614	-	-
Foreign currency translation adjustment	(3,888)	(403)	-	-
Provisions for the year	22,213	91,288	-	-
Used during the year	(49,103)	(9,752)	-	-
Reversed provisions during the year	(8,864)	(20,607)	-	-
Other provisions, end of year	**68,498**	108,140	**-**	-
Retirement benefit obligations and other provisions, end of year	**80,129**	121,950	**450**	450
Expected date of maturity for provisions:				
Under 1 year	17,195	26,948	215	215
1-5 years	53,002	78,156	235	235
More than 5 years	9,932	16,846	-	-
Retirement benefit obligations and other provisions, end of year	**80,129**	121,950	**450**	450

Other provisions of DKKm 68 (DKKm 108) concern provisions for environmental responsibilities, special holidays, claims for compensation etc.

Other provisions are recognized as follows in the balance sheet:	Group		Parent	
	2013	2012	2013	2012
Non-current liabilities:				
Retirement benefit obligations	6,524	13,595	235	235
Other provisions	56,410	81,407	-	-
Current liabilities:				
Other provisions	17,195	26,948	215	215
Total	**80,129**	121,950	**450**	450

NOTE 23 – PROVISIONS, CONTINUED

Defined-benefit plans:

The group's foreign subsidiaries have entered into agreements concerning the payment of certain benefits, including retirement benefits. These commitments (defined-benefit plans) are unfunded or only partly funded. In case of defined-benefit plans, the employer is obliged to disburse certain benefits, for example retirement benefits. The employer bears the risk of the future development in interest rates, inflation and mortality etc. as regards the amount to be disbursed to the employee. In the consolidated financial statements, liabilities include DKKm 4 (DKKm 2) relating to the group's commitments towards current and former employees after deduction of the plan assets. The defined-benefit plans concern the group's employees in India, and the plan assets of DKKm 4 (DKKm 4) are all placed with a pension provider. The uncovered commitments are recognized in the balance sheet and income statement as set out below.

	Group	
	2013	**2012**
Retirement benefit obligations:		
Present value of defined-benefit plans	7,971	5,574
Fair value of plan assets	(3,645)	(3,932)
Net liability recognized in the balance sheet	**4,326**	1,642

As mentioned in accounting policies the note requirements in IAS 19 is not incorporated on defined-benefit plans.

NOTE 24 – INTEREST-BEARING DEBT

Mortgage debt, payables to credit institutions, lease commitments and employee bonds are recognized in the balance sheet as follows:	Group		Parent	
	2013	**2012**	**2013**	**2012**
Non-current liabilities:				
Mortgage debt	173,945	187,530	-	-
Payables to credit institutions	1,225,638	1,143,982	-	-
Lease commitments	1,888	3,481	-	-
Employee bonds	7,144	11,640	-	-
Total	**1,408,615**	1,346,633	**-**	-
Current liabilities:				
Mortgage debt	8,049	40,931	-	-
Payables to credit institutions	541,215	993,657	59,349	53,109
Lease commitments	2,742	5,083	-	-
Employee bonds	4,491	2,075	-	-
Total	**556,497**	1,041,746	**59,349**	53,109
Total, amortized cost	**1,965,112**	2,388,379	**59,349**	53,109
Fair value	**1,965,112**	2,388,379	**59,349**	53,109
Nominal value	**1,965,112**	2,388,379	**59,349**	53,109
Maturity periods:				
Under 1 year	556,497	1,041,746	59,349	53,109
1-5 years	1,408,615	1,247,981	-	-
More than 5 years	-	98,652	-	-
Total	**1,965,112**	2,388,379	**59,349**	53,109

NOTE 25 – LEASE COMMITMENTS

Finance leases:	Group	
	2013	**2012**
Minimum lease payments:		
Under 1 year	3,495	6,050
1-5 years	1,976	3,980
Total minimum lease payments	**5,471**	10,030
Of which interest	842	1,466
Present value of minimum lease payments	**4,629**	8,564
Present value:		
Under 1 year	2,741	5,083
1-5 years	1,888	3,481
Total present value	**4,629**	8,564
Specification of finance leases:		
IT equipment	833	2,009
Trucks	583	1,133
Vehicles	3,213	5,422
Total finance leases	**4,629**	8,564

The group has entered into finance leases concerning operating equipment, fixtures and fittings. The average lease period is two years (three years). Lease contracts follow a fixed repayment schedule. When the lease contracts expire, the group may acquire the assets at favourable prices.

