EAC Annual Report | 2011

2011 Highlights

EAC GROUP

Including hyperinflation adjustments, the consolidated revenue from continued operations amounted to DKK 6,274m (DKK 3,858m).

Earnings before interests, taxes, depreciation and amortisation (EBITDA) excluding other taxes amounted to DKK 573m (DKK 329m).

Outlook for 2012:

Consolidated revenue for the EAC Group of around DKK 8.1bn at the exchange rate DKK/USD 560.00 for 2012.

EBITDA margin is expected at above 8.5 per cent.

SANTA FE GROUP

The Santa Fe Group is the market leading provider of moving and relocation services as well as records management to corporate and private customers in 50 countries in Asia, Australia, the Middle East and Europe. The business operates under the three brands Santa Fe, WridgWays and Interdean – and through a global network of trading partners.

Revenue of DKK 1.8bn was an increase by 183.7 per cent in local currencies in the year-on-year comparison due to the acquisitions of WridgWays and Interdean.

EBITDA of DKK 155m was an increase of 135.9 per cent in local currencies including WridgWays and Interdean.

Outlook for 2012:

Revenue is expected to be around DKK 2.5bn with an EBITDA margin of around 8.5 per cent.

PLUMROSE

Plumrose is the leading manufacturer of branded, processed meat products in Venezuela; a nation of 28 million people where EAC has been operating a business for 59 years. Plumrose markets its premium, high-margin products under the highly recognised Plumrose and Oscar Mayer brands through a wide product portfolio. A series of other licensed brands targeting other market segments provide for a balanced portfolio offering to consumers.

Revenue including hyperinflation adjustments grew by 36.0 per cent in USD reaching DKK 4,477m.

EBITDA excl. other taxes of DKK 475m grew by 48.1 per cent in USD.

Outlook for 2012:

Revenue is expected at around DKK 5.6bn with an EBITDA margin of around 9.5 per cent.

The annual report 2011 is published in Danish and English. The Danish text shall be the govering text for all purposes.

Contents

Executing the strategy

Henning Kruse Petersen
Chairman

Niels Henrik Jensen
President & CEO

We took a number of strategic initiatives in 2011 to bring EAC several important steps forward in the development of our two profitable businesses. The positive results of these efforts serve to reaffirm our conviction that the idea of establishing the Santa Fe Group and Plumrose as two individual companies is the right course to take.

Achieving critical mass

The Santa Fe acquisitions of the Australian company WridgWays in December 2010 and the European-based Interdean in August 2011 have truly brought the critical mass we have been aiming for. With operations now in 50 countries across three continents, Santa Fe has become one of the world's leading moving and relocation services companies. Both of these acquisitions have been perfect strategic matches for Santa Fe with shared values, common quality standards and no overlapping operational geographies. The integration is progressing as planned, and we remain focused on creating a new strong coordinated platform for sales and marketing. The strength of the enhanced business platform has been confirmed by the broad recognition we have received from our customers and partners as well as by our significantly improved bidding power for global contracts, which has already given us new and extended international customer relationships and partner agreements.

In 2011, the strategic development of the Santa Fe Group was reflected in the tripling of revenue compared to 2010 on an annualised basis. In 2012, with the full 12-month effect from Interdean and the realisation of further sales synergies, we expect additional substantial growth. Although the prevailing global economic circumstances have placed most businesses under pressure, our overall profitability has become increasingly attractive. Through group-wide coordination and roll-out of best practices, value-adding service concepts and efficiencies of scale, we will continue to improve our profitability in the years ahead.

STRATEGY

Creating two independent businesses

During the past year, EAC has actively pursued its strategy of further strengthening its two profitable businesses and grow them into independent companies with a strong and compelling equity story to attract investors. Acquisitions, expansion and continued innovation of products, services and delivery have brought both the Santa Fe Group and Plumrose closer to the scale required to operate as independently listed companies.

Santa Fe Group

The two strategic acquisitions and the significant expansion of the geographical platform of the Santa Fe Group during the past year have positioned the business among the world's leading providers in the moving and relocation services industry outside the USA. During the coming years, the primary strategic agenda for the Santa Fe Group will be to effectively realise the sales synergies from bringing three strong business platforms together and to further explore the new market potential offered from a strengthened competitive platform. The ambitious three-year target is to increase the Santa Fe Group's annual revenue to around DKK 3bn with EBITDA margins of around 9-10 per cent, thereby building a strong equity story for an initial public offering (IPO) of the Santa Fe Group. The actual timing of such an IPO will be determined on the basis of the Supervisory Board's assessment of the integrated Santa Fe group's readiness as well as the market environment and performance. The proceeds from the IPO will be distributed to EAC's shareholders as share buy-backs or dividends.

” In 2011 we successfully expanded and consolidated our market-leading position in both of our businesses. In the comming year, we will further exploit the attractive market opportunities in our efforts to establish the Santa Fe Group and Plumrose as independent companies”.

Sustaining our investment in long-term value creation

In Plumrose, we continue to make active use of the attractive funding opportunities we have available in Venezuela. With the country's high-inflation economy constantly eroding cash value, continued investments in new capacity and long-term value creation is the best way to secure assets and at the same time facilitate further strategic development of our market-leading business in Venezuela. The acquisition of La Montserratina, a leading producer of processed, cured meat and fresh sausages with a highly recognised brand, demonstrates the execution of this strategy. In addition to a strong portfolio of branded products complementary to Plumrose's existing product range, the acquisition brings strategically important production capacity to the business. Further expansion of Plumrose's activities also relies on efficient distribution, and in March 2011, a new state-of-the-art national distribution centre was opened near the central production facilities in Cagua. Other investments made in 2011 served to further expand and improve efficiencies in the existing production facilities and farms. Combined with intensive sales and marketing efforts and several strategic product launches, Plumrose succeeded in growing sales by well over the annual inflation rate, consolidating its market leading position in a difficult environment.

Dividends and royalties from Venezuela have remained unpaid throughout the year in spite of our active and relentless effort to persuade the Venezuelan authorities to approve the payments to which we are entitled. There is no doubt that this state of affairs has contributed significantly to the disappointing development of our share price throughout 2011. In 2012, we will further strengthen our efforts to persuade the Venezuelan government to allow the payment of the profits from our Venezuelan operations to our investors and owners without whom the business would not exist.

Execution on EAC strategy

In the coming year, we will continue to explore the attractive opportunities to further leverage our two businesses and consolidate their individual performance. We anticipate positive developments for both businesses in 2012, expecting revenue growth and continued attractive margins as we push forward towards the realisation of our strategic targets.

Plumrose

Strategic investments in Plumrose over the past year continued to enhance the business position as the undisputed market leader of processed food products in Venezuela. The 2011 acquisition of the premium brand meat producer, La Montserratina, provided a complementary product portfolio and important additional production capacity. In addition, the opening of a new, state-of-the-art refrigerated national distribution centre further consolidated Plumrose's unique position and technological edge. In the coming years, Plumrose will continue to exploit attractive Venezuelan financing opportunities to further expand and consolidate its business in Venezuela, while providing an effective hedge against the high inflation prevalent in Venezuela. Following an IPO of the Santa Fe Group, it is likely that Plumrose will be the only remaining activity of EAC.

Creating shareholder value is ultimately what drives EAC, and the fundamental rationale for EAC's strategy is to offer investors a simple and focused value proposition which reflects the true underlying value of the business.

DKK million	2011	2010*	2009*	2008	2007
CONSOLIDATED INCOME STATEMENT					
Revenue	6,274	3,858	5,260	5,310	4,402
Earnings before interest, taxes, depreciation and amortisation (EBITDA) and excl. other taxes	573	329	622	717	677
Earnings before depreciation and amortisation (EBITDA)	516	310	575	706	653
Operating profit (EBIT)	330	186	407	619	578
Financials, net	7	-45	-44	-48	-37
Share of profit in associates including gain/loss on disposal of associates	2	210	18	31	42
Income tax	97	137	201	118	115
Profit from continuing operations	242	214	180	483	469
Profit/(loss) from discontinued operations		547	34	19	4
Net profit for the year	242	761	214	502	473
Earnings per share (diluted) from continuing operations	13.3	14.2	12.4	32.7	28.9

DKK million	31.12. 2011	31.12. 2010	31.12. 2009	31.12. 2008	31.12. 2007
CONSOLIDATED BALANCE SHEET					
Total assets	6,095	4,184	4,472	3,319	2,687
Working capital employed	1,423	772	961	1,181	835
Net interest bearing debt, end of period	1,234	-115	416	208	-207
Net interest bearing debt, average	569	112	312	1	-476
Invested capital	4,114	2,347	3,130	1,903	1,375
EAC's share of equity	2,680	2,362	2,355	1,759	1,531
Minority interests	166	95	106	79	110
Cash and cash equivalents	629	1,054	604	504	546
Investments in intangible assets and property, plant and equipment	384	258	379	394	234
CASH FLOW					
Operating activities	-213	59	342	149	284
Investing activities	-890	477	-337	-239	304
Financing activities	666	32	90	59	-579
RATIOS					
EBITDA margin (%)	8.2	8.0	10.9	13.3	14.8
EBITDA margin (%), excl. other taxes	9.1	8.5	11.8	13.5	15.4
Operating margin (%)	5.3	4.8	7.7	11.7	13.2
Equity ratio (%)	44.0	56.0	52.7	53.0	57.0
Return on invested capital (%)	16.0	11.3	25.4	43.1	52.5
Return on parent equity (%)	6.5	31.2	10.9	28.2	25.9
Equity per share (diluted)	223.0	187.1	175.9	128.9	104.0
Number of employees end of period	6,399	5,328	5,706	5,516	5,027
Exchange rate DKK/USD end of period	574.56	561.33	519.01	528.49	507.53

*Income statements 2010 and 2009 continuing operations.

The ratios have been calculated in accordance with definitions on page 41.

EAC

CONSOLIDATED GROUP RESULTS FOR 2011

HIGHLIGHTS

- Consolidated revenue amounted to DKK 6,274m (DKK 3,858m). Growth over 2011 was primarily driven by price increases in Plumrose and Santa Fe Group's acquisitions of WridgWays and Interdean.
- EBITDA excluding other taxes amounted to DKK 573m representing and EBITDA margin excluding other taxes of 9.1 per cent.
- EAC's share of net profit was DKK 162m.
- A dividend of DKK 5.00 per share of DKK 62m excluding treasury shares will be proposed to the Annual Genaral Meeting on Thursday, 27 March 2012.

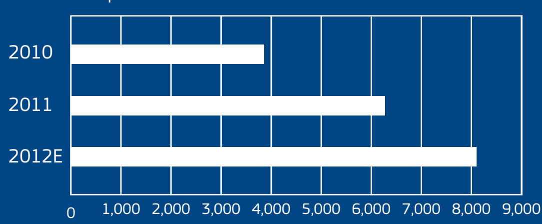
Facts about EAC Group

"The acquisitions of Interdean and WridgWays brought critical mass to the Santa Fe Group. Nevertheless, Plumrose continued to contribute significantly to the overall revenue, profit, assets and equity of the EAC Group primarily driven by the combination of applying the fixed official exchange rate for translation purposes and the hyperinflation adjustments required by IAS 29."

Michael Østerlund Madsen, Group CFO

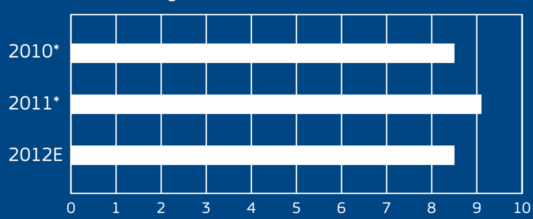
63%

Group revenue growth in DKK from 2010 to 2011



74%

Group EBITDA excl. other taxes growth in DKK from 2010 to 2011



* Excl. other taxes

Santa Fe Group – World-leading moving & relocation services company outside USA

Plumrose – Market leader within branded processed meat products in Venezuela

RECENT M&A HIGHLIGHTS

July 2010

Divestment of EAC Industrial Ingredients
EAC's Asian-based ingredients business is divested with a gain of over DKK 500m, thereby releasing resources and financial flexibility to exploit the full potential of EAC's two remaining businesses.

December 2010

Acquisition of WridgWays
Santa Fe acquires Australia's leading moving and relocation company, adding a new important continent to the Santa Fe Group's strong Asian-Pacific platform and doubling the business revenue.

February 2011

Acquisition of La Montserratina
Plumrose acquires the leading, premium brand meat producer in Venezuela with complementary product portfolio and important production capacity.

August 2011

Acquisition of Interdean
Santa Fe acquires Europe's leading moving and relocation services company with operations in 35 countries in Europe, Russia and Central Asia, thereby once again doubling revenue of the Santa Fe Group.

EAC Group

FINANCIAL PERFORMANCE

Exchange rate effects

The following outline of the financial developments in 2011 versus 2010 is in respect of Plumrose based on reported hyperinflation figures (IAS 29).

Developments in exchange rates between DKK and the functional currencies of subsidiaries (non-hyperinflation economies) impacted the EAC Group's results in 2011 reported in DKK. In a number of countries (particularly in Asia), the currencies correlated to a certain degree with USD. In 2011, the average DKK/USD rate was 532.29 or 5.6 per cent lower than in 2010 (DKK/USD 563.62). As a consequence, revenue and EBITDA for 2011 decreased in the Santa Fe Group by DKK 36m and DKK 3m respectively.

In subsidiaries operating in hyperinflationary economies, income and expenses are translated at the exchange rate as of the balance sheet date which impacted the result in Plumrose positively due to the appriciation of the exchange rate from DKK/USD 561.33 at the end of 2010 to DKK/USD 574.56 at the end of 2011. The associated impact on revenue and EBITDA excluding other taxes was an increase of DKK 103m and DKK 11m respectively.

CONSOLIDATED INCOME STATEMENT

Continuing operations

Revenue in 2011 amounted to DKK 6,274m (DKK 3,858m). The result was DKK 0.2bn above the latest outlook announced in Q3 2011 primarily due to the end of year DKK/USD of 574.56 versus DKK/USD 550.00 in the outlook.
The reported 2011 revenue increase was mainly driven by Plumrose through price increases fuelled by the high inflation in Venezuela and to a minor extent favourable exchange rate effects compared to 2010. Furthermore, revenue in 2011 was driven by the acquisition of WridgWays in December 2010 and Interdean, which was consolidated as from 1 August 2011.

Earnings before interests, taxes, depreciation and amortisation (EBITDA) excl. other taxes in 2011 amounted to DKK 573m (DKK 329m). Plumrose achieved an EBITDA of DKK 543m (DKK 425m) due to price increases driven by inflation and increased pig prices.

EBITDA in the Santa Fe Group was positively affected by the acquisitions of WridgWays and Interdean.

The EBITDA margin excl. other taxes was 9.1 per cent compared to around 8.5 per cent in the latest outlook as announced in Q3 2011. The better than anticipated margin was driven by a strong Q4 in Plumrose.

Non-recurring transaction costs of DKK 24m relating to the acquisitions of Interdean (DKK 20m) and La Montserratina (DKK 4m). The costs were expensed primarily in the parent company.

Financial expenses and income, net was an income of DKK 7m (DKK -45m). Foreign exchange rate losses of DKK 59m were primarily due to a foreign exchange adjustment in Q1 of DKK 30m in Plumrose relating to the purchase of USD. Interest expenses and other fees of DKK 184m were mainly attributable to loans in Plumrose which were increased due to capital expenditures and working capital requirements combined with financing of royalty payments in 2010, funding of the acquisition of La Montserratina and purchase of USD. Gain on the net monetary position arising under hyperinflation accounting amounted to DKK 195m (DKK 60m).

Share of profit in associates was DKK 2m (DKK 13m) primarily attributable to remaining associates in Thailand.

Reported (IAS 29) income tax was an expense of DKK 82m (DKK 125m) excluding withholding taxes and other taxes. The reported (IAS 29) effective tax rate (adjusted) was 24.3 per cent (37.0 per cent). The effective tax rate was severely impacted by the hyperinflation adjustments in Plumrose and deferred tax adjustments in the parent company.

The effective tax rate (adjusted) under historical accounting principles was 8.5 per cent (14.6 per cent). The low tax rate is primarily due to the fact that profit before tax in Plumrose to a high degree
mainly is attributable to the tax exempted farms as a result of very high pig prices and secondarily due to the parent company recognising expected credit from tax paid on royalties in Venezuela.

Profit/loss from continuing operations was DKK 242m in 2011 (DKK 214m).

Non-controlling interests' share of profit amounted to DKK 80m (DKK 26m) primarily due to high profitability in the Procer pig farm in Venezuela given the high pig prices during 2011.

Equity holders

EAC's share of the net profit in 2011 was DKK 162m (DKK 735m). The

Financials, reported: DKK million	**2011** **(IAS 29)**	**2010** **(IAS 29)**
Financial income:		
Interest income	6	8
Net monetary gains	195	60
Exchange gains	43	5
Other interest income	7	3
Total financial income	**251**	**76**
Financial expenses:		
Interest expenses and other fees	184	89
Exchange losses	59	31
Other	1	1
Total financial expenses	**244**	**121**
Financial, net	**7**	**-45**

Tax: DKK million	Reported 2011 (IAS 29)	2011 (historical accounting policy)	Reported 2010 (IAS 29)	2010 (historical accounting policy)
Income tax	127	117	111	102
Deferred tax	45	-146	14	-36
Other taxes including withholding tax	15	15	12	12
Income tax expenses	**97**	**-14**	**137**	**78**
Withholding tax	-15	-15	-12	-12
Other taxes excluding withholding tax	0	0	0	0
Corporate income tax	82	-29	125	66
Profit before income tax, excluding share of profit in associates	337	342	338	452
Effective tax rate (%)	**24.3**	**-8.5**	**37.0**	**14.6**

2010 result was strongly affected by the disposal of the EAC Industrial Ingredients.

CONSOLIDATED BALANCE SHEET

Total equity by the end of 2011 was DKK 2.8bn (DKK 2.5bn). Total equity increased due to the inflation adjustments in Plumrose arising under hyperinflation accounting combined with a net profit for the period and by currency translation adjustments of the opening balances, partly offset by purchase of treasury shares and dividend payment to shareholders and non-controlling interests of DKK 195m.

Dividend payment

A dividend of DKK 5.00 per share amounting to DKK 62m excluding treasury shares was approved by the Annual General Meeting held on 24 March 2011 and subsequently paid to the shareholders.

Return on average invested capital from continuing operations, annualised was 16.0 per cent in 2011 compared to 11.3 per cent in 2010 primarily due to the improved profitability in Plumrose.

Share buy-back programme

In 2011, EAC acquired 612,954 treasury shares at a total consideration of DKK 102m. As of 31 December 2011, the company held 338,494 treasury shares equalling 2.7 per cent of the share capital.

Cancellation of treasury shares

The approval at the Annual General Meeting on 24 March 2011 to cancel 1,366,705 treasury shares equivalent to a reduction of the share capital of DKK 96m took effect on 2 May 2011 following a four-week notice to creditors.

Outstanding royalties and dividends

EAC received no royalty or dividend payments from Plumrose in 2011. Management continues to maintain a close and active dialogue with the relevant Venezuelan authorities concerning outstanding royalties and dividends. For further details, please refer to note 28.

Santa Fe Group completed acquisition of Interdean

On 1 August 2011 the Santa Fe Group completed the acquisition of Europe's leading moving and relocation services company, Interdean International Relocation Group. The Santa Fe Group took over 100 per cent of Interdean's share capital at a total price of EUR 65m corresponding to DKK 482m on a cash and debt free basis. The acquisition will be financed through a combination of equity and debt.

