

# Financial Highlights

(DKKm)	2003/04	2004/05	2005/06	2006/07	2007/08	2007/08 (EURm)
<b>Income statement</b>						
Revenue	616.6	505.7	484.4	449.8	433.4	58.1
Gross profit	200.3	122.1	118.9	94.9	93.7	12.6
Operating profit/(loss) before special items (EBITA)	37.0	35.0	32.8	(3.2)	3.5	0.5
Special items	-	-	(17.9)	5.1	-	-
Amortisation of goodwill	(8.7)	-	-	-	-	-
Impairment of goodwill	-	(16.7)	-	-	(13.5)	(1.8)
Operating profit/(loss) (EBIT)	28.3	18.3	14.9	1.9	(10.0)	(1.3)
Net financials	(10.0)	(1.7)	(2.3)	(0.4)	(3.3)	(0.4)
Net profit/(loss) for the year from continuing activities	10.6	9.0	8.2	2.8	(12.7)	(1.7)
Net profit/(loss) for the year from discontinued activities	-	(4.8)	-	-	-	-
<b>Net profit/(loss) for the year</b>	<b>10.6</b>	<b>4.2</b>	<b>8.2</b>	<b>2.8</b>	<b>(12.7)</b>	<b>(1.7)</b>
<b>Balance sheet</b>						
<b>Assets</b>						
Goodwill	89.8	25.7	41.7	41.1	25.7	3.4
Other non-current assets	124.0	113.1	111.0	107.8	67.5	9.0
Current assets	191.4	147.7	180.5	158.8	189.3	25.5
<b>Total Assets</b>	<b>405.2</b>	<b>286.5</b>	<b>333.2</b>	<b>307.7</b>	<b>282.5</b>	<b>37.9</b>
<b>Equity and liabilities</b>						
Equity	154.7	157.0	160.5	158.9	147.1	19.7
Provisions	5.5	-	-	-	-	-
Long-term liabilities	12.2	13.7	12.8	11.0	9.0	1.2
Short-term liabilities	232.8	115.8	159.9	137.8	126.4	17.0
<b>Total equity and liabilities</b>	<b>405.2</b>	<b>286.5</b>	<b>333.2</b>	<b>307.7</b>	<b>282.5</b>	<b>37.9</b>
<b>Cash flow</b>						
Cash flow from operating activities	58.0	29.1	23.8	(10.8)	15.1	2.0
Cash flow from investing activities*	(13.5)	67.1	(21.7)	10.9	(10.9)	(1.4)
Cash flow from financing activities	(64.9)	(100.3)	5.6	(7.0)	(2.0)	(0.3)
<b>Changes in cash and cash equivalents</b>	<b>(20.4)</b>	<b>(4.1)</b>	<b>7.7</b>	<b>(6.9)</b>	<b>(2.2)</b>	<b>(0.3)</b>
* of which net investment in property, plant and equipment	(0.6)	(19.9)	(7.3)	18.8	(4.6)	(0.6)
<b>Ratios (%)</b>						
Operating margin (EBITA)	6.0	6.9	6.8	(0.7)	0.8	0.8
Return on assets	9.0	10.4	10.9	(0.7)	1.2	1.2
Return on equity after tax	7.2	2.7	5.2	1.2	(8.3)	(8.3)
Equity interest	38.2	54.8	48.2	51.6	52.1	52.1
<b>Other information</b>						
Net interest-bearing debt	146.9	49.1	64.5	68.1	62.4	8.4
Interest cover (EBITA)	5.1	9.2	10.9	(0.6)	0.7	0.1
Earnings per share (EPS)	5.1	2.0	3.9	1.3	(6.0)	(0.8)
Earnings per share, diluted (EPS-D)	-	2.0	3.8	1.3	(5.9)	(0.8)
Cash flow per share (CFPS)	27.7	13.9	11.4	(5.1)	7.2	1.0
Book value per share (BVPS)	74.0	75.0	76.7	75.9	70.1	9.4
Market price per share	39	83	85	59	40	5.4
Average number of shares (1,000 shares)	2,093	2,093	2,093	2,093	2,100	2,100
Dividend per share	0.0	2.0	2.0	0.0	0.0	0.0
Average number of employees	371	291	333	362	360	360

The complete Annual Report for 2007/08 can be found on the company's website, [www.glunz-jensen.com](http://www.glunz-jensen.com), or can be ordered at the company.