NOTE 26 – FOREIGN EXCHANGE RISK

Most of the sales of Auriga Industries A/S are settled in foreign currencies, primarily USD, EUR, BRL, INR, AUD, GBP, CHF, PLN and MXN, while a large share of the production and development costs is settled in DKK. The purpose of foreign exchange risk management is primarily to reduce the impact of exchange rate fluctuations on the financial results. Exposure in the most important currencies is hedged by the parent of the Cheminova group through the conclusion of forward exchange and option contracts with a term of at least six months and at the most eighteen months. Hedging is based on expectations with regard to future developments in foreign exchange rates with an ongoing assessment of the efficiency of the measures. In subsidiaries, significant balance sheet exposures in non-local currencies of the subsidiary are hedged to minimize currency impact on local results. Such local exposures are to the extent possible offset by matching exposure from purchases in foreign currency with sales nominated in same currency. The foreign exchange risk relating to intra-group loans to subsidiaries is often hedged by means of currency swaps.

At the end of the year, the value of all currency contracts amounted to DKKm 984 (DKKm 1,349). The contracts have an average term of approx. 1 month (2012: 1 month) with the due dates being tailored to the hedged transactions. Most of the currency contracts are classified as hedge accounting. The continuous adjustment to the fair value of the contracts is included in other comprehensive income and not entered in the income statement until the hedged transaction is realized.

At the end of 2013, partial hedging had been arranged of the foreign exchange risk attaching to the expected exposure in 2014 for USD and AUD. As at the balance sheet date, forward exchange and option contracts hedging future transactions resulted in a gain of DKKm 11 (DKKm 16), which is recognized in other comprehensive income.

It is estimated that a 5% change in the foreign exchange rate of the group's main currency, USD, would result in a change in revenue for 2014 of approx. DKKm 80-100 (DKKm 106) and a change in EBIT of approx. DKKm 8-12 (DKKm 20). The group's sensitivity analysis shows the estimated change in revenue and EBIT which would result from a 5% currencies change in the group´s key currencies.

Sensitivity analysis as at December 31 based on change in foreign exchange rates:	**Group**	
	Revenue 2014	**EBIT 2014**
USD	80-100	8-12
BRL	40-50	20-25
INR	25-35	~5
AUD	~20	~5

Spot prices of the group's key currencies constituting the basis for outlook 2014:		**Group**	
	Average 2012	**Average 2013**	**March 5 2014**
USD	580	562	543
BRL	298	261	232
INR	11	10	9
AUD	601	544	488

Based on the balance sheet at the end of 2013, a 5% fall in all foreign currencies relative to DKK would result in a decrease in the value of financial instruments of DKKm 5 (DKKm 20). The financial instruments included in the calculation are the group's net interest-bearing debt, accounts receivable, trade payables, non-current and current financial investments, forward exchange contracts and currency options hedging a transaction risk. In addition, interest rate and currency swaps are included. Expected foreign currency transactions, investments and non-current assets are not included.

Auriga Industries A/S's investments in foreign subsidiaries are only hedged occasionally as these investments are long-term in nature.