The acquisition significantly strengthens the position of the Santa Fe Group as a leading provider of moving, relocation and records management services in Asia, Australia, the Middle East and now Europe and Russia.

For further information please refer to announcement no. 12 as of 1 August 2011 and note 32.

PARENT COMPANY

The EAC Parent separate financial statements have been prepared in accordance with IFRS.

- The profit for the year amounted to DKK 332m (DKK 606m).
- Cash flows from operating activities was DKK -548m (DKK 201m).
- Cash balances at 31 December 2011 amounted to DKK 6m (DKK 442m).
- Total assets at year end was DKK 2,296 m. (DKK 2,353m) and equity totalled DKK 2,131m (DKK 1,959m).

SUBSEQUENT EVENTS

No material events have taken place after 31 December 2011.

EAC strategy towards 2016

The overriding aim of the EAC Group is in the course of the coming years to develop its two businesses, Santa Fe Group and Plumrose, into strong and independent businesses; each with a size and scale sufficient to attract international investors and to become independent, listed companies.

This growth strategy is based on EAC's fundamental objective of creating maximum shareholder value. The financial objective is to achieve double-digit organic growth in local currencies through acceleration of value-adding acquisitions and organic growth.

GROUP OUTLOOK FOR 2012

Consolidated revenue for the EAC Group is expected at around DKK 8.1bn. The EBITDA margin is expected to be above 8.5 per cent.

The Group outlook is based on a DKK/USD exchange rate of 560.00 for 2012. The official foreign exchange rate in Venezuela is assumed at VEF/USD 4.30.

When considering the Group's outlook for 2012, it should be understood that the macroeconomic situation is uncertain, not least in Venezuela. Changes in the assumptions stated are likely to occur and may significantly affect the outlook.

OTHER GROUP ISSUES

Share-based payments

EAC operates a share-based incentive programme according to which management and certain other key employees of the EAC Group were granted share options. General guidelines for the programme were approved by the Annual General Meeting in 2008. The programme was completed in 2009. For further information, please refer to note 13 or to the EAC Group's website: www.eac.dk.

Disclaimer

The Annual Report 2011 consists of forward-looking statements including forecasts of future revenue and future EBITDA. Such statements are subject to risks and uncertainties in respect of various factors, of which many are beyond the control of the EAC Group and may cause actual results and performance to differ materially from the forecasts made in the interim report. Factors that might affect expectations include, among other things, overall economic, political and business conditions and fluctuations in currencies, demand and competitive factors.

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Corporate Governance

Annual statutory statement on corporate governance, cf. section 107b of the Danish Financial Statements Act

This statement for The East Asiatic Company Ltd. A/S forms part of the Supervisory Board's 2011 report and covers the period 1 January to 31 December 2011.

EAC's Supervisory Board and Executive Management consistently seek to ensure that the company observes its corporate governance policies and procedures in order to optimise value creation from the Group's activities. In this connection, the Supervisory Board continuously considers NASDAQ OMX Copenhagen's recommendations on corporate governance in terms of their relevance to the Group. The Group complies with a majority of the recommendations, but there are recommendations that the Supervisory Board has chosen not to follow.

The position of the Supervisory Board on each of the recommendations of NASDAQ OMX Copenhagen on corporate governance, is explained on the EAC website, http://www.eac.dk/governance.cfm.

The Supervisory Board's views on some of the recommendations are set out in the following including those the Supervisory Board has chosen not to follow.

Role of the shareholders and their interaction with the management of the company

The Supervisory Board and the Executive Board support an open dialogue with EAC's shareholders, including at general meetings. For example, shareholders can have their proposals included on the agenda and/or address the shareholders at general meetings.

Role of stakeholders and their importance to the company and the company's corporate social responsibility

Responsible behaviour and respect for the environment form an integral part of EAC's way of doing business. EAC has policies and procedures for its stakeholder relations and social responsibility as reflected in this report.

Openness and transparency

EAC aims to maintain an open and active dialogue with current and potential investors, financial analysts, the news media and other stakeholders. EAC's communication activities are intended to ensure that EAC shares remain attractive with high liquidity and a true and fair value.

Tasks and responsibilities of the Supervisory Board

The Supervisory Board is responsible for the overall strategy and management of the company, and it lays down the rules of procedure and supervises the work of the Executive Management. The Executive Management attends meetings and telephone conferences of the Supervisory Board, and in addition the Chairman of the Supervisory Board maintains close contact with the Executive Management. The Supervisory Board is responsible for defining the overall group strategy. An annual board strategy seminar is also attended by the Executive Management.

At annual general meetings of the Company, the Chairman of the Supervisory Board together with the Executive Management report on the main events of the past year. At the same time major developments, new strategic initiatives and the financial position are presented to the shareholders, and major initiatives undertaken by the EAC Group are reviewed.

Composition and organisation of the Supervisory Board

Members of the Supervisory Board are elected by the shareholders in general meeting for terms of 12 months. Supervisory Board members, whose term of office has expired, are eligible for re-election. When proposing a nomination to the general meeting, the Supervisory Board takes into account the skills required to perform the duties of a board member. A presentation of each candidate standing for election is provided to the shareholders prior to the annual general meeting. Therefore, the Supervisory Board does not find it relevant to post a further specification of these skills on the company's website. The Supervisory Board has no employee-elected members.

The Supervisory Board believes that there is diversity at all management levels of EAC including equal opportunities for both sexes. Diversity forms a natural part of the CSR objectives for each of EAC's two operating businesses. The Supervisory Board does not believe there is a need to lay down further specific objectives in this regard.

All members of the Supervisory Board are independent and have no special interest in EAC except as minority shareholders. The Supervisory Board undertakes an annual evaluation of its performance and achievements, but does not find that publishing the details of the procedure or the outcome would serve a useful purpose. According to the rules of procedure, members of the Supervisory Board must retire when they reach the age of 70.

Board meetings

The past year the Supervisory Board held a total of twelve meetings of which seven took place as telephone conferences. Furthermore, a seminar took place in December in London.

Board committees

Due to the size of the Supervisory Board (four members) and the competencies of its members, the Supervisory Board has decided not to establish any board committees other than an audit committee consisting of the members of the Supervisory Board. Preben Sunke is chairman of the audit committee.

Remuneration of members of the governing bodies

The Executive Management receives a fixed salary and participates in a long-term share option incentive programme, which closed in the first half of 2009. The terms of the programme can be found on EAC's website (www.eac.dk), where the total number of share options and the nominal value of the programme are disclosed together with the number of eligible employees. The exact structure of a new programme is currently under development. EAC has no retention or severance programmes in force for the Executive Management.

The remuneration of the members of the Supervisory Board consists of a fixed annual fee. The total remuneration for 2011 for each member of the Supervisory Board was approved at EAC's Annual General Meeting in 2011 and is disclosed in note 12 to the financial statements. The fee for the current financial year will be submitted for approval at the Annual General Meeting on 27 March 2012.

Financial reporting

All relevant information regarding financial and non-financial developments essential to EAC is disclosed in the annual report and the three interim reports.

Risk management and internal control

Given the scope of EAC's activities, investments and financing, the Group is exposed to adverse movements in foreign exchange rates, interest rates and commodity prices. EAC's risk management is coordinated through a policy framework approved by the Supervisory Board.

The risk management procedures are focused on minimising risk. Particular focus is on reducing the volatility of the Company's cash flows in local currencies. For further information see note 28 to the financial statements.

EAC's internal controls and risk management systems are described in further detail on the next page. The Supervisory Board reviews and considers EAC's policy on insurance as well as its insurance coverage on an annual basis.

A whistle-blower system was implemented in 2011 in the Santa Fe companies and in WridgWays. The system will be extended to also include the Interdean companies in 2012.

Plumrose will also implement a whistle–blower system in 2012.

Audit

The existing control and reporting procedures are subject to regular review. It is the view of the Supervisory Board that establishing an internal audit function would not add any value to the existing procedures.

Internal Controls

EAC operates in emerging markets in Asia, Australia, Europe, The Middle East and Latin America, implying considerable market risk. EAC has many years of experience working under such conditions, and the company's structured risk management approach includes, among other things, systematic internal controls based on an individual risk assessment of each of the businesses.

The internal controls and procedures of the financial reporting process are important management tools for the EAC Group and are designed to ensure that both the internal and external financial reporting give a true and fair view of the EAC Group's financial position and performance without material errors.

The internal controls and procedures of the financial reporting process are modelled around the EAC corporate structure consisting of Group Management (EAC Corporate Centre) and two individual businesses.

Control environment

A set of risk management policy guidelines has been approved by the Supervisory Board. These guidelines constitute the EAC Group's overall control environment along with other internal policies and procedures, management structure, legislation and regulations.

The EAC Group's financial reporting process comprises monthly reporting, budgets, full-year estimates and supplementary information regarding particular high-risk items.

Furthermore, each business has implemented specific reporting procedures based on local conditions.

The day-to-day application of internal controls and their effectiveness is handled at business level. Based on an assessment of risk and materiality, a framework of internal control procedures is prepared at group and business level.

Risk assessment

The Supervisory Board and the Executive Board make a general analysis of material entries and other financial reporting issues on a regular basis, including items and issues that may be subject to special risk. The assessment of risks is made at group level.

Essential financial estimates and evaluations are described in further detail in note 2 to the consolidated financial statements.

Control activities

The control procedures are based on the risk assessment and are structured in a control catalogue setting out the minimum control activities to be performed.

The control procedures include manual as well as automatic controls. The objective of the control activities is to ensure that the financial reporting process complies with the instructions laid down by management in order to prevent, detect and correct errors in due time.

The control catalogue constitutes an important tool through which the Supervisory Board and the Executive Board monitor the EAC Group's internal control and risk management systems.

Information and communication

The EAC Group communicates regularly to the businesses all material risks and internal controls regarding the financial reporting process and any corrective measures taken or changes made.

Year-end and other reporting procedures as well as manuals regarding specific IFRS standards are handled by the EAC Corporate Centre and communicated to the management of each business.

Monitoring

Monthly financial reporting is analysed and monitored by segment management and controllers, and consolidated data is analysed and monitored by the EAC Corporate Centre.

The business managements report annually on the control procedures, confirming and documenting at the same time their compliance with the internal controls and adding contingency plans of action required to correct any weaknesses. The results are summarised and reported to the Supervisory Board.

The EAC Group Management periodically follows up on identified weaknesses as well as recommendations to ensure that such weaknesses are handled in due time according to the agreed plans of action.

Sustainability in EAC

Responding to increased stakeholder expectations

EAC supports the international community's call for improved corporate sustainability governance through new and revised guidelines issued by, for example, the UN, the OECD or the EU, and regulations entering into effect such as the UK Bribery Act. Relevant data collection, performance measurements, target setting, risk assessments, e-learning and a clear delegation of roles and responsibilities will make up the backbone of EAC's strategy to adequately address the need for sustainability governance including adequate procedures to work against corruption.

A year of implementation and system set-up

Following the initial CSR screenings in 2009 of EAC's performance, risks and opportunities in accordance with the 10 UN Global Compact principles and the strategy development and implementation in 2010, 2011 was a year of implementing systems to strengthen EAC's capabilities of business-driven sustainability management.

EAC aims to make the collection of quantitative and qualitative data essential not only for the strategic management of CSR issues, but also to use it as an operational management tool across businesses and countries. Strategic management of sustainability risks and opportunities is an integral part of good governance at EAC. Therefore, EAC applied systematic data collection in 2011 to facilitate and improve the integration of WridgWays, the operations acquired in December 2010. The plan is to facilitate further expansion of the IT-based data collection programme to Interdean in 2012.

Adequate procedures and e-learning

EAC also supported the Santa Fe Group in developing e-learning modules for managers on the topics of non-discrimination and anti-corruption. The modules were tested in 2011, and the first round of the annual training sessions will be initiated in Q1 of 2012. A module on anti-corruption for employees is planned for 2012. The system allows management and employees to assess how well the policies and procedures have been understood, and it forms an integral part of EAC's efforts to maintain and improve its anti-corruption due diligence system. EAC plans to train managers and all relevant employees in 2012.

Plans for 2012

In 2012, EAC will focus on using the improved access to performance data to benchmark operational units against each other and set relevant targets locally and at group level. EAC will also continue to further strengthen the businesses' due diligence processes on human rights in line with the expectations of the international community. EAC will improve policies and systems such as HR systems, staff manuals, supplier codes of conduct, internal grievance mechanisms and whistle-blower functions.

Still, the CSR due diligence systems in the businesses need continuous attention since potential CSR-related risks can occur in any jurisdiction e.g. in relation to suppliers, authorities or business partners. EAC is aware of these risks and acknowledges that CSR integration is a learning process and is committed to making continuous improvements based on international principles and standards.

Additional information

For more information about CSR implementation, performance and planned activities in the Santa Fe Group and in Plumrose refer to the business sections.

The management's review does not include a complete statement on EAC's corporate social responsibility efforts. Reference is made to the separate report on sustainability which also constitutes EAC's Global Compact Communication on Progress report and meets the requirements for sustainability reporting of the Danish Financial Statements Act.

The Global Compact Communication on Progress reports for 2011 and 2010 are available at http://www.eac.dk/responsibility.cfm

EXCERPTS FROM EAC'S GROUP CSR POLICY

EAC pledges to:

PEOPLE

- Continuously improve EAC's governance system to ensure compliance with basic human rights
- Identify ways of maximising the positive social impact of EAC's business operations where EAC has special skills, products or services to make a difference.

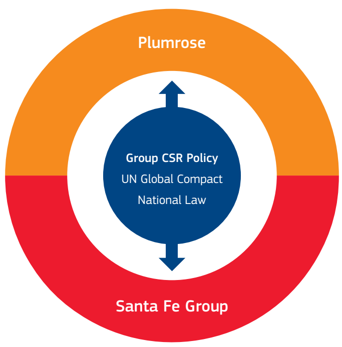
PLANET

- Assess and reduce the negative impact of EAC's operations on the environment including climate change
- Meet or exceed applicable regulatory requirements wherever EAC conducts its operations
- Continuously seek to improve EAC's awareness, processes and production facilities in order to set new environmental standards in markets whenever possible.

PROFIT

- Apply a zero-tolerance approach with respect to corruption, extortion and bribery in accordance with principle 10 of the UN Global Compact.
- Continuously work to improve governance structures to combat corruption in all its forms.

For the full CSR policy of the EAC, refer to EAC's website: http://www.eac.dk/responsibility.cfm



THE GLOBAL COMPACT
WE SUPPORT

Shareholder Information

Investor relations

EAC provides regular and timely information to investors and analysts about the EAC Group's businesses and financial performance with the aim of ensuring transparency and a fair valuation of the EAC share.

When publishing interim and annual reports, EAC audiocasts presentations for investors, analysts and the press. The Executive Management furthermore participates in investor and analyst presentations internationally and in Denmark. The EAC share is covered by the analysts listed on the corporate website, www.eac.dk.

EAC's website is the main source of investor-related information. All annual reports, interim reports and webcasts are available online immediately after being published.

According to standard practice, EAC does not comment on issues related to its financial performance or expectations three weeks prior to planned releases of full-year or interim financial reports.

The full policy for EAC's investor relations is published on the EAC website.

The EAC share

EAC shares fell by 34.2 per cent on NASDAQ OMX Copenhagen A/S in 2011 and were traded at a price of DKK 118.5 at the end of the year. With dividend payments in 2011 of DKK 5 per share, the share yielded an overall negative return of 31.4 per cent. By comparison, the MidCap index fell by 23.5 per cent during that period.

The daily average turnover of EAC shares in 2011 was around DKK 3.2m, corresponding to a total traded volume of DKK 0.8bn (2010: DKK 1.7bn.). On 31 December 2011, the market capitalisation of EAC was DKK 1.5bn.

The EAC share is 100 per cent free float, i.e. all EAC shares are freely negotiable.

Share capital

The EAC share capital amounts to DKK 864,364,165 consisting of 12,347,460 shares at a nominal value of DKK 70 each, equalling DKK 864,322,200 and 1,199 shares at a nominal value of DKK 35 each, equalling DKK 41,965. There is only one class of shares.

Share data	
Stock exchange:	NASDAQ OMX Copenhagen
Index:	MidCap
Sector:	Consumer staples
Trading code:	DK0010006329
Ticker:	EAC
Share capital:	DKK 864,364,165
No. of shares:	12,348,060
Negotiable papers:	Yes
Shares with special rights:	No

The Supervisory Board has been authorised to allow EAC to acquire treasury shares in the period until the next annual general meeting up to a combined nominal value of 10 per cent of the share capital; as permitted under section 48 of the Danish Companies Act. The purchase price may not deviate by more than 10 per cent from the official price quoted on NASDAQ OMX Copenhagen at the time of acquisition.

As of 31 December 2011, EAC held 338,494 (1,092,245) treasury shares, equivalent to 2.7 per cent of the total share capital. In 2011, EAC acquired 612,954 treasury shares at a total consideration of DKK 102m. Treasury shares are held at zero value in EAC's books.

Ownership information

At the end of 2011, approximately 20,000 shareholders were listed in EAC's register of shareholders; a decrease from the end of 2010 (21,000). About 75 per cent (76 per cent) of EAC's total share capital is held by registered shareholders. The ten largest shareholders hold in aggregate 17 per cent of the registered share capital. Some 28 per cent of the registered share capital is held by shareholders based outside Denmark.

Trading and share key figures as of 31 December 2011	2011	2010	2009	2008	2007
Share closing price	118.5	180.0	181.8	177.5	397.5
Share high/low	180/108	187/125	208/134	447/160	440/245
Total number of outstanding shares	12,348,060	13,714,765	13,714,765	14,083,915	15,030,190
Treasury shares	338,494	1,092,245	334,000	703,160	1,280,275
Nominal value	70	70	70	70	70
Share capital (DKK m)	864	960	960	986	1,052
EAC's share of equity	2,680	2,362	2,355	1,759	1,531
Market value (DKK m)*	1,423	2,272	2,432	2,375	5,466
Earnings per share (EPS)**	13.3	14.2	14.8	32.7	28.9
Equity per share	223	187	176	129	104
Dividend per share (DKK)	5	25	5	5	10
P/E ratio	8.9	12.7	12.3	5.4	13.8
P/BV	0.6	1.0	1.0	1.4	3.6
Payout ratio (%)	25	35	32	14	32

Per share ratios are calculated based on diluted earnings per share.
*) Excl. treasury shares. **) Earnings per share from continuing operations excl. treasury shares.

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Register of shareholders
EAC's Register of Shareholders is maintained by:
VP Investor Services A/S
14 Weidekampsgade
DK - 2300 Copenhagen S

No shareholders have reported a holding of more than 5 per cent of the shares in reference to section 29 of the Danish Securities Trading Act.

EAC strives to engage in open dialogue with current and potential shareholders and encourages shareholders to register their holdings with the company and thereby make use of their influence. Registration can take place through the shareholder's own bank securities department or securities broker.

Management's holdings of EAC shares

As of 31 December 2011, the members of the Supervisory Board and Executive Management combined held a total of 22,066 EAC shares.

EAC maintains a list of insiders in accordance with applicable law. Insiders and related persons may only undertake transactions in EAC shares during the four-week periods following publication of the annual or quarterly interim financial reports.

Annual General Meeting and dividend

The Annual General Meeting of The East Asiatic Company Ltd. A/S will be held on:
Tuesday, 27 March 2012 at 16.00 at:
Radisson Blu Falconer Hotel & Conference Center
9 Falkoner Allé
DK-2000 Frederiksberg

The notice to convene the meeting will be advertised in the press and sent to those shareholders who have so requested. A notice will also be posted on EAC's website (www.eac.dk) together with other key shareholder information related to the AGM.