Glunz & Jensen A/S  
Haslevvej 13  
DK-4100 Ringsted  
Denmark  
Tel.: + 45 5768 8181  
Fax: + 45 5768 8340  
[gjhq@glunz-jensen.com](mailto:gjhq@glunz-jensen.com)

Glunz & Jensen, Inc.  
21405 Business Court  
Elkwood, VA 22718-1757  
USA  
Tel.: + 1 540 825 7300  
Fax: + 1 540 825 7525  
[usva@glunz-jensen.com](mailto:usva@glunz-jensen.com)

Glunz & Jensen, Inc.  
12633 Industrial Drive  
Granger, IN 46530  
USA  
Tel.: + 1 574 272 9950  
Fax: + 1 574 277 6566  
[benders@glunz-jensen.com](mailto:benders@glunz-jensen.com)

Glunz & Jensen s.r.o.  
Kosicka 50  
080 01 Presov  
Slovakia  
Tel.: + 421 51 756 3811  
Fax: + 421 51 756 3801  
[skpr@glunz-jensen.com](mailto:skpr@glunz-jensen.com)

Glunz & Jensen (Shenzhen)  
Representative Office  
China South International  
Industrial Materials City  
Printing, Paper & Packaging  
Trade Centre  
Block P. 14 - No. 125  
No. 1 Hua Nan Main Road  
Ping Hu, Longgang District  
Shenzhen 518111  
P.R. China  
Tel.: +86 755 8963 6030  
or +86 755 8963 6031  
Fax: +86 755 8963 6032

[www.glunz-jensen.com](http://www.glunz-jensen.com)

## GLUNZ & JENSEN IN BRIEF

Glunz & Jensen develops, manufactures and markets integrated and innovative solutions for the prepress industry.

Glunz & Jensen's products and solutions cover almost all equipment used in the prepress process in modern printing houses. The largest product area is CtP plate processors, but Glunz & Jensen also focuses on other product areas, including iCtP plate setters, plateline equipment, punch & bend equipment, stackers and software for monitoring and managing the complete prepress processes. Glunz & Jensen has achieved a leading position and a high market share within its core areas, and Glunz & Jensen's products are known for setting the technological standard on the global market.

Glunz & Jensen markets its products through an extensive network of distributors and dealers, and a large part of sales also takes place through OEM customers which include Agfa, Fuji, Heidelberg and Kodak. Glunz & Jensen enjoys close partnerships with several of its OEM customers – partnerships which also include developing new and innovative solutions for the prepress industry.

At the end of May 2008, Glunz & Jensen had 353 employees. Of these, 134 were employed in Denmark, while the remaining employees worked at subsidiaries in Slovakia and the USA.

Glunz & Jensen A/S is listed on the OMX Nordic Exchange Copenhagen A/S and is included in the SmallCap+ index.





# Developments in 2007/08

Glunz & Jensen saw growth with in a number of important areas in FY 2007/08, but the financial year was also characterised by challenges. Developments within CtP processors and iCtP plate setters were positive. Sales of CtP processors, the company's most important product area, increased by 3% in a slightly falling market. At the same time, the iCtP technology saw a breakthrough with the introduction of PlateWriter 2000 with a successful start to sales in Europe. On the other hand, developments within plate-line equipment and punch & bend products were not satisfactory. Both product areas are characterised by fierce price competition, and sales have fallen.

On the whole, the targets for revenue and operating profit before special items were achieved. However, earnings are not at a level which would be satisfactory in the long term. Glunz & Jensen's strategy, which focuses on continued growth through the maintenance of a competitive cost structure, through defending Glunz & Jensen's market-leading position within CtP processors and through the creation of new business opportunities, will ensure higher earnings in future.

The transfer of the production of CtP processors to Slovakia has now been completed with satisfactory results. In future, focus will be on optimising production and purchasing processes.

## Financial developments

Revenue for 2007/08 totalled DKK 433.4 million against DKK 449.8 million last year. The fall in revenue is primarily attributable

to a fall in sales of 'Other prepress equipment' and conventional processors. Sales of CtP processors are up.

Revenue is divided into four groups: CtP processors, 'Other prepress equipment', conventional processors and spare parts, etc.

Sales of CtP processors amounted to DKK 259.7 million against DKK 251.4 million in 2006/07, up 3%. The increase in revenue from CtP processors reflects increased revenue from and an increased market share in the high-end segment, which exceeds a fall in revenue from the medium segment, where a gradual transition to processing-free technologies is taking place.

Revenue from 'Other prepress equipment', including, among other things, equipment for the transport and stacking of plates, ovens for the processing of plates, punch & bend equipment and iCtP products, amounted to DKK 61.3 million against DKK 72.2 million in 2006/07, down 15%. Developments in revenue are affected by the falling USD exchange rate as a large share of the sales of this product category is invoiced in USD. With an unchanged USD exchange rate relative to 2006/07, revenue would have fallen by 7%. Developments are attributable to an expected fall in sales of plateline equipment as a result of intensifying competition within stackers and a reduced market for ovens, which exceeds the increase within iCtP. Sales of punch & bend equipment were largely unchanged.

In 2007/08, revenue from conventional processors (film and conventional plate processors) was DKK 16.4 million, down 34% compared to 2006/07. This development reflects the continued shift in technology from the conventional film-based prepress method to CtP technology.