The group's foreign currency risks in the balance sheet:			**December 31, 2013**		
Currency	**Securities, cash and cash equivalents**	**Receiv-ables**	**Payables**	**Hedged by means of financial contracts**	**Net Position**
USD	449	49,667	(69,147)	(452,017)	(471,048)
EUR	32,542	221,981	(200,249)	-	54,274
BRL	48,934	1,098,315	(362,862)	-	784,387
INR	183,445	291,771	(475,318)	-	(102)
AUD	13,579	48,478	(62,918)	(78,352)	(79,213)
GBP	1,391	23,753	(23,003)	-	2,141
CAD	4,583	16,847	(2,830)	-	18,600
DKK	16,779	206,238	(869,757)	-	(646,740)
Other	36,573	246,025	(215,499)	-	67,099
Total	**338,275**	**2,203,075**	**(2,281,583)**	**(530,369)**	**(270,602)**

Payables include trade payables, other debt and credit institutions.

In Brazil a significant portion of receivables (40-50%) are linked to the development in USD/BRL exchange rate, thus accordingly minimizing impact from an isolated BRL devaluation against DKK. Furthermore the USD nominated payables in Brazil exceeds the USD linked receivables, and local hedging buying USD against BRL is engaged to mitigate local balance sheet risks in accordance with the policy, thus further reducing the overall BRL exposure.

NOTE 26 – FOREIGN CURRENCY RISK, CONTINUED

	31. december 2012				
Currency	Securities, cash and cash equivalents	Receiv-ables	Payables	Hedged by means of financial contracts	Net Position
USD	14,467	155,921	(182,045)	(429,355)	(441,012)
EUR	64,275	233,809	(370,806)	-	(72,722)
BRL	76,464	1,215,321	(610,361)	-	681,424
INR	151,679	260,486	(403,492)	-	8,673
AUD	32,717	52,061	(54,095)	(111,682)	(80,999)
GBP	916	23,515	(33,926)	(18,264)	(27,759)
CAD	6,644	7,385	(1,029)	(11,371)	1,629
DKK	235	64,795	(531,550)	-	(466,520)
Other	55,475	277,335	(207,774)	-	125,036
Total	**402,872**	**2,290,629**	**(2,395,078)**	**(570,672)**	**(272,250)**

Currency hedging agreements relating to future transactions

Net outstanding currency hedging agreements as at December 31 for the group, which are used for the purpose of and meet the conditions for account hedging of future transactions:

	2013				2012			
	Notional amount	Foreign exchange gains/losses recognized in other comprehen-sive income	Fair value	Time to maturity	Notional amount	Foreign exchange gains/losses recognized in other comprehen-sive income	Fair value	Time to maturity
USD	311,230	9,400	9,251	Under 1 year	484,939	15,141	14,193	Under 1 year
AUD	5,768	1,527	1,377	Under 1 year	-	-	-	-
BRL	-	-	-	-	97,195	608	(1,950)	Under 1 year
Total	**316,998**	**10,927**	**10,628**		**582,134**	**15,749**	**12,243**	

Forward exchange contracts concern the hedging of the sale and purchase of goods, cf. the group's policy thereon.
Recognition of foreign exchange gains/losses in the income statement is expected to take place in 2014.

Sensitivity analysis as at December 31 based on change in foreign exchange rates:	2013			2012		
	5% fall in all currencies against DKK	Effect on income statement	Effect on other com-prehensive income	5% fall in all currencies against DKK	Effect on income statement	Effect on other com-prehensive income
Net interest-bearing debt	28,126	28,126	-	28,944	11,966	16,978
Forward exchange contracts	28,727	25,056	3,671	37,745	34,300	3,445
Currency options	3,920	-	3,920	10,761	-	10,761
Investments	(77,525)	-	(77,525)	(67,511)	-	(67,511)
Other financial receivables	11,997	11,997	-	10,291	10,291	-
Total exchange rate sensitivity	**(4,755)**	**65,179**	**(69,934)**	**20,230**	**56,557**	**(36,327)**

The group's sensitivity analysis shows the estimated change in the income statement and other comprehensive income which would result from a 5% fall in all currencies against DKK.

NOTE 27 – INTEREST RATE AND LIQUIDITY RISK

Fluctuations in interest rate levels pose a risk to the group's interest-bearing assets and liabilities. The interest rate risk is to some extent managed by means of interest rate swaps, while regular assessments are made of the distribution between fixed-rate and variable-rate debt. The group's net interest-bearing debt declined by DKKm 305 (DKKm 303) and amounted to DKKm 1,578 (DKKm 1,883) at the end of the year.