EAC aims to maintain the necessary equity to fund the EAC Group's operations and to achieve the group strategy. Excess capital will be distributed to the shareholders through dividend payments including interim dividends and/or share buybacks. EAC has in recent years operated a practise of returning one third of the profit for the year to the shareholders. Ordinary dividends are determined at annual general meetings.

The Supervisory Board will propose to the Annual General Meeting that an ordinary dividend of DKK 5 per share be paid in respect of the 2011 financial year in accordance with EAC's dividend policy. The total dividend payment proposed amounts to DKK 62m.

For further information

Contacts for institutional investors, analysts and media:

President & CEO Niels Henrik Jensen
Tel. +45 35 25 43 00

Group CFO Michael Østerlund Madsen
Tel. +45 35 25 43 00

Contact for private shareholders:
Shareholders' Secretariat
Tel. +45 35 25 43 00
E-mail: eac@eac.dk
www.eac.dk

Announcements to NASDAQ OMX Copenhagen A/S in 2011

Date	No.	Subject
03.01.	1	Venezuela to simplify currency exchange regime
05.01.	2	EAC purchase of treasury shares
24.02.	3	EAC's Annual Report 2010
01.03.	4	Notice convening the Annual General Meeting of The East Asiatic Company Ltd. A/S
24.03.	5	EAC's outlook for 2011 and strategy towards 2016
24.03.	6	EAC's Annual General Meeting
27.04.	7	EAC Moving & Relocation Services acquires Interdean – Europe's leading moving and relocation services company
10.05.	8	EAC's share capital
12.05.	9	EAC's Interim Report Q1 2011
01.06.	10	EAC investor meeting today
07.06.	11	Reduction of ATP's, EAS's and SUPP's share of ownership and votes in EAC
01.08.	12	Santa Fe Group (EAC Moving & Relocation Services) completes acquisition of Interdean, Europe's leading moving and relocation services company
18.08.	13	EAC's Interim Report H1 2011
10.11.	14	EAC's Interim Report Q3 2011
22.12.	15	EAC Financial Calendar 2012

Financial calendar 2012

23.02.	Annual Report 2011
27.03.	Annual General Meeting
15.05.	Interim Report Q1 2012
16.08.	Interim Report H1 2012
15.11.	Interim Report Q3 2012

SANTA FE
GROUP

SANTA FE MAKES IT EASY

HIGHLIGHTS

- Growth in all service segments and positive synergies from expanded geographical platform.
- Australia: Strong demand from mining and energy sector, high level of inbound relocations and increased market share were the performance drivers.
- Asia and the Middle East: Overall growth driven especially by strong activity from existing and new business in China and South Asia.
- Europe, Russia and Central Asia (included as of 1 August 2011): High level of intra European activity and increased market shares contribute to growth.
- Outlook: Market developments remain positive and sales synergies will be derived from expanded geographical platform.

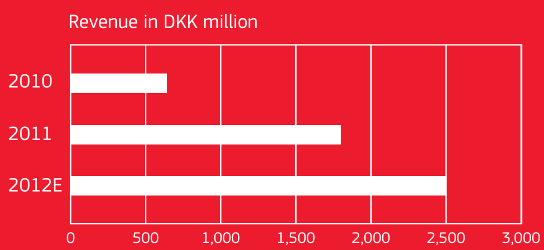
Facts about Santa Fe Group

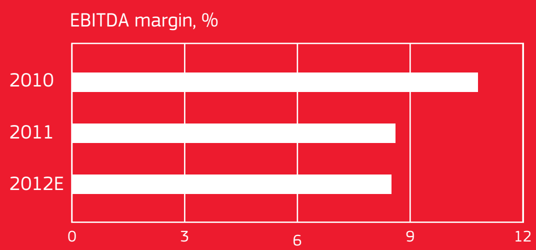
"Santa Fe's business model is fundamentally about meeting our customers' demand for single-source solutions to their global mobility management. With the two recent strategic acquisitions expanding our footprint to 50 contries acrosss three continents, we truly consolidated our position among the world's leading moving and relocation services companies".

Lars Lykke Iversen,
CEO

184%

Revenue growth in local currencies from 2010 to 2011





SERVICES

Records management
Service offering of a number of archive storage and administrative services based on state-of-the-art technology. The services are offered in twelve countries across Asia enabling customers to grow and save in the cost of office space.

Visa & Immigration
Sorting out the paperwork for an international relocation and the solution to all immigration and visa handling allowing customers to take full advantage of the local knowledge and expertise in the Santa Fe Group who help manage all immigration needs to comply with local laws and ensure a smooth transfer to any location.

Relocation Services
The high quality and services include immigration/visa handling, home/school search, language/cultural training, tenancy management, financial management services.

Moving Services
The services offer a single-source solution to all relocation needs, combining comprehensive services with the highest quality and environmental standards to maximise customer value.

Real estate services
A comprehensive range of real estate services designed to make the search for a new home quick, efficient and hassle-free. After a detailed analysis of customer requirements, suitable properties are selected for viewing and help provided to navigate the local leasing procedures.

Santa Fe Group

STRATEGIC FOUNDATION

Moving with the customers

The strategic objective of the Santa Fe Group is to strengthen its market leadership in integrated mobility management focusing on relocation services.

Fuelled by growing demand for integrated mobility management, the Santa Fe Group plans to expand its product offering and further consolidate its geographical platform for continued growth.

As corporate customers move to new geographies, the Santa Fe Group will follow, extending its network in Asia, Australia, Europe and the Middle East. Further expansion in the Middle East will be spearheaded from the Dubai office. There are no plans for any acquisitions in the US or Canada, as management believes that the Santa Fe Group is better represented in that region through its close partnerships with leading players.

Due to the knowledge-based and people-driven nature of the business, organic geographic expansion is implemented gradually, and acquisitions focus on quality companies with highly skilled management teams already in place.

The Santa Fe Group will focus on continued growth in relocation services in all markets.

Records management is currently being offered in selected markets, and focus will be on expansion in emerging markets where the Santa Fe Group already has a presence.

PRODUCTS AND MARKETS

Single-source solution to relocation needs

Based on its customer-centric philosophy and in response to growing demand from international corporations, the objective of the Santa Fe Group is to offer a single-source solution for all relocation needs, combining comprehensive services with the highest quality and top environmental standards in order to maximise the value brought to the customers.

Product development

As corporate customers seek to streamline their own operations to save costs, the Santa Fe Group continuously develops new services and procedures in order to proactively anticipate customer needs and demands and thereby enhance customer satisfaction.

Growing market shares in competitive markets

Foreign direct investment (FDI) into Asia, Australia, Western and Eastern Europe, Russia, Central Asia and the Middle East is an important driver of the relocation business. For several years, the increasing globalisation has produced high relocation volumes, offering attractive growth markets for the Santa Fe Group.

The Santa Fe Group has successfully expanded its operations throughout Asia, Australia, the Middle East, Western and Eastern Europe, Russia and Central Asia achieving a market leading position. Through its relocation partners within the FIDI, OMNI and the worldwide ERC networks, the Santa Fe Group offers services to customers relocating globally.

High-quality service solutions

The Santa Fe Group operates under the regional brands Santa Fe, WridgWays and Interdean. Using the latest technology available and being in full compliance with ISO standards, all services are designed to provide customers with a high and consistent quality experience.

The service range includes immigration/visa handling, home/school search, language/cultural training, tenancy management, financial management services and move management. These services, along with the moving services, allow customers to take full advantage of the local knowledge and expertise of the Santa Fe Group.

The records management business offers a series of archive storage and administrative services based on state-of-the-art technology. The service offerings are available in twelve countries and hold an attractive growth and earnings potential as commercial centres across these markets continue to grow, and the costs of office space increase.

RISK PROFILE

Economic risk

The Santa Fe Group is sensitive to occurrences that reduce global mobility, fluctuations in foreign direct investment (FDI) like into Asia, Russia and Central Asia or pandemic diseases.

Operating risk

The most important risk factor is the potential loss of corporate customers. To mitigate this risk, the Santa Fe Group offers its customers consistent, efficient and integrated mobility services through a global service platform.

Product risk

The Santa Fe Group alleviates the product risk by exercising strict control of service delivery through internal quality systems and by complying with industry standards.

Financial summary (DKK million)	*2011	*2010	2009
Revenue	1,797	640	560
EBITDA	155	69	60
EBITDA margin (%)	8.6	10.8	10.7
Operating profit (EBIT)	127	57	49
Operating margin (%)	7.1	8.9	8.8
Total assets	2,051	1,086	335
Working capital employed	65	45	37
Invested capital	1,209	630	123
Net interest bearing debt, year-end	11	37	-60
Return on invested capital in % p.a.	16.9	18.3	43.9
Cash flow from operating activities	115	34	74
Cash flow from investing activities	-516	-426	-11
Employees, number year-end	2,823	1,971	1,629
Employees, number average	2,397	1,595	1,657

*WridgWays was acquired on 16 December 2010 and Interdean was acquired on 1 August 2011

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2011 IN REVIEW

Consolidating the business platform

On 1 August 2011, the Santa Fe Group completed the acquisition of Interdean, Europe's leading moving and relocation provider. The addition of Interdean marked an important milestone for the Santa Fe Group, and the expanded business platform will greatly benefit customers and trade partners going forward. The merging companies offer professional moving, relocation and records management services through 120 offices in 50 countries with more than 2,800 permanent team members and handle in excess of 109,000 relocations annually. Combining Interdean's extensive network across Western and Eastern Europe, Russia and Central Asia with the existing Santa Fe and WridgWays networks throughout Asia, Australia and the Middle East, provides a single-source solution to customers and partners across three continents. The combined activities represent a unique strategic platform for continued growth and value creation with further attractive expansion opportunities in the Middle East and in those regions of Europe, Asia and Australia where the Santa Fe Group is not currently present.

The integration of Interdean into the Santa Fe Group is well underway. A formal kick-off meeting with participants from three continents was held in London on 15 August 2011. Sales and Marketing for the Santa Fe Group now operates out of London as this location is closest to the decision-makers of the European-based multinational customers.

The majority of the WridgWays integration plan was completed during 2011, with the final steps of the technology integration scheduled for completion by the end of April, 2012.

The new corporate brand guidelines have been laid down based on the red horse as the iconic symbol of the industry with Interdean and WridgWays incorporating it into their branding and marketing.

A technology plan has been established and is being implemented in stages with the objective of creating a common platform and heightening the efficient use of websites and social media.

The extended footprint on three continents has been very well received by customers and partners. All Santa Fe Group companies experience specific results, having signed new customers, and improved opportunities for winning international contracts.

Improved market conditions

In recent years the global economic crisis has had an adverse effect on the mobility industry, resulting in a drop in relocations globally. The dynamic Asian economies have, however, continuously seen high growth rates, and direct investments into Asia have increased. This trend is having a positive effect on the mobility industry and as a consequence, the Santa Fe Group experienced growth in all service segments across regions during 2011.

Asia and the Middle East grew by 5 per cent in outbound relocations whereas inbound relocations grew by 14 per cent. Australia benefitted from the shortage of workers in the mining sector resulting in inbound relocations at double-digit growth with outbound relocations recording single-digit growth. Europe reported single-digit volume growth overall, while Australia, including project management for third country relocations, i.e. relocations to or from geographies where the Santa Fe Group is not present, improved significantly.

The high-margin relocation services continued to grow during 2011, partly due to continued efforts to expand and refine the service offerings through the increase in business from existing customers and overseas relocation companies.

The records management business also gained market share and expanded its geographical coverage with double-digit growth in all markets.

Compliance

It is increasingly important for the majority of multinational companies that service providers in their supply chain are compliant in all respects when it comes to information security and data protection, the environment, health and safety and corporate social responsibility. To meet this requirement, the Santa Fe Group aims to continue investing in quality programmes such as ISO 9001 Quality procedures, ISO 14001 Environmental programme, ISO 18001 Health & Safety, AS/NZS 4801 Occupational Health & Safety, ISO 271001 Information and data security, FAIM, the highest quality standard in the moving industry, and not least in corporate social responsibility reporting under the UN Global Compact programme. This gives the Santa Fe Group a competitive advantage by offering full compliance for multinational companies and trading partners on three continents.

CSR

More and more multinational corporations demand CSR compliance from its service providers. For the Santa Fe Group, a strategic approach to CSR is key to maintaining and improving the Santa Fe Group's market leading position, and the Santa Fe Group is working to become the CSR leader in its industry with the long-term goal of becoming carbon neutral. As a consequence, the Santa Fe Group is a signatory to the United Nations Global Compact and has established a strict set of ethical values and standards based on the 10 principles of the UN Global Compact, which it is in the process of being rolled out to all country operations.

FINANCIAL RESULTS

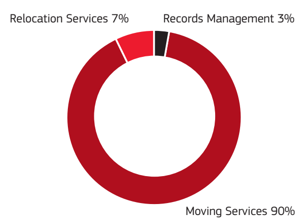
Acquisition/Integration

Due to the acquisitions of WridgWays in December 2010 and Interdean in August 2011, the year-on-year comparison of Santa Fe's Asia business development is impacted by several factors such as significant growth through acquisitions, elimination of intercompany sales and positive and negative synergies which complicate a direct comparison. Consequently, such a comparison has been omitted from the annual report.

Revenue

Revenue grew by 180.8 per cent in 2011 compared to 2010, reaching DKK 1.8bn which is in line with the previous outlook of revenue above DKK 1.7bn. In local currencies revenue increased by183.7 per cent.

Revenue by segments, 2011



MOVING SERVICES

Total revenue increased by 220.3 per cent in local currencies.

Australia

In Australia total revenue increased by 7.1 per cent in local currencies compared to 2010 despite enduring sales and operational setbacks in the first quarter of 2011 due to severe flooding in the state of Queensland, which prevented rail and road distribution for several weeks and caused a reduction in private consumer relocation demand. Despite the flood impact in Queensland, the domestic moving business recovered to record a revenue improvement against the previous year. Western Australia and Queensland were dominant in growth due to strong demand from the mining and energy industries whilst New South Wales and Victoria performed well in markets affected by stagnant economies. The project management division was successful in winning a number of contracts in the mining and hotel/resort industries resulting in a 31.0 per cent revenue increase compared to 2010. The international business equally increased revenue by 7 per cent. Australia has a significant shortage of skilled workers and the mining and energy industries and supporting downstream business such as engineering and construction firms need to recruit offshore to fill job vacancies. This was an important factor and inbound relocations increased by 24.0 per cent compared to 2010. Outbound relocations increased by 4.7 per cent reflecting a small reduction in demand from private consumers, and an increase from overseas trading partners in the USA, Europe and Asia.

Asia and the Middle East

In Asia and the Middle East total revenue increased by 6.0 per cent, with outbound volumes increasing by 5.0 per cent and inbound volumes by 14.0 per cent.

Total revenue from Greater China grew by 2.9 per cent. In particular, China, Taiwan and Macau experienced increases in revenue whereas a decrease in revenue was experienced in Hong Kong due to loss of support from agents in competition with WridgWays and Interdean. China experienced 28 per cent growth in inbound volumes as customers continued their expansion in China. Outbound volumes increased by 7 per cent.

In North Asia, total revenue increased by 10.3 per cent in local currencies. Japan experienced an increase in outbound volumes due to the earthquake and tsunami, with inbound volumes being negatively affected. South Korea experienced growth due to an increased market share, as well as increased support from Europe based on the acquisition of Interdean.

In South East Asia, total revenue increased by 1.2 per cent in local currencies. Indonesia experienced a decline in outbound relocations as generally more people are relocating to the country. Malaysia experienced a drop in activity as both outbound and inbound relocations declined, in particular from the USA. Vietnam, the Philippines and Singapore were at a higher level of activity compared to 2010. Markets such as the Philippines and Vietnam experienced increased volumes for both inbound and outbound volumes as more international companies set up operations in those markets.

In South Asia (India) total revenue increased by 16.1 per cent in local currencies as a result of double-digit growth in both outbound and inbound relocations. The increase was achieved by increased business from trading partners and through positive effects from the acquisition of Interdean.

The Middle East operation experienced a higher level of activity with revenue 3.7 times higher than in 2010. The improvement was based on an increase in market share, albeit from a low base, as well as additional business from the acquisition of Interdean.

Europe
Western, Central and Eastern Europe were consolidated in the Santa Fe Group accounts from August to December due to the acquisition of Interdean. Year-on-year total revenue grew with single digits. Western Europe experienced a higher level of activity with markets such as France, Germany and Italy experiencing double-digit growth based on increased market shares. Low growth throughout the Eurozone, particularly in Italy, Spain, Portugal and Ireland, has slowed market growth, but allowed for market share improvements. Overall, Central Europe performed on a par with 2010.

Eastern Europe was affected by restrictive customs regulations in Russia, with Russia representing about 38 per cent of total revenue in Eastern Europe.

The European market has two segments for moving services, intra European and international deep sea relocations respectively. Intra European activity continued to be a significant contributor to overall revenue, driving growth and displacing agent revenues that dropped in the third and fourth quarters, in particular from the USA.

Interdean's European Central Dispatch system was created to coordinate and maximise truck and van usage for all offices and to create efficiencies for designated routes on the continent. This has resulted in an increase of over 10 per cent in self-hauled activity in 2011. Continued development of this programme will improve vehicle efficiency for 2012 and beyond.

Corporate relocation activity opportunities increased with the slow economy proving the catalyst for corporations to evaluate and go to market for their global mobility programmes. The combined strengths of the Santa Fe Group and the geographic coverage are proving to be of value together with the local capabilities and presence; a requirement for European as well as North American global corporations looking for a global solution with local execution.

RELOCATION SERVICES

Total revenue increased by 73.9 per cent in local currencies.

Australia
The Australian business increased total revenue by 8.2 per cent as a result of a higher uptake by its domestic corporate customers in the energy and mining sector.

Asia and the Middle East
For Asia and the Middle East, total revenue increased by 16.2 per cent in local currencies. This is a result of increased support from existing and new accounts.

Greater China increased total revenue by 7.5 per cent in local currencies. The 2010 revenue was lifted by a large project in China. When adjusted for this project, the 2011 revenue was up by 14.5 per cent.

In North East Asia, total revenue increased by 7.6 per cent in local currencies. Japan's level of activity was affected by the earthquake and the tsunami, whereas South Korea increased its revenue by 64.0 per cent due to a greater market share.

In South East Asia, total revenue was up by 39.3 per cent in local currencies with all markets achieving double-digit growth. The performance was based on increased activity from existing accounts as well as additional revenue from new accounts.

In South Asia (India), total revenue was at the same level as in 2010 due to a slow start to the year with revenue picking up in the latter part of the year.

The Middle East operation experienced a higher level of activity with total revenue increasing 15 times over 2010. This was achieved by leveraging existing accounts within other markets as well as additional business due to the acquisition of Interdean.

Europe
Relocation services experienced a higher level of activity with the addition of new important blue-chip corporate accounts following dedicated sales efforts from the expanded Santa Fe Group platform.

RECORDS MANAGEMENT

Total revenue increased by 28.2 per cent in local currencies. Measured by volume, the business grew 33.0 per cent.

Asia and the Middle East
Greater China revenue grew by 12.1 per cent in local currencies whereas South East Asia revenue almost trebled as customers continued to build up storage levels combined with a positive contribution from acquired business in Indonesia.