Revenue from spare parts, etc. totalled DKK 96.0 million against DKK 101.5 million in 2006/07, down 5%. This development primarily reflects a fall in sales of accessories for CtP processors, which are increasingly being supplied as complete packages with accessories.

Operating profit before special items (EBITA) totalled DKK 3.5 million against a loss of DKK 3.2 million the year before. This is in line with the most recently published outlook and with the outlook announced at the beginning of the financial year. The results are hampered by a loss within the iCtP and punch & bend product areas, although the loss was lower than in 2006/07.

A loss of DKK 12.7 million was realised for the year against a profit of DKK 2.8 million in 2006/07. The amortisation of goodwill by DKK 13.5 million in respect of the punch & bend activities had a negative impact on results.

## Innovative quality solutions at attractive prices

The development and launch of new products are decisive competition parameters within prepress and the graphics industry, while the ongoing optimisation of production processes and the winning of market shares in new markets are

necessary preconditions for ensuring long-term growth and earnings.

Glunz & Jensen's strong market position is based on the ability to develop innovative products and to tailor our production to market requirements. Development activities have resulted in a number of product launches which are to contribute to improving our future financial situation.

While the conventional CtP technology has been dominant for several years, focus is increasingly being directed at other and new technologies such as processing-free printing plates, chemical-free CtP solutions and alternative CtP solutions, including inkjet CtP. Glunz & Jensen is at the leading edge of technological developments within both CtP and iCtP solutions for large as well as small customers. We possess considerable experience from the successful development of chemical-free CtP solutions, and our new iCtP-based products open up interesting vistas within a completely new technology.

The development of new products illustrates Glunz & Jensen's ability to meet customer requirements and service more market segments with high-quality prepress solutions. At the same time, we are working actively to ensure a higher degree of coherence between Glunz & Jensen's prepress solutions with a view to strengthening integration in the chain of equipment supplied. Our product programme comprises virtually all the equipment used in the prepress process, from the handling of untreated printing plates and the processing of plates to the mounting of the plates on the printing press.

# MORE THAN EVER



## NEW PRODUCTS POSITIVELY RECEIVED AT DRUPA

Glunz & Jensen regularly attends exhibitions and trade fairs in the USA and Europe, and in summer 2008 we – together with eight OEM customers – presented a number of our new products at Drupa, the world's largest graphics exhibition. The products attracted a great deal of interest with special focus being on the newly launched iCtP and CtP product lines which have been developed in close collaboration with our customers. The positive way in which our products were received at the Drupa exhibition emphasises the fact that our products are competitive and live up to the market's demand for quality solutions.

## IMPROVED SERVICE IN EUROPE

In the past year, Glunz & Jensen has strengthened the servicing of its European customers within the punch & bend segment. Service activities were previously concentrated in the USA, but to create a basis for both higher sales and better service in Europe, sales and servicing of punch & bend products have been integrated into the existing sales and marketing organisation in Denmark.



## PROMISING GROWTH PROSPECTS IN THE CHINESE MARKET

In autumn 2007, Glunz & Jensen opened a sales and support office in Shenzhen, China. Establishing the office in China is part of a decision to strengthen the servicing of the Chinese market with a view to gaining a share of the growth in this fast-growing market. Our presence in China makes it possible to maintain close contacts with Glunz & Jensen's large customers and to promote our products in the Chinese market.



## OPTIMISATION IN SLOVAKIA

At the end of 2004, Glunz & Jensen started work to move the production of CtP processors to one factory in Slovakia. These endeavours have resulted in the extremely satisfactory relocation of production to modern and efficient facilities where local employees and a network of sub-suppliers ensure the manufacture of high-quality products. The factory now has approximately 165 Slovakian employees and a Danish manager. All our biggest OEM customers have assessed and are satisfied with the quality assurance systems in operation at the factory. Following the successful move, the focus in the coming years will be on optimising the working procedures at the Slovakian factory.



## STRONG PRODUCT BASED ON NEW TECHNOLOGY

At the end of 2007, Glunz & Jensen introduced an innovative and competitive alternative to the technology currently applied by small printing houses, i.e. the inkjet-based PlateWriter 2000. The new product means lower costs, greater flexibility and a simpler workflow for our customers. Also, with inkjet-based products, the use of chemicals for the conventional processing of printing plates is avoided altogether.

In the past year, the manufacture and distribution of the consumables used for the inkjet products, i.e. the aluminium printing plates and a special 'ink', have been optimised. This has also meant that it has been possible to intensify sales in North America and in most of Europe. We expect to see a marked increase in sales of the inkjet products in the coming period.

In summer 2008, PlateWriter 2000 was followed by PlateWriter 2400, which is targeted at the same customer segment, but offers additional flexibility and improved productivity.