The market value of all interest rate swaps, the nominal value of which is DKKm 1,050 (DKKm 1,000), which have an average term of 1.8 years (2012: 3.4 years) totaled DKKm -35 (DKKm -59) at the end of the year. At the end of the year, the average term of the group's financial instruments was 2,7 years (2.1 years), while the combined interest rate sensitivity in case of a 1 percentage point change in interest rates would be DKKm 23 (DKKm 18).

Sensitivity analysis as at December 31 based on change in interest rates:	**2013**			**2012**		
	1 percen-tage point increase in interest rate	**Effect on income statement**	**Effect on other com-prehensive income**	**1 percen-tage point increase in interest rate**	**Effect on income statement**	**Effect on other com-prehensive income**
Net interest-bearing debt	(18,165)	(18,165)	-	(18,202)	(18,202)	-
Interest rate swaps	40,852	10,500	30,352	36,368	10,000	26,368
Total interest rate sensitivity	**22,687**	**(7,665)**	**30,352**	**18,166**	**(8,202)**	**26,368**

The group's sensitivity analysis shows the estimated change in the income statement and other comprehensive income which would result from a 1 percentage point increase in the market (interest) rate.

The group's interest rate risks in the balance sheet:

Interest rate risk as at December 31, 2013

	Under 1 year	**1-5 years**	**More than 5 years**	**Total**	**Interest rate (%)**
Interest-bearing receivables	8,442	40,640	-	49,082	3.2
Cash	338,275	-	-	338,275	3.6
Interest-bearing assets	**346,717**	**40,640**	**-**	**387,357**	**3.6**
Mortgage debt	8,049	173,945	-	181,994	2.0
Other long-term debt	7,233	1,234,670	-	1,241,903	4.9
Bank debt	541,215	-	-	541,215	10.5
Interest-bearing debt	**556,497**	**1,408,615**	**-**	**1,965,112**	**6.2**
Net interest-bearing debt	**209,780**	**1,367,975**	**-**	**1,577,755**	**6.8**

Interest rate risk as at December 31, 2012

	Under 1 year	**1-5 years**	**More than 5 years**	**Total**	**Interest rate (%)**
Interest-bearing receivables	91,012	11,095	-	102,107	12.8
Cash	402,872	-	-	402,872	3.3
Interest-bearing assets	**493,884**	**11,095**	**-**	**504,979**	**5.2**
Mortgage debt	17,278	88,878	98,652	204,808	2.0
Other long-term debt	30,811	1,159,103	-	1,189,914	4.9
Bank debt	993,657	-	-	993,657	9.6
Interest-bearing debt	**1,041,746**	**1,247,981**	**98,652**	**2,388,379**	**6.6**
Net interest-bearing debt	**547,862**	**1,236,886**	**98,652**	**1,883,400**	**7.0**

Group's liquidity risk:

The purpose of the group's financial planning is to ensure an optimum capital structure and the presence of adequate financial resources, while at the same time minimising capital costs. Liquidity is controlled through the use of short-term overdraft facilities combined with long-term, fixed credit facilities with a number of well-known financial institutions. At the end of the year, unutilized drawing facilities stood at DKKm 1,932 (DKKm 1,146).

NOTE 27 – INTEREST RATE AND LIQUIDITY RISK, CONTINUED

	Group	
	2013	**2012**
Distribution of interest-bearing debt:		
Fixed interest	44%	45%
Variable interest	56%	55%
Distribution of mortgage debt and other non-current payables:		
Fixed interest over a 3-year period	71%	64%
Variable interest	29%	36%
Distribution of bank debt:		
Fixed interest	0%	18%
Variable interest	100%	82%
Interest-bearing debt by currency:		
Danish kroner (DKK)	57%	38%
Foreign currencies, primarily USD, EUR, BRL and INR	43%	62%

There were no defaults on bank covenants in 2013 or 2012.