EBITDA

The 2011 EBITDA of DKK 155m was an increase of 124.6 per cent in DKK and of 135.9 per cent in local currencies including WridgWays and Interdean. The EBITDA margin was 8.6 per cent which is below the previous outlook of around 9.5 per cent due to a weaker than expected product mix in Europe during the low season of Q4 and transactions costs related to Interdean.

Australia performed well relative to 2010 due to strong demand for general services within the mining and energy sector. Similarly, Greater China improved relative to 2010 with China achieving double-digit growth based on improved trading conditions. North Asia also performed well ahead of last year due to improved performance in South Korea with Japan being on a par with 2010. South East Asia improved on 2010 with Thailand, the Philippines, Indonesia and Vietnam performing well ahead of last year due to improved trading conditions and market share gains. Singapore performed slightly below 2010 with Malaysia performing considerably below 2010 due to lower activity for both inbound and outbound relocations. South Asia (India) performed below 2010 due to lower margins in moving services as well as an increase in fixed costs due to high inflation, the effect of which could not be fully passed on to customers. The Middle East operation, which was commenced in 2009, turned in positive results for 2011, based on a higher market share. Europe experienced improved results when compared to the same period of 2010, in particular Western and Central Europe.

Working capital employed increased by 64.7 per cent in local currencies compared to year-end 2010 due to the acquisition of Interdean, combined with an increase in sales and working capital days in China.

Invested capital increased by 67.6 per cent in local currencies compared to year-end 2010 due to the acquisition of Interdean and the buyout of the 30 per cent minority interest in India. The increase was partly offset by a decrease in working capital in WridgWays.

Return on invested capital (ROIC) was 16.9 per cent on an annualised basis in local currencies.

Net interest bearing debt was DKK 11m.

Investment in intangible assets and property, plant and equipment amounted to DKK 594m of which DKK 294m was related to the acquisition of Interdean. Of this amount, DKK 249m related to goodwill, trademark, customer relations and other intangible assets. The purchase price allocation, including the split between goodwill and other intangibles, is provisional. For further information, please refer to note 32 in the financial statements. Capital expenditure in Santa Fe in Asia and WridgWays amounted to DKK 23m and DKK 22m respectively.

OUTLOOK 2012

Revenue is expected to be around DKK 2.5bn with an EBITDA margin of around 8.5 per cent reflecting the relatively lower margins in Interdean and the inclusion of that company for the full year.

The outlook is based on the continued recovery of the worldwide mobility industry experienced during 2011 and expected to continue in 2012. It is anticipated that the Australian economy will continue to deliver strong results, driven mainly by the mining, gas and engineering industry. For Asia, it is expected that continued flow of foreign direct investments into the major markets will bring increased activity for Greater China, South Asia and India, in particular. The economies in Europe are not likely to grow. Irrespective, the aim is to continue to grow the business through new accounts, increased partner business as well as continued focus on relocation services.

LONG-TERM FINANCIAL TARGETS 2012-2016

- Compounded organic annual revenue growth in DKK of more than 5 per cent
- EBITDA margin increasing from around 8.5 per cent to around 10 per cent
- Return on invested capital increasing from around 18 per cent to around 25 per cent.

Sustainability in Santa Fe

CSR as a driver aligning performance across country operations

A central effort this year was to implement an effective sustainability data collection system in the Santa Fe Group. Going forward, this will be used to measure and manage the company's sustainability impacts and benchmark operations against each other more effectively.

Another priority was to continue the roll-out of CSR policies, work instructions and procedures to the remaining country operations, including WridgWays in Australia. Implementation of the core CSR programme was completed in the Hong Kong operation in 2010. The offices in Singapore and China were up and running by end of Q2 2011. All remaining offices, except Interdean, initiated systematic implementation in 2011 by, as a minimum, completing the first round of CSR self-assessment with quality assurance from international CSR experts. Systematic integration of policies and processes is due in Q1 and Q2 2012.

People – High standards for high quality

To maintain the high quality standards that result from high employee satisfaction and low employee turnover, the Santa Fe Group works to ensure good working conditions for all employees and generally strives to be an exemplary employer. The company also has a supplier code of conduct setting the same high standards for its subcontractors. Currently, 43 per cent of the major first tier suppliers have subscribed to the code, and the ambition is to reach a compliance rate of more than 66 per cent by 2012.

The company also strives to maximise its positive social impact through involvement in many locally-based community projects, e.g. by providing free logistic support to NGOs or local schools. This is one way the Santa Fe Group contributes cost efficiently by making use of its existing physical assets and core competencies. In Asia, the Santa Fe Group contributed more than 1,000 hours of work and made monetary contributions of more than USD 130,000 in 2011.

Furthermore, the Santa Fe Group supports selected fundraising activities and donations to worthy causes in the regions where it has operations. The Santa Fe Group donates a total of USD 10 per move to the Johns Hopkins Breast Cancer Research Fund, raising a total of USD 82,000 in 2011. In 2012, the Australian activities will be included in the Johns Hopkins contributions, whereas the European business will continue its support to the Madame Curie organisation. In addition to directly benefitting the selected causes, these activities have the overall effect of creating goodwill and motivating staff.

SELECTED CSR INDICATORS	2011	2010	2009
Employees* - year end	2,823	1,971	1,657
Average seniority (years)**	5.7	5.3	5.1
Employee turnover** (%)	24	21	18
Salaries + benefits*** (DKK m)	514	175	165
Average hours of training (employee/year)	15	-	-
Female employees** (%)	31	-	-
Work accidents**	204	-	-
Work-related fatalities**	0	0	0
Energy consumption per employee (Giga Joules)**	49	-	-
Carbon emissions (1,000 tonnes, scope 1 & 2)**	10	-	-
Incidents of corruption reported	0	0	0
Percentage of major suppliers signing Code of Conduct**	43	_	_

* Total number of employees before Interdean acquisition was 2,155 persons.

** Figures and calculation based on activities in Asia and Australia only.

*** Figures including activities in Asia only for 2009 and 2010. For 2011 figures includes activities in Asia, Australia. and Europe

The table shows selected indicators on the Santa Fe Group's sustainability impacts and performance.

Planet – An industry challenge and priority

As a leader within logistics, Santa Fe gives high priority to reducing the environmental impact of the company's activities and responding to climate change. The ISO14001 certification constitutes the framework under which these efforts are managed. The data collection system has strengthened the Santa Fe Group's environmental stewardship across countries and will be used to set annual targets. In 2011 Santa Fe in Asia and Australia consumed 1.1 litres of fuel per m3 of goods moved, and going forward the company will report on energy efficiency improvements.

As a logistics provider with a large fleet of trucks, vehicle emission control is a primary concern, and the Santa Fe Group applies higher standards than required by law.

Profit - Compliance with international anti-bribery standards

The Santa Fe Group is committed to complying with international anti-bribery standards. The employee manual clearly states that it will deal with all customers, suppliers and others in a straightforward manner and in compliance with international standards for anti-bribery and business ethics as stated in the Global Compact and local anti-corruption and anti-bribery laws.

To further strengthen the organisational capabilities of the Santa Fe Group and to take additional steps to ensure compliance with the values and policies of the Santa Fe Group across an expanding number of country operations, e-learning modules for managers on the topics of non-discrimination and anti-corruption were developed and pilot tested in 2011.

Targets and priorities for 2012

The Interdean acquisition added 48 extra offices and a new continent to the Santa Fe Group's geographical coverage. Implementing the overall CSR programme to these activities will be an important priority in 2012.

In 2012, the Santa Fe Group will develop a formal workplace accident and injury reduction programme across Asia, Australia, Europe and the Middle East with the end goal being to reduce incidents by at least 10 per cent.

With the implementation of a new data collection system in 2011, Santa Fe will be able to track and record carbon emissions from its operations worldwide in 2012. The target is to reduce emissions by 2 per cent in 2012, and commence offsetting emissions with the long-term goal of becoming carbon neutral.

From 2012, all managers will attend annual training courses on anti-corruption and non-discrimination, and e-learning programmes for selected employee groups will be tested and implemented. Procedures for risk assessment and registration of incidents will also be strengthened.

Read more on www.eac.dk/responsibility.cfm.

INCOME STATEMENT

DKK million	2011	2010
Revenue	**1,797**	**640**
Cost of sales	1,157	383
Gross profit	**640**	**257**
Selling and distribution expenses	351	137
Administrative expenses	159	63
Other operating income	2	
Other operating expenses	4	
Operating profit	**127**	**57**
Financials, net	-7	-8
Share of profit in associates		1
Gain on disposal of associates		3
Profit before income tax expense	**120**	**53**
Income tax expense	38	14
Net profit for the year	**82**	**39**
Attributable to:		
EAC	71	30
Non-controlling interests	11	9

BALANCE SHEET – ASSETS

DKK million	2011	2010
Non-current assets		
Intangible assets	1,125	578
Property, plant and equipment	158	87
Investment in associates	1	0
Other receivables	9	1
Deferred tax	21	13
Total non-current assets	**1,314**	**679**
Current assets		
Inventories	19	10
Trade receivables	433	208
Other receivables	141	71
Cash and cash equivalents	144	118
Total current assets	**737**	**407**
Total assets	**2,051**	**1,086**

CASH FLOW STATEMENT

DKK million	2011	2010
Cash flows from operating activities		
Operating profit	127	57
Adjustment for:		
Depreciation	28	12
Other non-cash items	5	7
Change in working capital	7	-15
Interest, etc., paid	-8	-5
Interest, etc., received	1	
Corporate and other taxes paid	-45	-22
Net cash flow from operating activities	**115**	**34**
Cash flows from investing activities		
Dividends received from associates		1
Investments in intangible assets and property, plant and equipment	-52	-9
Proceeds from sale of non-current assets	2	1
Acquisition of businesses	-466	-426
Sale of associates		7
Net cash flow from investing activities	**-516**	**-426**
Net cash from operating and investing activities	**-401**	**-392**
Cash flows from financing activities		
Proceeds from borrowings	6	57
Repayment of borrowings	-46	-2
Intercompany loan from the parent company	476	
Share capital increase		385
Dividend paid out to non-controlling interests in subsidiaries	-12	-14
Dividend payment to the EAC Parent company		-11
Net cash flow from financing activities	**424**	**415**
Changes in cash and cash equivalents	**23**	**23**
Cash and cash equivalents at beginning of year	118	84
Translation adjustments of cash and cash equivalents	3	11
Cash and cash equivalents end of period	**144**	**118**

BALANCE SHEET – EQUITY AND LIABILITIES

DKK million	2011	2010
EAC's share of equity	**639**	**579**
Non-controlling interests	20	17
Total equity	**659**	**596**
Liabilities		
Non-current liabilities		
Borrowings	115	131
Deferred tax	92	13
Provisions for other liabilities and charges	32	13
Total non-current liabilities	**239**	**157**
Current liabilities		
Borrowings	39	23
Payable to the parent company	476	
Trade payables	367	158
Intercompany payables	3	2
Other liabilities	252	128
Current tax payable	16	22
Total current liabilities	**1,153**	**333**
Total liabilities	**1,392**	**490**
Total equity and liabilities	**2,051**	**1,086**

INVESTMENT CASE

Attractive growth potential from expanded geographical platform

- By combining the strengths of WridgWays, Interdean and Santa Fe, the Santa Fe Group has consolidated its position as a world-leading moving and relocation services provider with own operations in 50 countries across Asia, Australia, the Middle East and Europe.
- Continued globalisation and growing demand from international, corporate customers for innovative single-source solutions offers potential for further growth.

Improving profitability from de-commoditisation of product mix

- Service innovations towards more value-added services in order to increase pricing power.

Limited capital requirements and strong return on investment

- Strong cash flow from operations and limited working capital requirements for sustained organic growth.
- Highly attractive return on investment from underlying business development.

Strengthened value proposition

- Continued synergy potential from increased scale and expanded geographic platform combined with stronger direct customer base and opportunities to leverage competencies and product development will further strengthen the competitive position.

Future independence

- As the businesses integrate and achieve the potential from a unique market position, the Santa Fe Group will establish a strong equity story for an initial public offering.

CONSISTENT FINANCIAL PERFORMANCE IN A DIFFICULT ENVIRONMENT

HIGHLIGHTS

- Increased volumes and improved market position driven by intensive marketing and product launches.
- Integration of La Montserratina completed with new branded product range re-launched in Plumrose's marketing set-up.
- Successful investments in new national distribution centre and more efficient production facilities.
- EBITDA driven by price increases and strong results in the pig farms.
- Outlook: High inflation, increased public spending and GDP growth. Continued focus on marketing to offset margin effect from political price focus and new labour contracts.

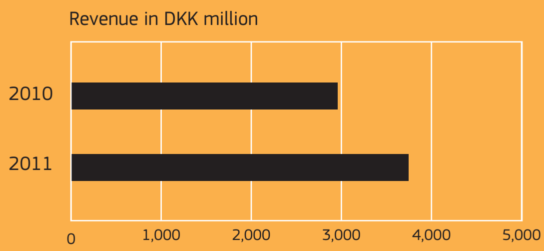
Facts about Plumrose

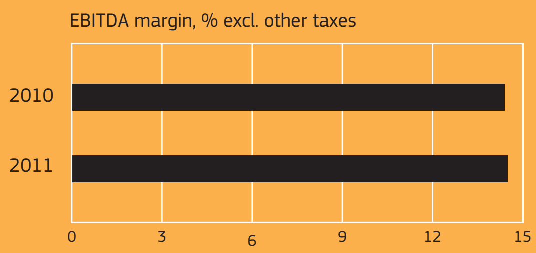
"In Plumrose we are always looking for opportunities to strengthen our core business and to expand into new categories and segments where we can leverage our distinctive capabilities and further develop new business. This is the case of the acquisition of La Montserratina (completed in March 2011) which, after a seamless integration process, is now positioned to grow nationally on Plumrose´s established business platform."

Bent U. Porsborg,
CEO

34%

Revenue growth in USD from 2010 to 2011 (historical accounting policy)





PRODUCT BRANDS

Plumrose

STRATEGIC FOUNDATION

Enhance position as market leader

Plumrose remains focused on growth, expansion and on further strengthening its position by capitalising on its distinctive capabilities and its profound insight into the local market.

PRODUCTS AND MARKETS

A successful value-adding business model

Plumrose is undisputedly the leading manufacturer and distributor of branded, processed meat products in Venezuela; a nation of 28 million people where EAC has been operating a business for 59 years.

Plumrose markets its premium, high-margin products under the highly recognised own Plumrose brand and the Oscar Mayer licensed brand through a wide product portfolio. In addition, a series of other licensed brands targeting other market segments provide for a balanced portfolio offering to consumers.

Plumrose is always looking for opportunities to expand its business into new categories and segments where it can leverage its distinctive capabilities to further develop new business. Such is the case of the acquisition (completed in March 2011) of La Montserratina, a regional fresh sausage and cured products producer in Venezuela with a highly recognised and appreciated brand which, after an effective integration process, is now positioned to grow nationally on Plumrose's established business platform.

Plumrose will continue to deliver strong growth and profits significantly above industry average due to its control of the entire value chain; from production of feed stuff, pig production, slaughtering and manufacturing of meat products to sales, marketing and unique nationwide chilled distribution. In addition, the high brand equity is sustained through targeted product and packaging innovation.

Throughout its long history of operating in a high-inflation economy, Plumrose has demonstrated its ability to pass on cost increases to selling prices while growing and protecting market shares by means of effective sales and marketing processes.

Leadership in the processed meats market

Plumrose is the overall leader of the Venezuelan market for processed meat products. As this is mainly driven by its leadership in the premium market segment, Plumrose is well positioned for continuous growth by expanding its presence in the standard value segment as well. This requires a continued expansion of production capacity via investments in new and existing facilities or through acquisitions.

Robust branded product portfolio

According to independent market surveys, Plumrose and Oscar Mayer continue to be the most preferred brands and enjoy the highest recognition among consumers in Venezuela within the ham and sausage product categories.

Plumrose's understanding of consumer behaviour, needs and habits along with effective advertising and promotions have supported the development of the Plumrose and Oscar Mayer brands to positions where they command premium prices, and product quality has also been instrumental in this process. Plumrose will continue to build on these capabilities to grow and expand its branded portfolio.

To further enhance growth, Plumrose is considering enlarging its footprint on value-added frozen meat products by expanding its product range. Categories under consideration, which offer synergy potential in sales and distribution, include frozen meat products and ready meals.

This initiative will be supported by the new, multi-temperature national

Financial summary (DKK million) **Reported (IAS 29)**	**2011**	**2010**	**2009**
Revenue	4,477	3,218	4,700
EBITDA excl. other taxes	475	317	562
EBITDA (%) excl. other taxes	10.6	9.9	12.0
EBITDA	415	298	609
EBITDA (%)	9.3	9.3	13.0
Operating profit (EBIT)	258	187	453
Operating margin (%)	5.8	5.8	9.6
Total assets	3,960	2,343	3,176
Working capital employed	1,358	727	941
Invested capital	2,890	1,725	2,255
Net interest bearing debt, year-end	1,179	531	546
Return on invested capital in % p.a.	18.1	15.0	25.2
Employees, number year-end	3,567	3,349	3,321
Employees, number average	3,458	3,331	3,204

Financial summary (DKK million) **Pro forma (historical accounting policies)**	**2011**	**2010**	**2009**
Revenue	3,743	2,956	4,340
EBITDA excl. other taxes	543	425	636
EBITDA (%) excl. other taxes	14.5	14.4	14.7
EBITDA	496	408	680
EBITDA (%)	13.3	14.4	15.7
Operating profit (EBIT)	427	357	600
Operating margin (%)	11.4	12.1	13.8
Total assets	3,418	1,992	2,771
Working capital employed	1,306	712	915
Invested capital	2,125	1,267	1,850
Net interest bearing debt, year-end	1,180	532	546
Return on invested capital in % p.a.	29.3	26.2	37.6
Cash flow from operating activities	-251	83	-
Cash flow from investing activities	-358	-223	-

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distribution centre and the unique nationwide delivery fleet with freezing capacity.

RISK PROFILE

Economic risk

Volatility of oil prices can affect the Venezuelan economy which is highly dependent on the revenue from oil exports.

Currency risk

Plumrose's functional currency is Bolivar (VEF) and Plumrose is therefore exposed to currency transaction and translation risks on fluctuations between VEF and other currencies. The exchange controls established in February 2003 remained in force throughout 2011.

On 30 December 2010, the Venezuelan government announced the new parity of the VEF at VEF/USD 4.30 for all imports of food, health and education products, machinery and equipment with effect from 1 January 2011. All authorisations for imports granted by the currency board CADIVI (Venezuela's Commission of Foreign Exchange Administration that controls the sale and purchase of foreign currency at the official rates) before 31 December 2010 were honoured at the VEF/USD 2.60 exchange rate prevailing in 2010. Also on 30 December 2010, the applicable VEF/USD exchange rate for remittances of future dividends and royalty to the parent company was ratified at VEF/USD 4.30.

Interest rate risk

Interest rate levels in Venezuela have been capped by the Venezuelan central bank since 2005, and this has since brought significant stability to the local financial market. Plumrose uses debt instruments with the longest maturities available in the local financial market and is eligible for the preferential agro loan rates. By the end of 2011, 87 per cent of the portfolio consisted of agro loans at an annual interest rate of up to 13 per cent.

Country risks and political aspects

Nationalisations made by the Venezuelan government with the main objective of securing local production of basic food items at subsidised costs have lifted the country risk factor, however Plumrose's product portfolio is not included in the basic food basket.

Product risk

At the pig farms, the health of the herds is given the highest priority. Accordingly, Plumrose pursues the highest biosecurity standards. The animals are subject to regular veterinarian controls and vaccination programmes.