Credit risk:

The most important primary financial instruments are trade receivables, other receivables and deposits with banks. The carrying amounts of these balance sheet items reflect the maximum credit risk. The credit risk attaching to accounts receivable is not unusual, but concerns primarily Brazil. Money market deposits and derivative financial instruments are only placed with financial institutions with high credit ratings.

NOTE 28 – SECURITY PROVIDED

	Group		Parent	
	2013	**2012**	**2013**	**2012**
Outstanding debt on loan secured on property, plant and equipment	302,092	818,444	-	-
Carrying amount of charged property, plant and equipment	317,657	607,405	-	-
Outstanding debt on securitization secured on receivables	-	131,894	-	-
Carrying amount of charged receivables	-	227,000	-	-
Lease obligation in respect of finance leases	4,629	8,593	-	-
Carrying amount of assets held under finance leases	5,823	9,640	-	-
Recourse guarantee for subsidiaries, max.	-	-	2,371,957	1,550,000

NOTE 29 – CONTINGENT LIABILITIES

The parent and the group comply with all current requirements stipulated by the environmental authorities, also pumping up and treating water from the subsoil to reduce the risk of unwanted environmental impacts to the greatest possible extent.

A chemical waste depot established at the factory site in Harboøre, Denmark, complies with all statutory requirements and approvals. In 2013, the waste depot was removed according to plan. Only the restoration of the area is remaining.

As an international group, the parent and the group´s subsidiaries are regularly called in for tax and transfer pricing audits, thereby constituting a potential risk. Auriga Industries A/S is jointly and severally liable with the other companies in the group's joint taxation group for the total income tax and tax at source payable in the group´s joint taxation group.

The company respects intellectual property rights such as patents, trademarks and registration data. Own rights and the freedom to operate in relation to the rights of other companies are proactively defended. Internal processes are implemented to prevent patent infringements, and the company will concurrently defend its patent rights against other companies.

Neither these issues nor any other disputes pending or concluded have materially affected or are expected to materially affect the group's financial position.

NOTE 30 – CONTRACTUAL LIABILITIES

	Group	
	2013	2012
The group has entered into forward exchange and option contracts for the purchase and sale of various currencies at the equivalent value of	983,839	1,380,588
For the purpose of hedging interest rate risks, the group has entered into an interest rate swap covering the interest rate risk attaching to variable-interest loans of	1,050,000	1,000,000
The group has undertaken to buy minority shareholdings etc. in the period from 2014 to 2017, the calculated maximum cost being	4,910	5,763

As part of the group's activities, agreements have been made with suppliers etc. on usual terms as well as commercial contracts concerning the possible acquisition of shares.

In a few cases, the parent has issued letters of intent to subsidiaries in the group.

NOTE 31 – OPERATING LEASES

	Group	
	2013	2012
Non-cancellable operating leases:		
Under 1 year	11,222	11,554
1-5 years	27,438	15,283
More than 5 years	2,264	2,202
Total	**40,924**	29,039
Lease payment:		
Expensed lease payment	17,883	17,550
Specification of operating leases:		
Trucks	7,975	7,025
Buildings	12,218	5,064
Vehicles	16,086	15,974
Other operating equipment	4,645	976
Total operating leases	**40,924**	29,039

The group has entered into non-cancellable operating leases concerning buildings and operating equipment. The average lease period is three years, and lease contracts follow a fixed repayment schedule.

NOTE 32 – RELATED PARTIES

Related parties controlling the company include Aarhus University Research Foundation, Aarhus, Denmark, which holds the majority of the voting rights.

Related parties with a significant influence comprise members of the Board of Directors and the Executive Board and their related family members. Related parties also comprise companies in which the above-mentioned persons have significant interests. Moreover, all group enterprises and associates are considered to be related parties.

Intra-group transactions carried out during the year with group enterprises have been eliminated in the consolidated financial statements. Transactions with the management include remuneration of the management and are disclosed separately in the notes.

No other transactions were carried out nor any agreements made with related parties.

	Parent	
	2013	2012
The parent's transactions with subsidiaries:		
Management fee received	200	200
Management fee etc. paid	3,400	3,400
Interest expenses	1,561	2,396
Received dividend	100,000	-
Loans from subsidiaries	21,257	110,723

NOTE 33 – DIVESTMENT OF ENTERPRISES

As at January 29, 2013, the group divested a subsidiary in Switzerland (Stähler Suisse SA). The company became part of the group in connection with the acquisition of Stähler in 2008. The company posted revenue of DKKm 134 in 2012. The divestment improved results by DKKm 48.8, which is recognized in other operating income, and reduces the net interest-bearing debt by just over DKKm 100 in 2013.

For further information about the divestment, see company announcement no. 1/2013 issued on January 29, 2013.

NOTE 34 – FINANCIAL INSTRUMENTS, FAIR VALUE HIERARCHY

Methods and conditions for calculating fair values:

Level 1, listed prices:
Listed shares
The portfolio of listed shares is valued at listed prices.

Level 2, observable input:
Unlisted shares
Unlisted shares are valued on the basis of market multiples for a group of comparable listed companies reduced by an estimated factor for trade in an unlisted market.

Derivative financial instruments
Forward exchange contracts and interest rate swaps are valued according to generally accepted valuation methods (discount of the present value) based on relevant observable swap curves and exchange rates.

The group's fair value hierarchy for financial instruments measured at fair value in the balance sheet:		**2013**	
	Level 1	**Level 2**	**Total**
Financial assets:			
Listed shares	90	-	90
Unlisted shares	-	105	105
Financial instruments entered into for the purpose of hedging future cash flows	-	10,927	10,927
Financial instruments entered into for the purpose of hedging the fair value of assets and liabilities	-	48,413	48,413
Total financial assets	**90**	**59,445**	**59,535**

There have been no transfers between level 1 and level 2 in 2013 or 2012.

		2012	
	Level 1	**Level 2**	**Total**
Financial assets:			
Listed shares	130	-	130
Unlisted shares	-	105	105
Financial instruments entered into for the purpose of hedging future cash flows	-	15,749	15,749
Financial instruments entered into for the purpose of hedging the fair value of assets and liabilities	-	(15,849)	(15,849)
Total financial assets	**130**	**5**	**135**

NOTE 35 – FINANCIAL INSTRUMENTS

Other comprehensive income – Fair value reserve:	2013			2012		
	Interest rate in-struments	Forward exchange contracts	Total	Interest rate in-struments	Forward exchange contracts	Total
Gains and losses in connection with fair value valuation	(58,503)	15,749	(42,754)	(41,424)	11,970	(29,454)
Tax	14,626	(3,937)	10,689	10,356	(2,993)	7,363
Balance as at January 1	**(43,877)**	**11,812**	**(32,065)**	**(31,068)**	**8,977**	**(22,091)**
Movements:						
Gains and losses in connection with changes in fair value	23,947	(4,822)	19,125	(17,079)	3,779	(13,300)
Tax	(6,160)	1,260	(4,900)	4,270	(944)	3,326
Total	**17,787**	**(3,562)**	**14,225**	**(12,809)**	**2,835**	**(9,974)**
Fair value reserve as at December 31	**(26,090)**	**8,250**	**(17,840)**	**(43,877)**	**11,812**	**(32,065)**
Composed as follows:						
Gross gains and losses	(34,556)	10,927	(23,629)	(58,503)	15,749	(42,754)
Tax	8,466	(2,677)	5,789	14,626	(3,937)	10,689
Balance as at December 31	**(26,090)**	**8,250**	**(17,840)**	**(43,877)**	**11,812**	**(32,065)**