In order to prevent product contamination during manufacturing processes, Plumrose applies best international practice in its cleaning and hygiene procedures.

The production facilities are inspected annually by local health authorities and are also subject to international independent audits.

Commodity risk

Pork is the main raw material for the production of Plumrose products, and supply is secured through company-owned farms, a network of preferred suppliers and the maintenance of adequate inventory levels.

In order to control costs and quality, Plumrose operates its own feed mill. Corn and soy bean meal used for feed are imported at international market prices. Local yellow corn is bought at regulated prices when stocks are available.

2011 IN REVIEW

Market and macro-economic developments

The Venezuelan economy experienced a positive performance in 2011 with a growth rate of 4.2 per cent replacing the last two consecutive years of contraction. According to Venezuela's Central Bank, growth was driven by the conclusion to the power supply crisis, increased assignments of CADIVI USD and higher public sector investments.

Venezuela's economy continues to be highly dependent on oil exports. During 2011, international oil prices increased as a consequence of the political conflicts in some oil producing contries combined with increased demand in emerging economies such as China and India. By the end of December 2011, the Venezuelan oil basket was around USD 105 per barrel, the annual average being approximately USD 101 per barrel.

The inflation rate in 2011 was 27.6 per cent or 0.4 percentage points higher than last year. This is the highest rate in the past three years and the fifth consecutive year with a rate above 20 per cent, making Venezuela one of the most inflationary economies in the world.

Marketing focus drove growth

In spite of the positive growth of the Venezuelan economy the market for cold cuts declined by 10.8 per cent mainly due to the eroding effect of inflation. Despite the negative market conditions, Plumrose's aim was to increase market share. The capture of increased market shares for important categories such as premium hams, wiener sausages and deviled hams was achieved during 2011, supported by marketing and promotional activities and new products launched during the year.

Advertising and promotional activities were maintained during the year for the premium brands such as Plumrose and Oscar Mayer with focus on more profitable categories: hams, wiener sausages and deviled ham. Plumrose was once again the leader in terms of share of investment (SOI) and share of voice (SOV) versus principal competitors, supporting the products by multimedia investments including TV, press, billboards, radio and PR campaigns.

New products were introduced in order to innovate and satisfy new consumer needs and trendy behaviours: Plumrose ham and turkey breast in new bulk formats for slicing, Plumrose turkey sausages, Plumrose ham with Omega 3, Oscar Mayer pre-sliced bacon in 150 grammes packages and three new Christmas products.

In addition, other previously discontinued products were re-introduced to the market to recover sales opportunities, i.e. Mortadella in bulk, paprika chicken Bologna and smoked chicken cocktail sausages.

Investments to increase efficiency

The new centrally located, refrigerated warehouse started operations in March 2011 and added important capacity and efficiencies to the operation.

The acquisition of La Montserratina was completed on 16 March 2011 thus adding brand leading processed, cured meat and fresh sausages to the portfolio.

Investments in 2011 were focused on the expansion of the Plumrose and La Montserratina manufacturing plants including installation of new equipment, improvement of safety conditions at the slaughterhouse and expansion of the farms.

Also, the construction of the new pelletizer tower for the feed mill was completed in 2011.

CSR

From a sustainability point of view Plumrose is committed to producing high quality, safe food products to meet the continuously growing consumer demand in Venezuela. As an integral part of its operations, the company seeks to lower the negative impact of its production activities on the environment and to promote sustainable social development through job creation and favourable working conditions. The main long-term sustainability challenges for Plumrose are food safety and availability, emissions and waste management, employee health and safety and the use of natural resources, all of which will increasingly influence Plumrose's room for manoeuvre in the coming years.

Plumrose's strategy is to turn these long-term development issues into business opportunities, thereby seeking to provide profitable and sustainable solutions. The rationale for the wider CSR efforts is to increase Plumrose's ability to operate in an ever changing market, improve the company's licence to operate, protect and increase its brand value, pro-

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→ mote the ability to attract and retain talented and productive employees and increase customer loyalty.

FINANCIAL RESULTS

Currency regime

Although affected by administrative delays, Plumrose, operating in a prioritised industry, received the USD requested for imports from CADIVI at the VEF/USD exchange rate of 4.30. All authorisations for imports granted by the currency board CADIVI before 31 December 2010 were honoured at the VEF/USD 2.60 exchange rate prevailing in 2010 irrespective of their execution date.

Financial performance presentation

The following outline of the financial developments in 2011 is based on pro forma figures prepared under the historical accounting policies without hyperinflation adjustments incorporated as per IAS 29.

Pro forma figures (historical accounting policies)

Revenue growth above volume growth

Revenue in 2011 grew by 26.6 per cent compared to 2010, reaching DKK 3,743m. In USD, revenue was 703m, representing an increase of 34.1 per cent.

Sales were driven by average net price increases above the annual rate of inflation combined with a 4.9 per cent volume increase in processed meat products, mainly driven by La Montserratina products. Plumrose's own product volumes remained practically unchanged.

The recovery of the economy did not translate into consumption as demand for the basic food basket continued to weaken during 2011 due to the high rate of inflation.

EBITDA excl. other taxes

In 2011, EBITDA excl. other taxes of DKK 543m grew by 27.8 per cent in DKK and by 36.6 per cent in USD, strongly influenced by higher selling prices of processed meat products combined with the strong financial results of the pig farms.

The EBITDA margin excl. other taxes of 14.5 per cent was on par with 2010. EBITDA benefited from the production cost affected by the use of raw materials purchased at the former preferential exchange rate of VEF/USD 2.60. EBITDA was adversely affected by higher labour costs as a consequence of the labour contracts currently in force.

Financials

During 2011, a financial loss of DKK 31m was recognised relating to the purchase of USD 30m through government bonds. The implicit exchange rate was equivalent to VEF/USD 6.12 while the tradable SITME rate continued to be 5.30.

Working capital employed of DKK 1,306m increased by 79,3 per cent in USD, as the result of higher costs of raw material due to the increase in pig prices during 2011 and the elimination of the preferential exchange rate of VEF/USD 2.60.

Invested capital was up by 63.9 per cent in USD mainly due to the increase in working capital employed and new investments during the year.

Return on invested capital (ROIC) was 29.2 per cent, a decline compared with 2010 due to the relatively high increase in invested capital.

Net interest bearing debt at 31 December 2011 amounted to DKK 1,180m (DKK 532m) representing an increase of more than 100 per cent. This increase was mainly due to working capital funding and capital expenditures, combined with funding for the acquisition of La Montserratina.

The debt portfolio consisted of 87 per cent agro-industrial loans at an annual interest rate of up to 13 per cent.

Investments in intangible assets and property, plant and equipment amounted to DKK 388m, of which DKK 185m was invested in production and distribution facilities at the Plumrose plant, DKK 187m was invested in the pig farms and feed mill and DKK 16m in the La Montserratina facilities.

The investments were focused on the capacity expansion of the Plumrose and Montserratina manufacturing plants including improvements at the slaughterhouse, expansion of the farms and the new pelletizer tower for the feed mill.

Cash flow from operating activities was affected by the increase in working capital.

Royalty and dividend payments did not resume in 2011 despite continued dialogue with the Venezuelan Central Bank.

OUTLOOK 2012 (REPORTED UNDER IAS 29)

Inflation is expected to remain high due to increased public spending in an election year combined with the heavy dependence on imports and a shortfall of domestic production of essential goods. In spite of the increasing economic controls by the government, inflation is expected to be around 22 per cent in 2012 according to estimates made by the Venezuelan Central Bank.

The recovery of the economy experienced in 2011 is expected to continue in 2012 with GDP growth of around 4.0 per cent.

Revenue is expected to outgrow inflation due to higher volumes sold and is expected to be around DKK 5,600m.

Labour contracts will be due for renegotiation in 2012 with most new contracts taking effect in Q3 2012. With 2012 being an election year, it is expected that the government will have particular attention on keeping prices stable. For this purpose new price control legislation was introduced in late 2011. At present this law has not affected products from Plumrose, but it must be anticipated that the combination of the law, increased labour costs and a difficult political and economic environment will not allow for very high margins such as those experienced in recent

years. However, owing to marketing and selling strategies and new product launches, the expected EBITDA margin is around 9.5 per cent for 2012.

Hyperinflation accounting (IAS 29)

The most material inflation accounting adjustments between the historical accounting policies of Plumrose as well as recognition and measurement after IAS 29 can be explained as follows:

- Revenue increases as it is restated for changes in the general price index from the date of the transaction until 31 December 2011.
- EBITDA decreases due to higher costs of goods sold and fixed costs following restatement for changes in the general price index from the date of the transaction until 31 December 2011.

Sustainability in Plumrose

A number of improvement targets were reached in Venezuela in 2011 within environmental management, food safety, animal welfare and contributions to nutrition and health in local communities. Plumrose continued its ongoing efforts to respect and support international principles for social, environmental, and economically sustainable development. The following sections provide highlights of Plumrose's CSR efforts and achievements in 2011.

People – Continuous focus on promoting health and nutrition

Plumrose is considered a preferred employer in Venezuela. 83 per cent of Plumrose's 3,567 employees in 12 locations are organised in six different unions and are covered by collective bargains with benefits ranking among the best in Venezuela. In 2011, Plumrose spent almost USD 15.8m on benefits and productivity incentives in addition to employee salaries. The table shows selected indicators on Plumrose's sustainability impact and performance.

PLUMROSE – SELECTED CSR INDICATORS	2011	2010	2009
Employees - year end	3,567	3,349	3,321
Average seniority (years)	8.1	6.9	6.4
Employee turnover (%)	16.1	18.5	19.9
Salaries + benefits* (DKK m)	1,229	781	1,068
Average hours of training (employee/year)	22.0	15.3	-
Work accidents**	962	798	870
Work-related fatalities	0	0	0
Female employees (%)	16	13	15
Water consumption (l/kg in meat processing plant)	9.6	9.5	-
Incidents of corruption reported	0	0	0

* Increase from 2010 to 2011 and 2009 to 2010 includes inflation and devaluation effect.
** Number of work accidents does not include La Montserratina operations.

Implementation of the new data collection system has changed the calculation method for average seniority. Therefore, the figures for 2009 and 2010 have changed compared to 2010 annual report. Further, the number of work accidents in 2009 and 2010 has increased compared to 2010 report due to incomplete records in 2010. The number of work accidents reported for 2009 and 2010 are now aligned to the 2011 reporting method.

Plumrose regularly invests to upgrade its production facilities and train its employees. The production facilities are audited regularly by external specialists, and ratings on food safety have improved in 2011.

Plumrose continued to promote health and nutrition by providing know-how and resources to local communities. This forms part of the company's positive contributions to society, with malnutrition being officially recognised as a health problem in Venezuela. In 2011, Plumrose continued sponsoring six school education programmes in the states of Aragua and Carabobo, reaching 3,588 children and teachers with the aim of improving nutritional habits. Plumrose invested USD 402,000 in the education programmes, up from USD 325,000 in 2010. Plumrose also donated own products to municipalities, public service and NGOs totalling more than USD 145,000, up 48 per cent from USD 98,000 in 2010.

Planet – Steps to implement environmental management system and improved animal welfare

In 2010, Plumrose decided to implement a structured environmental management system covering the entire value chain, with kick-off scheduled for the second half of 2011. The first step was to strengthen systematic IT-based data collection on relevant environmental sustainability indicators. In 2012, Plumrose will take additional steps to implement a coherent environmental management system for its manufacturing units.

Animal welfare was also an issue when Plumrose considered expanding the two farms. Improvements have been incorporated in the air circulation and temperature control systems in the gestation and maternity barns.

New methods to reduce ammonia odours in the weaning stalls were implemented in order to improve conditions for the pigs and the operators.

Profit – Business integrity campaign continued

Actions in 2011 included the ongoing efforts to enforce the company's code of business conduct which was communicated and implemented throughout the organisation. Plumrose continued its integrity and value campaign on anti-corruption, anti-bribery, non-discrimination and non-harassment which was initiated in 2009. In 2011, the campaign covered ten facilities and reached 2,800 employees, the campaign involved easily intelligible information materials, contests and rewards for sharing company values, and in 2011 it also included standards on employee diversity.

The code of business conduct is upheld through a permanent internal control programme reporting directly to the CEO. A dedicated team plans year-round audits on procedures and results in all operations. No incidents or allegations of corruption were recorded during the year.

In 2012, Plumrose will strengthen the knowledge and awareness in the organisation of when and how to use EAC's whistle-blower system.

Targets and priorities for 2012

Plumrose will use the improved sustainability data collection system to set more targets for its CSR performance in the coming years.

In 2012 Plumrose will intensify the efforts in reducing the number of work accidents by at least 10 per cent. Plumrose will also continue/expand the current health and nutrition programme to other locations.

Energy and water consumption will be a priority and in 2012 Plumrose will establish an energy consumption and carbon emission calculation system.

For more information on the CSR efforts and impacts in 2011 and targets for 2012 consult the Plumrose UN Global Compact Communication on Progress at http://www.eac.dk/responsibility.cfm

INCOME STATEMENT

DKK million	2011	2010
Revenue	**3,743**	**2,956**
Cost of sales	2,519	2,000
Gross profit	**1,224**	**956**
Selling and distribution expenses	571	447
Administrative expenses	181	138
Other operating income	2	3
Other taxes	47	17
Operating profit	**427**	**357**
Financials, net	-159	-79
Profit before income tax expense	**268**	**278**
Income tax expense	-75	33
Net profit for the period	**343**	**245**
Attributable to:		
EAC	279	224
Non-controlling interests	64	21

CASH FLOW STATEMENT

DKK million	2011	2010
Cash flows from operating activities		
Operating profit	427	374
Adjustment for:		
Depreciation and gain/loss from changes in fair-value of lifestock	69	51
Other non-cash items	57	-34
Change in working capital	-576	-147
Interest, etc., paid	-189	-79
Interest, etc., received	30	3
Corporate and other taxes paid	-69	-85
Net cash flow from operating activities	**-251**	**83**
Cash flows from investing activities		
Investments in intangible assets and property, plant and equipment	-310	-231
Proceeds from sale of non-current assets	15	8
Acquisition of businesses	-63	
Net cash flow from investing activities	**-358**	**-223**
Net cash from operating and investing activities	**-609**	**-140**
Cash flows from financing activities		
Proceeds from borrowings	1,060	362
Repayment of borrowings	-216	-47
Dividend paid out to non-controlling interests in subsidiaries	-22	-8
Royalty payment to the EAC Parent company		-88
Net cash flow from financing activities	**822**	**219**
Changes in cash and cash equivalents	**213**	**79**
Cash and cash equivalents at beginning of year	252	320
Translation adjustments of cash and cash equivalents (including devaluation impact)	6	-147
Cash and cash equivalents end of period	**471**	**252**

[1] Royalty paid to the EAC Parent company in H1 2010 and full-year 2010 amounted to USD 19.7m and USD 25.9m respectively or equivalent to VEF 51.2m and VEF 67.3m at the preferential VEF/USD exchange rate of 2.60. In 2010, the applicable rate for translation purposes was the official exchange rate of VEF/USD 4.30, and consequently, the consolidated cash flow impact of paid royalties amounts to USD 11.9 (DKK 67m) and USD 15.7m (DKK 88m) respectively.

BALANCE SHEET – ASSETS

DKK million	2011	2010
Non-current assets		
Intangible assets	2	0
Property, plant and equipment	976	651
Livestock	16	12
Deferred tax	264	108
Total non-current assets	**1,258**	**771**
Current assets		
Inventories	966	489
Trade receivables	559	387
Other receivables	164	93
Cash and cash equivalents	471	252
Total current assets	**2,160**	**1,221**
Total assets	**3,418**	**1,992**

BALANCE SHEET – EQUITY AND LIABILITIES

DKK million	2011	2010
EAC's share of equity	**844**	**674**
Non-controlling interests	88	41
Total equity	**932**	**715**
Liabilities		
Non-current liabilities		
Borrowings	982	453
Deferred tax	9	0
Provisions for other liabilities and charges	43	20
Total non-current liabilities	**1,034**	**473**
Current liabilities		
Borrowings	668	331
Trade payables	219	164
Intercompany payables	270	128
Other liabilities	222	151
Current tax payable	37	25
Provisions for other liabilities and charges	36	5
Total current liabilities	**1,452**	**804**
Total liabilities	**2,486**	**1.277**
Total equity and liabilities	**3,418**	**1.992**

INVESTMENT CASE

Market-leading position in high value segments

- From its market-leading position, Plumrose can drive growth further, expanding its portfolio into new product segments and food categories.
- Capacity expansion is a prerequisite for strengthening the product range and increasing volumes.

Maintaining strong profitability

- Continued focus on product mix, active price management and further investments in production efficiencies create a strong potential for maintaining attractive operating margins and enhanced overall profitability.

Channelling cash flows into new opportunities for value creation

- Cash flows from operating activities constitute a dynamic platform for a continuous flow of investments to expand activities and ensure long-term value creation in spite of high inflation and currency controls.
- ROIC performance continues to support the overall strategy.

Opportunities for further expansion

- Market leadership, strong demand and high brand recognition create a solid foundation for further expansion of the product offering and services in the local market.
- With growing economies throughout the Latin American region, opportunities to selectively pursue geographical expansion are becoming increasingly attractive.

Group Consolidated Financial Statements

CONTENTS

The Executive and the Supervisory Boards have today discussed and approved the annual report of The East Asiatic Company Ltd. A/S for the financial year 2011.

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

In our opinion the consolidated financial statements and parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2011 and of the results of the Group's and the parent company's operations and cash flow for the financial year 1 January – 31 December 2011.

In our opinion, the Management's review includes a fair review of the development in the Group's and the parent company's operations and economical conditions, the results for the year, cash flows and the financial position, as well as a review of the significant risks and uncertainties affecting the Group and the parent company.

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

Copenhagen, 23 February 2012

The East Asiatic Company Ltd. A/S

Executive Board

Niels Henrik Jensen

Supervisory Board

Henning Kruse Petersen Chairman	Preben Sunke Deputy Chairman
Connie Astrup-Larsen	Mats Lönnqvist

To the shareholders of The East Asiatic Company Ltd. A/S

Independent auditor's report on the consolidated financial statements and the parent company financial statements
We have audited the consolidated financial statements and the parent company financial statements of The East Asiatic Company Ltd. A/S for the financial year 1 January – 31 December 2011, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies, for the Group as well as for the parent company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

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

Auditors' responsibility
Our responsibility is to express an opinion on the consolidated financial statements and the parent company 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 the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company 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 the parent company 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 company 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 the management, as well as the overall presentation of the consolidated financial statements and the parent company financial statements.

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

Our audit has not resulted in any qualification.

Opinion
In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2011 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January – 31 December 2011 in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the Management's review
Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 23 February 2012

KPMG
Statsautoriseret Revisionspartnerselskab

Jesper Ridder Olsen	Jens Thordahl Nøhr
State Authorised Public Accountant	State Authorised Public Accountant

Henning Kruse Petersen

Chairman
CEO, 2KJ A/S
Joined the Supervisory Board in 2006
Born in 1947, Danish nationality.

OTHER SUPERVISORY BOARD ASSIGNMENTS:
Chairman of the supervisory boards:
Financial Stability Company A/S
Sund & Bælt Holding A/S
A/S Storebælt
A/S Øresund
A/S Femern Landanlæg
Femern A/S
Øresundsbro Konsortiet
C.W. Obel A/S
Den Danske Forskningsfond
Scandinavian Private Equity Partners A/S
Socle du Monde ApS
Erhvervsinvest Management A/S

Deputy chairman of the supervisory boards:
Asgard Ltd.
Skandinavisk Holding A/S
Fritz Hansen A/S

Member of the supervisory boards:
Scandinavian Tobacco Group A/S
William H. Michaelsens Legat
Scandinavian Private Equity A/S
The EAC Foundation

Holding of EAC shares as of 31.12.2011: 13,866
Independent member

Preben Sunke

Deputy Chairman
Group Chief Financial Officer and Member of the Executive Board of Danish Crown A/S
Joined the Supervisory Board in 2007
Born in 1961, Danish nationality.

OTHER SUPERVISORY BOARD ASSIGNMENTS:
Chairman of the supervisory boards:
Emidan A/S
Fanmilk International A/S
Danish Crown Insurance a/s

Member of the supervisory boards:
SFK/OTZ Holding A/S
ESS-FOOD A/S
Slagteriernes Arbejdsgiverforening
Skandia Kalk Holding ApS

Holding of EAC shares as of 31.12.2011: 2,800
Independent member

Connie Astrup-Larsen

CEO,
KOMPAN A/S and KOMPAN Holding A/S
Joined the Supervisory Board in 2007
Born in 1959, Danish nationality

OTHER SUPERVISORY BOARD ASSIGNMENTS:
Eksport Kredit Fonden
Eksport Kredit Finansiering A/S

Chairman of the supervisory boards of companies controlled by KOMPAN A/S:
KOMPAN Danmark A/S, Denmark
KOMPAN Norge AS, Norway
KOMPAN Holding Norway AS, Norway
Lek & Sikkerhet AS, Norway
Lek & Sikkerhet AB, Sweden
KOMPAN Holding Sweden, Sweden
KOMPAN GmbH, Germany
KOMPAN Holding Germany, Germany
KOMPAN NV/SA, Belgium
KOMPAN SAS, France
KOMPAN Ltd., England
The Play Practice Ltd., Scotland
Juegos KOMPAN S.A., Spain
KOMPAN, Inc., USA
KOMPAN Russia A/S, Russia
OOO КОМПАН, Russia
KOMPAN Italy A/S, Italy
KOMPAN Italia Srl., Italy
KOMPAN Commercial Systems SA, Belgium
Dica A/S, Denmark
Albert Knudsen Aps, Denmark
Uniq Nordic Systems, Denmark

Member of the supervisory boards of companies controlled by KOMPAN A/S:
Megatoy Play Systems Pty. Ltd., Australia
KOMPAN Playscape Pty. Ltd., Australia

Holding of EAC shares as of 31.12.2011: 400
Independent member

Mats Lönnqvist

Chief Financial Officer,
PostNord AB (publ), Sverige.
Joined the Supervisory Board in 2006
Born in 1954, Swedish nationality.

OTHER SUPERVISORY BOARD ASSIGNMENTS:
Chairman of the supervisory boards:
Intellecta AB, Sweden
Relacom Management AB, Sweden

Member of the supervisory boards:
Biolin Scientific AB, Sweden
BordsjöSkogar AB, Sweden
Camfil AB, Sweden
OvaconAB, Sweden
Spendrups Bryggeri AB, Sweden

Holding of EAC shares as of 31.12.2011: 2,000
Independent member

EXECUTIVE BOARD & MANAGEMENT TEAM

Niels Henrik Jensen

Executive Board
President and CEO since 1 January 2006

Executive Vice President and member of Executive Management Team since 1998.
Employed in The East Asiatic Company Ltd. A/S
in 1979.
Born in 1954, Danish nationality.

Holding of EAC shares as of 31.12.2011: 2,000

Michael Østerlund Madsen

Group CFO
since 1 January 2006

Member of the Executive Management Team since 2006.
Employed in the The East Asiatic Company Ltd. A/S in 1999.
Born in 1963, Danish nationality.

Holding of EAC shares as of 31.12.2011: 1,000

Lars Lykke Iversen

Senior Vice President of EAC since 2001
CEO of the Santa Fe Group (EAC Moving & Relocation Services) since 1990

Member of the Executive Management Team since 2001.
Employed in The East Asiatic Company Ltd. A/S in 1972.
Born in 1954, Danish nationality.

Holding of EAC shares as of 31.12.2011: 1,000

Bent Ulrik Porsborg

Senior Vice President of EAC since 1998
CEO of Plumrose (EAC Foods) since 1991

Member of the Executive Management Team since 1998.
Employed in The East Asiatic Company Ltd. A/S in 1977.
Born in 1957, Danish nationality.

Holding of EAC shares as of 31.12.2011: 7,000

Equity per share	EAC's share of equity divided by the number of shares of DKK 70 nominal value each adjusted for portfolio of own shares and dilution effect of share options.
P/BV	Year-end stock exchange quotation divided by equity per share.
Market value	Year-end stock exchange quotation multiplied by the number of shares excluding treasury shares.
EPS	Earnings per share equals net profit in DKK per share of DKK 70 nominal value each adjusted for portfolio of treasury shares and dilution effect of share options.
P/E ratio	Year-end stock exchange quotation divided by earnings per share.
EBITIDA margin	EBITDA in per cent of revenue.
Operating margin	Operating profit (EBIT) in per cent of revenue.
Return on invested capital	EBITDA in per cent of average invested capital.
Return on parent equity	Net profit in per cent of EAC's share of equity (average opening/closing balances).
Equity ratio	EAC's share of equity in per cent of total assets.
Cash and cash equivalents	Bank and cash balances included in current and non-current assets.
Working capital employed	Inventories plus trade accounts receivable less trade accounts payable and prepayments from customers.
Invested capital	Intangible assets plus property, plant and equipment plus current assets (excl. receivables from associates and bank and cash balances) less: non-interest bearing liabilities and provisions.
Interest bearing debt	Long-term debt plus short-term bank debt and accounts payable to associates.
Net interest bearing debt	Interest bearing debt less cash and cash equivalents.
EBITDA	Earnings before interest, taxes, depreciation and amortisation (operating profit before depreciation and amortisation).

DKK million	Note	2011	2010
Revenue	4	**6,274**	**3,858**
Cost of sales		4,367	2,740
Gross profit		**1,907**	**1,118**
Selling and distribution expenses		1,067	633
Administrative expenses		434	272
Other operating income	5	5	4
Other operating expenses	6	24	12
Other taxes		57	19
Operating profit		**330**	**186**
Financial income	7	251	76
Financial expenses	7	244	121
Share of profit in associates	18	2	13
Gain on disposal of associates	18	0	197
Profit before income tax expense		**339**	**351**
Income tax expense	8	97	137
Profit from continuing operations		**242**	**214**
Profit from discontinued operations	33	**0**	**547**
Net profit for the year		**242**	**761**
Attributable to:			
Equity holders of the parent EAC		162	735
Non-controlling interests		80	26
Earnings per share (DKK)	9	**13.3**	**55.4**
from continuing operations		13.3	14.2
from discontinuing operations		0.0	41.2
Earnings per share diluted (DKK)		**13.3**	**55.4**
from continuing operations		13.3	14.2
from discontinuing operations		0.0	41.2

DKK million	2011	2010
Net profit for the year	**242**	**761**
Other comprehensive income:		
Foreign exchange adjustments, etc.:		
Foreign currency translation adjustments, foreign entities	6	274
Foreign currency translation adjustments, transferred to profit from discontinued operations		-36
Foreing currency translation adjustments, transferred to gain on disposal of associates		9
Devaluation of the Bolivar (VEF) in Plumrose, January 2010		-855
Inflation adjustment for the year (and at 1 January)	338	299
Value adjustments:		
Value adjustment, hedging instruments		
Realised exchange gains/losses, where hedging has ceased, transferred to financial income		
Other adjustments:		
Tax on other comprehensive income	0	-2
Other comprehensive income net of tax	**344**	**-311**
Total comprehensive income	**586**	**450**
Total comprehensive income attributable to:		
Equity holders of the parent EAC	478	450
Non-controlling interests	108	0

ASSETS

DKK million	Note	31.12.2011	31.12.2010
Non-current assets			
Intangible assets	14	1,140	580
Property, plant and equipment	15	1,855	1,188
Livestock	16	17	15
Investment in associates	18	25	25
Other investments	18	11	11
Deferred tax	8	62	15
Other receivables		10	1
Total non-current assets		**3,120**	**1,835**
Current assets			
Inventories	21	1,036	514
Trade receivables	22	992	595
Other receivables	23	316	185
Current tax receivable		2	
Cash and cash equivalents		629	1,054
Total current assets		**2,975**	**2,348**
Total assets		**6,095**	**4,183**

EQUITY AND LIABILITIES

DKK million	Note	31.12.2011	31.12.2010
Equity			
Share capital	20	864	960
Other reserves		419	103
Treasury shares		-24	-76
Retained earnings		1,359	1,306
Proposed dividend		62	69
EAC's share of equity		**2,680**	**2,362**
Non-controlling interests		166	95
Total equity		**2,846**	**2,457**
Liabilities			
Non-current liabilities			
Borrowings	27	1,098	586
Deferred tax	8	144	56
Provisions for other liabilities and charges	24	54	33
Defined benefit obligations	25	12	
Total non-current liabilities		**1,308**	**675**
Current liabilities			
Borrowings	27	764	354
Trade payables		602	335
Prepayments from customers		2	2
Other liabilities	26	475	288
Current tax payable	8	53	67
Provisions for other liabilities and charges	24	45	5
Total current liabilities		**1,941**	**1,051**
Total liabilities		**3,249**	**1,726**
Total equity and liabilities		**6,095**	**4,183**

DKK million	Share Capital	Hedging reserve	Translation reserves	Treasury shares	Retained earnings	Proposed dividend for the year	EAC's share of Equity	Non-controlling interests	Total equity
Equity at 1 January 2011	**960**	**0**	**103**	**-76**	**1,306**	**69**	**2,362**	**95**	**2,457**
Comprehensive income for the year									
Profit for the year					100	62	162	80	242
Other comprehensive income									
Foreign currency translation adjustments, foreign entities			0				0	6	6
Inflation adjustment for the year			316				316	22	338
Tax on other comprehensive income			0				0		0
Total other comprehensive income	0	0	316		0	0	316	28	344
Total comprehensive income for the year	**0**	**0**	**316**		**100**	**62**	**478**	**108**	**586**
Transactions with the equity holders									
Ordinary dividends paid to shareholders						-62	-62	-37	-99
Dividends, treasury shares					7	-7			
Reduction of treasury shares	-96			96					
Purchase of treasury shares				-44	-58		-102		-102
Share based payments					4		4		4
Total transactions with the equity holders	-96	0	0	52	-47	-69	-160	-37	-197
Equity at 31 December 2011	**864**	**0**	**419**	**-24**	**1,359**	**62**	**2,680**	**166**	**2,846**

At the end of the year proposed dividends of DKK 62m are included in retained earnings (DKK 5 per share). Paid dividend during the year amounts to DKK 5 per share. No dividend is declared on treasury shares.

Equity at 1 January 2010	**960**	**9**	**379**	**-23**	**961**	**69**	**2,355**	**106**	**2,461**
Comprehensive income for the year									
Profit for the year					392	343	735	26	761
Other comprehensive income									
Foreign currency translation adjustments, foreign entities			267				267	7	274
Reclassified		-9	9				0		0
Foreign currency translation adjustments, transferred to profit from discontinued operations			-36				-36		-36
Foreign currency tranlation adjustments, transferred to gain on disposal of associates			9				9		9
Devaluation of the Bolivar (VEF) in Plumrose, January 2010			-808				-808	-47	-855
Inflation adjustment for the year			285				285	14	299
Tax on other comprehensive income			-2				-2		-2
Total other comprehensive income	0	-9	-276		0	0	-285	-26	-311
Total comprehensive income for the year	**0**	**-9**	**-276**		**392**	**343**	**450**	**0**	**450**
Transactions with the equity holders									
Ordinary dividends paid to shareholders						-67	-67	-11	-78
Dividends, treasury shares					2	-2			
Interim dividend paid to shareholders						-267	-267		-267
Interim dividend, treasury shares					7	-7			
Purchase of treasury shares				-53	-66		-119		-119
Share based payments					10		10		10
Total transactions with the equity holders	0	0	0	-53	-47	-343	-443	-11	-454
Equity at 31 December 2010	**960**	**0**	**103**	**-76**	**1,306**	**69**	**2,362**	**95**	**2,457**

At the end of the year proposed dividends of DKK 69m are included in retained earnings (DKK 5 per share). Total paid dividend during the year amounts to DKK 25 per share. No dividend is declared on treasury shares.

DKK million	Note	31.12.2011	31.12.2010
Cash flows from operating activities			
Operating profit		330	186
Adjustment for:			
Depreciation		186	124
Other non-cash items	29	27	-13
Change in working capital	30	-401	-20
Interest paid		-198	-89
Interest received		11	11
Corporate tax paid		-168	-140
Net cash flow from operating activities		**-213**	**59**
Cash flows from investing activities			
Dividends received from associates		2	11
Investments in intangible assets and property, plant and equipment		-385	-258
Proceeds from sale of non-current assets		22	10
Acquisition of businesses	32	-529	-426
Proceeds from sale of discontinued operations	31		912
Sale of associates			228
Net cash flow from investing activities		**-890**	**477**
Net cash flow from operating and investing activities		**-1,103**	**536**
Cash flows from financing activities			
Proceeds from borrowings		1,113	543
Repayment of borrowing		-246	-47
Dividend paid out to minority shareholders in subsidiaries		-37	-11
Purchase of own shares		-102	-119
Dividend paid out		-62	-334
Net cash flow from financing activities		**666**	**32**
Net cash flow from discontinued operations	33		**6**
Changes in cash and cash equivalents		**-437**	**574**
Cash and cash equivalents at beginning of year		1,054	604
Translation adjustments of cash and cash equivalents including devaluation impact		12	-124
Cash and cash equivalents at end of period		**629**	**1,054**
Bank balances		629	1,054
Cash and cash equivalents at end of period		**629**	**1,054**

The Group's cash balance included DKK 471m (2010: DKK 252m) relating to cash in subsidiaries in countries with currency control or other legal restrictions. Accordingly this cash is not available for immediate use by the Parent Company or other subsidiaries.

1. ACCOUNTING POLICIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

General information

The East Asiatic Company Ltd. A/S (the Company) and its subsidiaries (together the EAC Group or the Group) have the following two lines of business:

- Santa Fe Group provides moving, value-added relocation and records management services to corporate and individual clients.
- Plumrose is an integrated manufacturer and distributor of processed meat products in Venezuela.

The Company is a limited liability company incorporated and domiciled in Denmark. The address of its registered office is 20 Indiakaj, DK-2100 Copenhagen Ø, Denmark.

The annual report comprises both consolidated financial statements and separate Parent Company financial statements.

The Company has its listing on NASDAQ OMX Copenhagen A/S.

On 23 February 2012, the Supervisory Board approved this annual report for publication and approval by the shareholders at the annual general meeting to be held on 27 March 2012.

The financial statements are presented in DKK million unless otherwise stated.

Refer to page 37 for further details about the EAC Group and page 83 for details about the Parent Company.

Basis of preparation of the consolidated financial statements

The consolidated financial statements of EAC for 2011 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

In addition, the annual report has been prepared in compliance with IFRS as issued by the IASB.

Accounting estimates and judgements considered material for the preparation of the consolidated financial statements are described in note 2.

Hyperinflation

Venezuela is classified as a hyperinflationary economy. As a consequence, the accounting figures for Plumrose's activities in Venezuela have been adjusted for inflation prior to translation to the Group's presentation currency. The effect of the inflation adjustment is further described in note 38.

Changes in accounting policies

Effective from 1 January 2011, the EAC Group adopted:

- Amendment to IFRIC 14, IFRIC 19, revised IAS 24, amendments to IFRS 1, amendment to IFRS 7, amendment to IAS 32 and improvements to IFRSs (May 2010).

The implementation of new standards and interpretations comply with the effective date set by the IASB, unless otherwise stated.

None of the above changes have impacted recognition and measurement in 2011 or net profit for the year and basic / diluted earnings per share. Since none of the changes have impacted the balance sheet as of 1 January 2010 or related notes, no further disclosures have been included in the consolidated financial statements.

New accounting regulation for the coming years is disclosed in note 3.

Reclassifications

Other taxes which are calculated on another basis than income tax for the year have been reclassified and presented as a separate item in the income statement as part of the operating costs. Comparative figures have been restated.

Divestment of EAC Industrial Ingredients

In connection with the divestment of EAC Industrial Ingredients on 5 July 2010, this business has been presented as discontinued operations in the comparative figures.

Consolidated financial statements

Subsidiaries

Subsidiaries are entities over which the EAC Group has control of financial and operating matters, generally accompanying a shareholding of more than one half of the voting rights. Potential voting rights, which are exercisable or convertible on an ongoing basis, are considered when assessing whether control is exercised.

Subsidiaries are fully consolidated from the date on which control is transferred to the EAC Group so as to obtain benefits from their activities. They are deconsolidated from the date on which control ceases.

Intercompany transactions, balances and unrealised gains on transactions between consolidated companies are eliminated.

The acquisition method

The consideration transferred for an acquisition is measured as the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition.

If part of the consideration is contingent on future events, such consideration is recognised in cost at fair value. Subsequent changes in the fair value of contingent consideration are recognised in the income statement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

A positive excess (goodwill) of the consideration transferred (including any previously held equity interests and any non-controlling interests in the acquired business) over the fair value of the identifiable net assets acquired is recorded as goodwill. A negative excess (negative goodwill) is recognised directly in the income statement.

Costs directly attributable to the acquisition are expensed as incurred.

If uncertainties regarding identification or measurement of acquired assets, liabilities or contingent liabilities or determination of the consideration transferred exist at the acquisition date, initial recognition will be based on provisional values. Any adjustments in the provisional values are adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures are restated.

Non-controlling interests
The share of the non-controlling interests of profit / loss for the year and of equity in subsidiaries that are not wholly-owned is included as part of the Group's profit/loss and equity respectively, but are disclosed separately.

Associates
Associates are entities over which the EAC Group has significant influence but not control, generally accompanying a shareholding of between 20 per cent and 50 per cent of the voting rights.

Investments in associates are measured under the equity method at the proportionate share of the companies' net asset values calculated in accordance with the Group's accounting policies minus the proportionate share of unrealised intercompany profits and plus any goodwill identified on acquisition.

In the Group's income statement, the proportionate share of the associates' results after tax and elimination of the proportionate share of intercompany profits/losses is recognised.

When the EAC Group's share of losses in an associate equals or exceeds its interest in the associate, the EAC Group does not recognise further losses, unless it has a legal or constructive obligation to cover a deficit.

Operating segments
Information about operating segments is provided in accordance with the Group's accounting policies and follows the internal management reporting.

Segment revenue and costs and segment assets and liabilities comprise items which are directly attributable to the individual segment and certain allocated items. Unallocated items primarily comprise the Group's administrative functions and dormant entities awaiting liquidation.

Discontinuing operations and assets held for sale
Assets, which according to the EAC Group's strategic plan are to be sold, are classified as assets held for sale when their carrying amount is primarily expected to be realised in connection with a sale within 12 months. Such assets and related liabilities are presented separately in the balance sheet. Profit/loss after tax from discontinuing operations that represent a separate major line of a business are also presented separately in the income statement, and comparative figures are restated.

Foreign currency translation and hyperinflation
Items included in the financial statements of each of the EAC Group's entities are measured using the currency of the primary economic environment in which the entity operates ('functional currency'). As the EAC Group is a Danish listed group, the consolidated financial statements are presented in DKK ('presentation currency').