NOTE 36 – FINANCIAL ASSETS AND LIABILITIES, DEFINED IN IAS 39

	Group		Parent	
	2013	**2012**	**2013**	**2012**
FINANCIAL ASSETS				
Non-current assets:				
Securities and other investments	195	235	195	235
Financial assets available for sale	**195**	235	**195**	235
Current assets:				
Trade receivables	1,934,475	2,155,805	-	-
Other receivables	310,528	256,184	34	161
Other financial assets	11,095	13,451	11,095	13,451
Cash	338,080	402,637	-	-
Loans and receivables	**2,594,178**	2,828,077	**11,129**	13,612
FINANCIAL LIABILITIES				
Non-current liabilities:				
Payables to mortgage credit institutions	173,945	187,530	-	-
Other credit institutions	1,225,638	1,143,982	-	-
Financial liabilities measured at amortized cost	**1,399,583**	1,331,512	**-**	-
Current liabilities:				
Payables to mortgage credit institutions	17,278	17,278	-	-
Other credit institutions	534,419	1,017,327	59,349	53,109
Payables to subsidiaries	-	-	21,257	110,723
Other payables	604,001	648,739	311	151
Trade payables	1,349,075	1,134,299	1,584	1,491
Financial liabilities measured at amortized cost	**2,504,773**	2,817,643	**82,501**	165,474

NOTE 37 – GOVERNMENT GRANTS

In the financial year, the group received government grants of DKKm 1 (DKKm 2) to cover costs and investments in assets.

Furthermore, in 2013 the group was granted 54,403 (78,507) CO_2 emission allowances worth DKKm 2 (DKKm 4), corresponding to the expected emission tax.

NOTE 38 – EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

In 2012, the parent was called in for a transfer pricing audit in respect of 2007-2011. After the end of the fiscal year 2013, the Danish authorities' transfer pricing audit is drawing to a close. Based on this the group in 2013 has included a preliminary tax provision of DKKm 19.

No other significant events have taken place after December 31, 2013.

NOTE 39 – GROUP CHART

Overview of group companies and activities:

Company name	Country	Ownership share
Auriga Industries A/S	Denmark	
Cheminova A/S	Denmark	100%
Region Europe:		
Headland Agrochemicals Ltd.	UK	100%
Cheminova Deutschland GmbH & Co. KG	Germany	100%
Cheminova Austria GmbH & Co. KG	Austria	100%
Althaller Italia s.r.l.	Italy	100%
Cheminova Agro France S.A.S.	France	100%
Cheminova Agro S.A.	Spain	96%
Cheminova Agro Italia S.r.l.	Italy	100%
Cheminova Representative Office	Croatia	
Cheminova Bulgaria EOOD	Bulgaria	100%
Cheminova Romania Representative Office	Romania	
Cheminova Hungary Ltd.	Hungary	100%
Cheminova Polska Sp. zo.o.	Poland	100%
Cheminova LLC	Russia	100%
Cheminova Representative Office	Ukraine	
Region North America:		
Cheminova Inc.	USA	100%
Cheminova Canada Inc.	Canada	100%
Region Latin America:		
Cheminova Brasil Ltda.	Brazil	100%
Cheminova Agroquimica S.A. de C.V.	Mexico	100%
Cheminova Agro de Colombia S.A.	Colombia	100%
Cheminova Uruguay, S.A.	Uruguay	100%
Cheminova Agro de Argentina S.A.	Argentina	100%
Region International:		
Cheminova India Ltd.	India	100%
Cheminova Taiwan Ltd.	Taiwan	100%
Ospray PTY Ltd.	Australia	100%
Cheminova MFG Pty. Ltd.	Australia	100%
Agrinova OPCO	Lebanon	35%
Cheminova Representative Office	Kenya	
Global activities:		
Cheminova China Ltd.	China	100%
Pytech Chemicals GmbH	Switzerland	100%

Auriga Industries A/S is the parent of the Auriga group. Cheminova A/S is the parent of the Cheminova group.
Cheminova Deutschland uses the simplified procedure pursuant to § 264 b HGB (German Commercial Code).

AURIGA INDUSTRIES A/S
PARENT COMPANY OF CHEMINOVA

We achieve ambitious goals

We are innovative

We decide and act

We recognize results

We are good corporate citizens

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