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency translation adjustments resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

EAC Group companies
The items of the income statements and balance sheets of foreign subsidiaries and associates with a functional currency other than DKK are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing rate at the date of the balance sheet;
(ii) income and expenses are translated at the rate of the transaction date or at an approximate average rate; and
(iii) all resulting foreign currency translation adjustments are recognised as a separate component of equity.

In foreign subsidiaries and associates that operate in hyperinflationary economies, income and expenses are, however, translated at the exchange rate at the balance sheet date. Prior to translating the financial statements of foreign operations in hyperinflationary economies, the income statement and non-monetary balance sheet items are restated taking into account changes in the general purchasing power of the functional currency based on the inflation up to the balance sheet date ('inflation adjustment'). The effect of the inflation adjustment is recognised as a separate item in the EAC Group's equity in the translation reserve. In the income statement, gain/loss on the monetary net position in the foreign entities is recognised as financial income or expense. The assessment as to when an economy is hyperinflationary is based on qualitative as well as quantitative factors, including whether the accumulated inflation over a three-year period is in the region of 100%.

Foreign currency translation adjustments of a loan or payable to subsidiaries which are neither planned nor likely to be settled in the foreseeable future and which are therefore considered to form part of the net investment in the subsidiary are recognised directly in equity.

When a foreign operation is sold, the EAC Group's share of accumulated foreign exchange adjustments are recognised in the income statement as part of the gain or loss on the sale.

Goodwill arising on the acquisition of a foreign entity is treated as assets of the foreign entity and translated at the rate of the balance sheet date.

Dual exchange rates
Where a system of dual exchange rates exists, individual transactions and monetary items denominated in foreign currencies are translated into the functional currency at the expected settlement rate of the transaction.

Foreign subsidiaries and associates with a functional currency other than DKK are translated into the presentation currency using the translation rate which is expected to apply for capital repatriation in the form of royalties and dividends to the EAC Group.

Derivative financial instruments and hedge accounting
Derivative financial instruments are recognised in the balance sheet at fair value from the trade date. Positive and negative fair values of derivative financial instruments are included as other receivables and other liabilities, respectively.

On initial recognition, a derivative is either designated as a hedge of the fair value of recognised assets or liabilities, hedge of probable forecast transactions or commitments or hedge of a net investment in a foreign entity.

Changes in the fair value of derivatives, which do not qualify for hedge accounting, are recognised immediately in the income statement.

Changes in the fair value of derivatives, which are designated and qualify as fair value hedges, are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item will affect profit or loss (e.g. when the forecast sale that is hedged takes place). However, when the hedged forecast transaction results in the recognition of a non-financial asset (e.g. inventory), the gains and losses previously recognised in equity are transferred to the cost of the hedged asset.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative amounts remain in equity until the forecast transaction is recognised. When a forecast transaction is no longer expected to occur, the cumulative amount is immediately transferred to the income statement.

Hedges of net investments in foreign entities are treated as cash flow hedges.

Fair value estimation
The fair value of financial instruments traded in active markets (e.g. publicly traded available-for-sale securities) is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined by using generally accepted valuation techniques based on observable input from active markets exclusive of trading in unquoted markets.

Forward exchange transactions and interest rate swaps are measured in accordance with generally accepted valuation techniques based on relevant observable swap curves and foreign exchange rates.

The fair value of financial liabilities for disclosure purposes is estimated by discounting future contractual cash flows at the current market interest rate.

INCOME STATEMENT

Revenue recognition
Revenue comprises the fair value for the sale of goods and services, net of value-added tax, rebates and discounts and after elimination of intercompany sales in the EAC Group.

Sales of goods - wholesale
Sales of goods are recognised when the products have been delivered to the customer, when the customer has accepted the products and the collectibility of the related receivables is reasonably assured.

Sales of services
Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction.

Royalty income
Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

Dividend income
Dividend income is recognised when the right to receive payment has been established.

Cost of sales comprises costs incurred to achieve sales for the year, including raw materials, consumables, direct labour costs and production overheads such as maintenance and depreciation, etc. as well as operation, administration and management of factories.

Selling and distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses comprise expenses for management, administrative staff, office expenses, depreciation, etc.

Other operating income and expenses comprise items of a secondary nature to the EAC Group's main activity, including gains and losses on the sale of intangible assets and property, plant and equipment.

Other taxes include taxes in Venezuela (Plumrose) which are calculated on another basis than income tax for the year.

Financial income and expense comprise interest income and expenses, changes in the fair value of securities and derivative financial instruments not acquired for hedging purposes, exchange gains and losses on debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and allowances under the tax on account scheme, etc. Moreover, gains and losses on the monetary net position calculated in connection with the adjustment for inflation are included.

Borrowing costs relating to both specific and general borrowing that directly relate to construction or development of qualifying assets are allocated to the cost of such assets. Borrowing costs relating to assets subject to inflation adjustments are only allocated to the cost of such assets to the extent that these exceed inflation.

Corporation tax and deferred tax
The tax for the year consists of current tax and movements in deferred tax for the year. The tax relating to the profit for the year is recognised in the income statement, whereas the tax directly relating to items recognised in equity is recognised directly in equity.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Deferred tax is measured at the tax rates (and in accordance with the tax rules) applicable in the respective countries at the balance sheet date when the deferred tax is expected to be realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the temporary differences can be utilised.

Adjustment is made for deferred tax concerning unrealised intercompany profits and losses eliminated.

Changes in deferred tax due to changed tax rates are recognised in the income statement.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the EAC Group, and it is probable that the temporary difference will not reverse in the foreseeable future.

ASSETS

Intangible assets
Goodwill
In connection with the acquisition of subsidiaries, goodwill is determined in accordance with the purchase method.

Goodwill is tested annually for impairment and measured at cost less accumulated impairment losses.

Goodwill is allocated to cash generating units for the purpose of impairment testing. Each of those cash generating units represents the investment of the business segments in each country of operation.

Brands, trademarks and licences
Brands, trademarks and licences with a definite useful life are measured at cost less accumulated amortisation and impairment losses. Amortisation is provided on a straight-line basis over the estimated useful lives of the assets.

Trademarks with finite useful life	Max. 20 years
Software etc.	3-5 years
None-compete agreements	Max. 5 years Depending on contract
Supplier contracts	Max. 5 years Depending on contract
Customer relationships	3-5 years Depending on customer loyalty

Trademarks with an indefinite useful life are not amortised but tested annually for impairment.

Software
The cost of acquired software licences comprises the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (3-5 years).

Costs that are directly associated with the production of identifiable and unique software products controlled by the EAC Group, and that will probably generate economic benefits are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Software development costs recognised as assets are amortised over their estimated useful lives (3-5 years).

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset when it is probable that future economic benefits associated with the item will flow to the EAC Group, and the cost of the item can be measured reliably.

Land is not depreciated. Depreciation on other assets is provided on a straight-line basis over their estimated useful lives, as follows:

Buildings	20-30 years
Plant, etc.	20-30 years
Other installations	3-15 years
IT equipment	3 years

The cost of an asset is divided into separate components which are depreciated separately if their useful lives differ.

The assets' residual values and useful lives are reviewed and adjusted annually if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Leases
Leases of property, plant and equipment, where substantially all the risks and rewards of ownership are transferred to the Group, are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower end of the fair value of the leased property and the present value of the minimum lease payments. For the calculation of the net present value, the interest rate implicit in the lease or the Group's incremental borrowing rate is used as discount rate. Finance leases are treated as described under property, plant and equipment and the related obligation as described under financial liabilities.

All other leases are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight line basis over the lease term unless another systematic base is more representive of the time pattern of benefits.

Livestock (in the farms owned by Plumrose) are measured at their fair value less estimated point-of-sale costs. The fair value of livestock is determined based on market prices of livestock of similar age, breed and genetic merit in the local area. Changes in the fair value of livestock are recognised in the income statement. Reproducing livestock is measured at cost less accumulated depreciation (useful life estimated at 2.5 years for pigs and 5 years for cows).

Impairment of non-current assets
Goodwill and assets with indefinite useful lives are subject to annual impairment tests. Other non-current assets are tested for impairment when there is an indication that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Inventories are measured at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Trade receivables are recognised at the trade date, initially measured at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the EAC Group will not be able to collect all amounts due according to the original terms of receivables.

Prepayments and deferred income
Prepayments comprise expenses paid relating to subsequent financial years.

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

Other investments consist of other securities categorised as available for sale. Other investments are recognised at the trade date and initially measured at fair value plus transaction costs. Subsequently, other investments are measured at fair value.

Gains or losses are recognised directly in equity, except for impairment losses. On realisation, the cumulative value adjustment of equity is recognised in the income statement.

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments, if any.

SHAREHOLDERS' EQUITY

Dividend distribution to the Company's shareholders is recognised as a liability at the time when the dividends are approved by the Company's shareholders. Dividends proposed for the year are disclosed separately in equity.

Treasury shares are recognised directly in equity in the reserve for treasury shares at par value. The difference between par value and the acquisition price and consideration as well as directly attributable transaction costs and dividends on treasury shares are recognised directly in equity in retained earnings.

Translation reserve comprises foreign exchange differences arising on translation to DKK of financial statements of foreign entities and the effect of inflation adjustments regarding foreign subsidiaries and associated companies operating in hyperinflationary economies.

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow.

LIABILITIES

Provisions are recognised when the EAC Group has a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits to settle the obligation. The amount recognised as a provision is Management's best estimate of the present value of the amount at which the liability is expected to be settled.

Employee benefits
Pension obligations
EAC's pension plans are primarily defined as contribution plans in which the Group has no further payment obligations once the contributions have been paid. These contributions are recognised as employee benefit expense when they are earned.

For defined benefit plans, the actuarial present value (projected unit credit method) of future benefits under the defined benefit plan less the fair value of any plan assets is recognised in the balance sheet under pension obligations. Pension costs for the year are recognised in the income statement based on actuarial estimates and financial expectations at the beginning of the year. Any difference between the expected development in pension plan assets and liabilities and realised amounts determined at year end constitutes actuarial gains or losses and is recognised in other comprehensive income.

Other long-term benefits
A number of employees are covered by a long-service benefit plan including jubilee benefits. The liability recognised in the balance sheet is the present value of the obligation at the balance sheet date. The obligation is calculated annually using the projected unit credit method.

Share option programme
The EAC Group operates an equity-settled, share-based compensation plan. The value of services received in exchange for granted options is measured at the fair value of the options granted at the grant date. The amount is recognised over the vesting period, and the counter entry is recognised directly in equity. The amount is adjusted for changes in the estimate of the number of options ultimately vested.

When the options are exercised, the proceeds received net of any directly attributable transaction costs are recognised in equity.

Financial liabilities are recognised at fair value (typically the amount of the proceeds received), net of transaction costs incurred. In subsequent periods, the financial liabilities are measured at amortised cost; any difference between the cost (the proceeds) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Financial liabilities also include the outstanding obligation under finance leases, which is measured at amortised cost.

Financial liabilities are classified as current liabilities unless the EAC Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

STATEMENT OF CASH FLOWS

Cash flows from operating activities are stated as the consolidated profit/loss adjusted for non-cash operating items, including depreciation, amortisation and impairment losses, provisions and changes in working capital, interest received and paid and corporation taxes paid. Working capital comprises current assets less short-term debt excluding the items included in cash and cash equivalents.

Cash flows from investing activities comprise cash flows from business acquisitions and sales and cash flows from the purchase and sale of intangible assets, property, plant and equipment and investments as well as dividends from associated companies.

The cash flow effect of the acquisition and sale of companies is shown separately in cash flows from investing activities. Cash flows relating to acquisitions are recognised in the statement of cash flows as of the date of acquisition, and cash flows relating to sales are recognised up to the date of sale.

Cash flows from financing activities comprise changes in the amount or composition of the Group's share capital and related expenses as well as cash flows from borrowing, repayment of loans as well as payment of dividends to shareholders including non-controlling interests.

Cash and cash equivalents comprise cash as well as short-term securities with a term to maturity of less than 3 months, which are easily realisable and only subject to immaterial risk of change in value. Bank overdrafts are shown under borrowings in current liabilities in the balance sheet.

2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In connection with the preparation of the consolidated financial statements, Management has made accounting estimates and judgements that affect the assets and liabilities reported at the balance sheet date as well as the income and expenses reported for the financial period. Management continuously reassesses these estimates and judgements based on a number of other factors in the given circumstances.

The following **accounting estimates** are considered significant for the financial reporting.

- When acquiring entities the **acquisition method** is applied. The most significant assets acquired generally comprise goodwill, trademarks, customer relationships, property, plant and equipment and trade receivables. Generally, there are uncertainties related to both the identification and valuation of assets, liabilities and contingent liabilities at the acquisition date. As no active market exists for the majority of acquired assets and liabilities and contingent liabilities assumed, in particular in respect of acquired intangible assets, management estimates their fair values. Goodwill is measured as the excess of the consideration transferred over the fair value of the identifiable net assets acquired. See note 32.

- The useful life for **property, plant and equipment** is set on the basis of periodic examinations of actual useful lives and the planned use of property, plant and equipment. Such examinations are carried out or updated when new events occur which may affect the setting of the useful life of property, plant and equipment, for example, when events or circumstances occur which indicate that the carrying amount of property, plant and equipment is greater than the recoverable amount and therefore should be impairment tested. Any change in the useful life for property, plant and equipment is included in the financial statements as soon as such a change has been identified. The carrying amount of property, plant and equipment at the balance sheet date is: DKK 1,855m (2010: DKK 1,188m).

- The measurement of **inventories** is subject to some uncertainty in relation to the fair value of livestock. Moreover, the need for impairment write-down is estimated at net realisable value based on Management's assessment of the selling price anticipated at the balance sheet date under normal business conditions. The carrying amount of inventories at the balance sheet date is DKK 1,036m (2010: DKK 514m). See note 21.

- Write-down is made for **trade receivables** based on an assessment of the collectability at the balance sheet date. As a result of the general international economic development, the risk of bad debt losses is increasing, which has been accounted for in the assessment of write-downs at the balance sheet date. The carrying amount of trade receivables at the balance sheet date is DKK 992m (2010: DKK 595m). See note 22.

- EAC carries out **impairment tests** of goodwill and trademarks with an indefinite useful life once a year and when events or other circumstances indicate impairment. In connection with the annual impairment tests, Management makes significant estimates when defining various assumptions, including expectations for future cash flows, discount factors and future growth rates. The sensitivity to changes in the above assumptions may in the aggregate and individually be considerable. The carrying amount of goodwill at the balance sheet date is DKK 654m (2010: DKK 361m). See note 14.

The following **judgements** in relation to the application of the group accounting policies apart from the above estimates are considered significant for the financial reporting:

- In connection with the preparation of the consolidated financial statements, Management decides which **foreign exchange rate** to apply for translation of the financial statements of foreign entities into DKK. Foreign entities operating under dual exchange rate regimes use the translation rate in which return in the form of royalties and dividends is repatriated. Uncertainty in this respect may in subsequent reporting periods lead to significant changes in the carrying amount of the activities in these foreign entities measured in DKK. In connection with the financial reporting for 2011, Management estimated that the financial statements of foreign entities in Venezuela (Plumrose) are to be translated at the official exchange rate of VEF/USD 4.30 as this is the exchange rate expected to be applied for royalties as well as dividends. As the EAC Group did not receive royalty or dividend payments from Plumrose during 2011, this is subject to uncertainty. The alternative parallel exchange rate at 14 May 2010 (prior to the suspension of the parallel exchange market) was in the region of VEF/USD 7.50. The amount of outstanding royalties and dividends is disclosed in note 28.

- The decision as to whether foreign entities operate in **hyperinflationary economies** is based on qualitative as well as quantitative factors, including whether the accumulated inflation over a three-year period is in the region of 100%. In connection with the financial reporting for 2011, Management assessed that Venezuela - where Plumrose operates - continues to be a hyperinflationary economy. As a consequence, adjustments for inflation are made to the foreign entity's income statement and non-monetary balance sheet items taking into consideration changes in the purchasing power based on the inflation up to the balance sheet date. Since the VEF exchange rate has been fixed against the USD during 2011, the hyperinflation adjustments have not been offset by a corresponding devaluation of the VEF exchange rate. Accordingly, the hyperinflation adjustments have correspondingly increased the consolidated accounting figures reported in DKK including revenue, non-current assets and equity. See note 38 for further details.

GOING CONCERN

According to the regulations for preparation of financial statements, the Management is required to decide whether the financial statements can be presented on a 'going concern' basis. Based on estimated future prospects, expectations of future cash flow, existence of credit facilities, etc., Management has concluded that there are no factors giving reason to doubt whether the EAC Group can continue operating for at least 12 months from the balance sheet date.

3. NEW ACCOUNTING REGULATION

The IASB has issued the following new accounting standards (IFRS and IAS) and interpretations (IFRIC) which are not mandatory for the EAC Group in the preparation of the annual report for 2011:

- IFRS 9-13, amendments to IFRS 1 and 7, amendments to IAS 1, 12, 19 and 32, IAS 27 and 28 and improvements to IFRSs (2011). Only amendments to IFRS 7 have been adopted by the EU.

The EAC Group expects to adopt the new accounting standards and interpretations when they become mandatory. The standards and interpretations, which are adopted by the EU with effective dates that differ from the corresponding effective dates of the IASB, will be adopted early so that the adoption complies with the effective dates of the IASB.

- IFRS 9 Financial Instruments, which becomes mandatory for the Group's annual report for 2015, could change the classification and measurement of financial assets, etc. The impact is expected to be limited; however, it is undetermined at this point.

Apart from the above and new disclosure requirements, none of the new standards or interpretations are expected to have a significant effect on the financial reporting of the EAC Group.

4. OPERATING SEGMENTS

Segments (products and services)	Plumrose (Processsed meat products)		Santa Fe Group (Moving & relocation services)		Reportable Segments		Parent and unallocated activities		EAC Group, pro forma, continuing operations historical accounting policy		Inflation adjustment, Plumrose		Reported EAC Group, continuing operations (IAS 29)	
DKK million	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**	**2011**	**2010**
Income statement														
External revenue	**3,743**	**2,956**	**1,797**	**640**	**5,540**	**3,596**			**5,540**	**3,596**	**734**	**262**	**6,274**	**3,858**
Operating profit before interests, taxes, depreciation and amortisation (EBITDA) and other taxes	**543**	**425**	**155**	**69**	**698**	**494**	**-54**	**-57**	**644**	**437**	**-71**	**-108**	**573**	**329**
Other taxes	47	17			47	17			47	17	10	2	57	19
Operating profit before interests, taxes, depreciation and amortisation (EBITDA)	**496**	**408**			**651**	**477**			**597**	**420**	**-81**	**-110**	**516**	**310**
Depreciation and amortisation	69	51	28	12	97	63	1	1	98	64	88	60	186	124
Reportable segment operating profit (EBIT)	**427**	**357**	**127**	**57**	**554**	**414**	**-55**	**-58**	**499**	**356**	**-169**	**-170**	**330**	**186**
Financial income	30	10	4	1	34	11	14	10	48	21	203	55	251	76
Financial expenses	189	89	11	9	200	98	5	24	205	122	39	1	-244	121
Share of profit from associates			0	1	0	1	2	12	2	13	0	0	2	13
Gain on disposal of associates			0	3	0	3		194		197	0	0	0	197
Profit before tax	**268**	**278**	**120**	**53**	**388**	**331**	**-44**	**134**	**344**	**465**	**-5**	**-114**	**339**	**351**
Income tax expense	-75	33	38	14	-37	47	23	31	-14	78	111	59	97	137
Reportable segment profit from continuing operations	**343**	**245**	**82**	**39**	**425**	**284**	**-67**	**103**	**358**	**387**	**-116**	**-173**	**242**	**214**
Balance sheet														
Goodwill	0	0	654	361	654	361	0	0	654	361	0	0	654	361
Other intangible assets	2	0	471	217	473	217	10	0	483	217	3	2	486	219
Property, plant and equipment and livestock	992	663	158	87	1,150	750	12	13	1,162	763	710	440	1,872	1,203
Deferred tax asset	264	108	21	13	285	121	0	1	285	122	-223	-107	62	15
Other financial fixed assets	0	0	9	1	9	1	12	11	21	12	0	0	21	12
Investment in associates	0	0	1	0	1	0	24	25	25	25	0	0	25	25
Inventories	966	489	19	10	985	499	0	0	985	499	51	15	1,036	514
Trade receivables	559	387	433	208	992	595	0	0	992	595	0	0	992	595
Cash	471	252	144	118	615	370	14	684	629	1,054	0	0	629	1,054
Other current assets	164	93	141	71	305	164	12	21	317	185	1	0	318	185
Total assets	**3,418**	**1,992**	**2,051**	**1,086**	**5,469**	**3,078**	**84**	**755**	**5,553**	**3,833**	**542**	**350**	**6,095**	**4,183**
Non-current liabilities excl. interest bearing debt	52	20	124	26	176	46	38	31	214	82	-4	12	210	89
Current liabilities excl. interest bearing debt	514	345	638	310	1,152	655	18	41	1,170	691	7	1	1,177	697
Interest bearing debt	1,650	784	154	154	1,804	938	58	2	1,862	940	0	0	1,862	940
Liabilities	**2,216**	**1,149**	**916**	**490**	**3,132**	**1,639**	**114**	**74**	**3,246**	**1,713**	**3**	**13**	**3,249**	**1,726**
Non-controlling interests	**88**	**41**	**20**	**17**	**108**	**58**	**1**	**1**	**109**	**59**	**57**	**36**	**166**	**95**
Equity													**2,680**	**2,362**
Total equity and liabilities													**6,095**	**4,183**
Invested capital	**2,125**	**1,267**	**1,209**	**630**	**3,334**	**1,897**	**17**	**-38**	**3,351**	**1,859**			**4,114**	**2,347**
Working capital employed	**1,306**	**712**	**65**	**45**	**1,371**	**757**	**-1**	**-1**	**1,370**	**756**			**1,423**	**772**
Cash flows														
Cash flows from operations	-251	83	115	34									-213	59
Cash flows from investing activities	-358	-223	-516	-426									-890	477
Cash flows from financing activities	822	219	424	415									666	32
Cash flows from discontinued operations														6
Changes in cash & cash equivalents	**213**	**79**	**23**	**23**									**-437**	**574**
Financial ratios in %														
Operating margins:														
EBITDA excl. other taxes	14.5	14.4	8.6	10.8					11.6	12.2			9.1	8.5
EBITDA	13.3	13.8							10.8	11.7			8.2	8.0
EBIT	11.4	12.1	7.1	8.9					9.0	9.9			5.3	4.8
Return on average invested capital (ROIC) including goodwill	29.2	26.2	16.9	18.3					22.9	22.0			16.0	13.2
Return on average invested capital (ROIC) excluding goodwill	29.2	26.2	37.6	43.4					28.5	24.8			19.0	14.5

The segment reporting is based on the internal management reporting in which pro forma figures are prepared under the historical accounting policies without any hyperinflation adjustments. Such adjustments are presented separately.

EAC's operating segments comprise strategic business units which sell different products and services. The segments are managed independently of each other and have different customers. No inter segment sales occur. Each segment comprises of a set of units and none of these are of a magnitude which requires them to be viewed as a separate reportable segment.

Consolidated revenue includes sale of goods in the amount of DKK 4,478m (DKK 3,218m). Remaining revenue is related to sale of services.

Reconciliation items in "Parent and unallocated items" are primarily related to corporate costs and corporate assets including cash and cash equivalents held by the Parent Company.

4. OPERATING SEGMENTS (CONTINUED)

	Revenue		Fixed assets [1]	
DKK million	**2011**	2010	**2011**	2010
Venezuela	4,478	3,218	1,707	1,105
Australia	673	25	551	540
Hong Kong	142	162	88	90
China	180	173	37	34
Singapore	119	114	7	7
United Kingdom	147		12	
Other countries	535	166	656	44
EAC Group, continuing operations	**6,274**	**3,858**	**3,058**	**1,820**

[1] Excluding deferred tax assets.

Significant customers

Trade with one single customer does not amount to more than 10% of the total revenue.

5. OTHER OPERATING INCOME

DKK million	**2011**	2010
Gain on disposal of intangible/tangible assets		0
Rental income and management fees	2	1
Other	3	3
Total	**5**	**4**

6. OTHER OPERATING EXPENSES

DKK million	**2011**	2010
Acquisition costs - legal fees, due diligence, advisory fee etc.	24	12
Other	0	0
Total	**24**	**12**

7. FINANCIAL INCOME/EXPENSES

DKK million	**2011**	2010
Interest income on financial assets measured at amortised cost	6	8
Net monetary gain	195	60
Foreign exchange gains	43	5
Other interest income	7	3
Total financial income	**251**	**76**
Interest expenses and fees on financial liabilities measured at amortised cost	184	89
Foreign exchange losses	59	31
Other interest expenses	1	1
Total financial expenses	**244**	**121**
Total, net	**7**	**-45**

8. INCOME TAX EXPENSE

DKK million	2011	2010
Current tax on profit for the year	127	111
Change in deferred tax during the year	-45	14
Corporate income tax	**82**	**125**
Withholding tax	15	12
Income tax expense	**97**	**137**
Profit before income tax	339	351
Share of profit in associates	-2	-13
Profit before income tax, excluding share of profit in associates	**337**	**338**
Reported effective corporate tax rate (per cent)	**24.3**	**37.0**
Corporation tax rate explanation		
Danish corporate tax rate in per cent	25.0	25.0
The tax effect from:		
Recognition of expected tax credits on royalties	-8.7	-0.3
Differences from non-taxable income / non-deductible expenses including inflation adjustments	20.5	22.3
Difference in tax rate of non-Danish companies	-20.7	-2.9
Tax losses for which no deferred tax asset was recognised	4.0	7.7
Non-taxable gain on disposal of associates		-13.8
Prior year tax adjustment	1.8	
Other	2.4	-1.0
Effective tax rate (%)	**24.3**	**37.0**

Deferred tax	2011		2010	
DKK million	Assets	Liabilities	Assets	Liabilities
Fixed assets	6	204	8	80
Current assets, net	48	49	18	47
Non-current debt	1		4	
Current debt	111		53	
Other liabilities	1	3		1
Losses carried forward	2			
Provisions	5		4	
Deferred tax assets / liabilities	174	256	87	128
Set-off within legal tax unit	112	112	72	72
Deferred tax assets / liabilities	**62**	**144**	**15**	**56**

The Group did not recognise deferred tax assets of DKK 109m (DKK 96m) regarding certain timing differences in Plumrose due to uncertainty with respect to utilisation. Further the Group did not recognise deferred tax assets of DKK 39m (DKK 28m) in respect of tax losses carried forward amounting to DKK 158m (DKK 110m) due to uncertainty with respect to utilisation.

Deferred gross tax assets maturing within 12 months amounts to DKK 120m (DKK 57m). Deferred tax liabilities maturing within 12 months amounts to 9m (DKK 16m).

Deferred tax has not been calculated on temporary differences relating to investments in subsidiaries and associates as these investments are not expected to be sold within the foreseeable future. No significant tax liabilities have been indentified in this respect.

9. EARNINGS PER SHARE

DKK million	2011	2010
Profit from continuing operations	242	214
Non-controlling interest	80	26
EAC's share of profit from continuing operations	162	188
EAC's share of profit from discontinued operations	0	547
Average number of shares outstanding	12,804,876	13,714,765
Average number of own shares	644,891	435,553
Average number of shares excluding own shares	12,159,986	13,279,212
Average dilution effect of outstanding options	17,394	0
Diluted average number of shares	**12,177,380**	**13,279,212**

Outstanding share options, as further explained in note 13, may dilute EPS in the future.

	2011	2010
Earnings per share (DKK)	**13.3**	**55.4**
from continuing operations	13.3	14.2
from discontinued operations	0.0	41.2
Earnings per share diluted (DKK)	**13.3**	**55.4**
from continuing operations	13.3	14.2
from discontinued operations	0.0	41.2

10. AUDIT FEES

DKK million	2011	2010
KPMG including network firms		
Statutory audit	6	3
Other assurance services	0	0
Tax/VAT advisory services	1	1
Other non-audit services	6	7
KPMG Statusautoriseret Revisionspartnerselskab, Denmark (also included above)		
Statutory audit	1	1
Other assurance services	0	0
Tax/VAT advisory services	0	0
Other non-audit services	4	6

11. NUMBER OF EMPLOYEES

	2011	2010
EAC Group average, continued operations	5,913	4,940
EAC Group end period, continued operations	6,399	5,328

12. SALARIES, WAGES AND FEES, ETC.

DKK million	2011	2010
Salaries and wages to employees	1,656	919
Equity-settled share-based payment transactions, employees	1	6
Salaries to the Executive Board of the Parent Company	5	5
Equity-settled share-based payment transactions, Executive Board of the Parent Company	1	1
Board fees to the Supervisory Board of the Parent Company	2	2
Pension, defined contribution schemes	22	5
Pension, defined benefit schemes	2	
Social security and other staff expenses	77	43
Total	**1,766**	**981**
Of which compensation to Executive Management		
Salaries and other current employee benefits	9	8
Equity-settled share-based payments	1	2
Total	**10**	**10**

Employment contracts for members of the Executive Management contain terms and conditions that are common to those of their peers in companies listed on NASDAQ OMX Copenhagen - including terms of notice and non-competition clauses.

13. INCENTIVE SCHEMES

Share options (number)	Executive management	Management Team	Other senior executives	Total
2010				
Share options outstanding 01.01.	58,000	75,000	200,750	333,750
Continued operations	58,000	49,000	149,250	256,250
Discontinued operations		26,000	51,500	77,500
Share options outstanding at 31.12.	**58,000**	**75,000**	**200,750**	**333,750**
2011				
Share options outstanding at 01.01.	58,000	75,000	200,750	333,750
Continued operations	58,000	49,000	149,250	256,250
Experied/lapsed			14,250	14,250
Continued operations, total	58,000	49,000	135,000	242,000
Discontinued operations		26,000	51,500	77,500
Share options outstanding at 31.12.	**58,000**	**75,000**	**186,500**	**319,500**

13. INCENTIVE SCHEMES (CONTINUED)

Share options

EAC operates a share option programme, according to which the management and certain other key employees in the EAC Group are granted share options.

The programme, which over 3 years comprised a total of 2 per cent of the share capital, was adopted by the Annual General Meeting in 2007.

The underlying objective of this allocation is to retain and motivate the employees in question and to ensure a community of interests between shareholders and day-to-day management, while at the same time building long term loyalty and staff retention.

The exercise price is based on the average price for EAC shares on the 10 first trading days after the announcement of EAC's annual results, plus 10 per cent. Thus, the options will only be of actual value to the relevant persons if the market price exceeds the exercise price at the time of exercise.

The options have a term of six years and are exercisable after three years. Each share option entitles the holder to purchase one share in EAC Ltd. A/S. The options may only be settled in shares (equity-settled scheme). Exercise of the options granted under this scheme is conditional upon the option holder being employed by the EAC Group at the time of exercise, however, special conditions apply to option holders employed in divested companies or retiring from the Group.

The Share options are covered by EAC's holding of treasury shares. No options were excercised during 2011. At 31 December 2011 184,000 options were excercisable (93,500).

Share options are not offered as part of the remuneraton of Supervisory Board members.

		Number of share options					Fair value 2011		Fair value 2010	
Grant year	Excercise year	1 Jan	Granted	Expired/ lapsed	31 Dec	Exercise price	DKK per option	DKK million	DKK per option	DKK million
Executive Management										
2007	2010-2013	18,000			18,000	223		0.0	6	0.1
2008	2011-2014	18,000			18,000	394		0.0	1	0.0
2009	2012-2015	22,000			22,000	133	14	0.3	61	1.3
Total		**58,000**	**0**	**0**	**58,000**			**0.3**		**1.4**
Management Team										
2007	2010-2013	21,000			21,000	223		0.0	6	0.1
2008	2011-2014	24,000			24,000	394		0.0	1	0.0
2009	2012-2015	30,000			30,000	133	14	0.4	61	1.8
Total		**75,000**	**0**	**0**	**75,000**			**0.4**		**1.9**
Other senior executives										
2007	2010-2013	54,500		4.500	50,000	223		0.0	6	0.1
2008	2011-2014	57,500		4.500	53,000	394		0.0	1	0.1
2009	2012-2015	88,750		5.250	83,500	133	14	1.2	61	5.6
Total		**200,750**	**0**	**14,250**	**186,500**			**1.2**		**5.8**
Total		**333,750**	**0**	**14,250**	**319,500**			**1.9**		**9.1**

13. INCENTIVE SCHEMES (CONTINUED)

	2011	2010	2009	2008	2007
Calculation of the value of the outstanding share options using Black Scholes formula was based on the following assumptions:					
2007 grants					
Share price (DKK)	118.50	180.00	181.75	177.50	397.50
Excercise price (DKK)	223.00	228.00	253.00	258.00	268.00
Expected duration (years)	0.00	0.75	1.75	2.75	3.75
Dividend yield (%) - The excercise price is adjusted for dividend	0	0	0	0	0
Risk-free interest rate (%)	1.58	1.76	1.82	4.93	4.35
Volatility (%)	28.90	30.90	42.50	40.00	31.00
2008 grants					
Share price (DKK)	118.50	180.00	181.75	177.50	
Excercise price (DKK)	394.00	399.00	424.00	429.00	
Expected duration (years)	0.75	1.75	2.75	3.75	
Dividend yield (%) - The excercise price is adjusted for dividend	0	0	0	0	
Risk-free interest rate (%)	1.58	1.76	1.82	4.93	
Volatility (%)	28.90	30.90	42.50	40.00	
2009 grants					
Share price (DKK)	118.50	180.00	181.75		
Excercise price (DKK)	133.00	138.00	163.00		
Expected duration (years)	1.75	2.75	3.75		
Dividend yield (%) - The excercise price is adjusted for dividend	0	0	0		
Risk-free interest rate (%)	1.58	1.76	1.82		
Volatility (%)	28.90	30.90	42.50		

The expected duration is based on excercise in the middle of the excercise period. The volatility is based on the historical volatility in the price of EAC Ltd. A/S's shares over the last year. The fair value is recognised in the income statement over the vesting period of three years. The total cost of the incentive schemes was net DKK 4m (2010: DKK 10 of which DKK 3m was related to the divestment of EAC Industrial Ingredients). At 31 December 2011, an amount of DKK 1m has not been recognised in respect of the current incentive schemes.

14. INTANGIBLE ASSETS

DKK million	Goodwill	Trademarks[1]	Software	Other[2]	Total
2011					
Cost:					
01.01.	361	237	114	47	759
Translation adjustments	1	4	2	1	8
Inflation adjustments	0	0	25	0	25
Additions	0	0	2	6	8
Additions due to business combination	292	209	0	50	551
Reclassification	0	0	14	-11	3
31.12.	654	450	157	93	1,354
Amortisation:					
01.01.	0	70	109		179
Translation adjustments		-1	2		1
Inflation adjustments			25		25
Amortisation for the year			3	6	9
31.12.	0	69	139	6	214
Carrying amount 31.12.	**654**	**381**	**18**	**87**	**1,140**
2010					
Cost:					
01.01.	104	84	147	42	377
Translation adjustments including devaluation loss	12	-5	-51	4	-40
Inflation adjustments			26		26
Additions			1		1
Additions related to discontinued operations	36				36
Additions due to business combinations	280	167		47	494
Disposals, discontinued operations	71		9	46	126
Disposals		-9			-9
31.12.	361	237	114	47	759
Amortisation:					
01.01.	0	84	135	17	236
Translation adjustments including devaluation loss		-5	-49	2	-52
Inflation adjustments			25	0	25
Amortisation for the year			4	4	8
Disposals, discontinued operations			6	23	29
Disposals		-9		0	-9
31.12.	0	70	109	0	179
Carrying amount 31.12.	**361**	**167**	**5**	**47**	**580**

[1] Trademarks amounting to DKK 381m (DKK 167m) are assumed to have an indefinite useful life and are consequently not subject to amortisation, but tested annually for impairment.

[2] Other intangible assets are mainly related to customer relationships, supplier contracts and non-compete agreements.

14. INTANGIBLE ASSETS (CONTINUED)

At 31 December 2011, Management completed impairment testing of the carrying amount of goodwill and trademarks with an indefinite useful life. The impairment testing was done in Q4 2011 based on the budgets and business plans approved by the Supervisory Board and Executive Management as well as other assumptions adjusted, as required, to comply with IAS 36.

The carrying amount of goodwill and trademarks with indefinite useful life in the EAC is attributable to the following acquisitions:

DKK million			Trademarks 2011	Trademarks 2010	Goodwill 2011	Goodwill 2010
Acquisition:	**Country:**	**Business Segment**				
Global Silverhawk[1]	Asia	Santa Fe Group			37	36
Santa Fe Vietnam	Vietnam	Santa Fe Group			4	4
Ikan Relocation Services Pvt. Ltd.	India	Santa Fe Group			25	30
IR Moving Concepts Pvt. Ltd.	India	Santa Fe Group			10	11
Wridgways Australia Ltd.	Australia	Santa Fe Group	172	167	286	280
Interdean International Relocation Group[2]	Europe	Santa Fe Group	199		292	
Other			10			
Total			**381**	**167**	**654**	**361**

[1] Indonesia, Japan, Malaysia and the Philippines.
[2] 35 countries across Europe (including Russia) and Central Asia.

When performing impairment tests of cash-generating units, the recoverable amount calculated as the discounted value of expected future cash flows (value in use) is compared to the carrying amount of each of the cash-generating units. For all segments, the key parameters are revenue, EBIT, working capital investments, capital investments as well as assumptions of growth. The cash flows are based on budgets and business plans and cover the next five years. Projections for subsequent years (terminal value) are based on general market expectations and risks including general expectations of growth for the segments in question. The discount rates used to calculate the recoverable amount is the EAC Group's internal WACC rate computed before tax and reflects specific risks relating to the businesses.

Key assumptions		Revenue (CAGR) 2012-2016 (%)		EBITDA (CAGR) 2012-2016 (%)		Growth in the terminal period (%)		Discount rates before tax (%)	
		2011	2010	2011	2010	2011	2010	2011	2010
	Country								
Global Silverhawk[1]	Asia	7.2	9.0	12.1	8.0	2.0	3.0	10.5	9.5
Santa Fe Vietnam	Vietnam	10.7	10.5	9.8	3.4	2.0	3.0	13.3	15.1
Ikan Relocation Services Pvt. Ltd.	India	13.3	12.4	11.8	6.0	2.0	3.0	12.5	15.4
IR Moving Concepts Pvt. Ltd.	India	3.7	3.5	5.2	8.7	2.0	3.0	12.5	15.4
Wridgways Australia Ltd.	Australia	4.9	3.7	11.1	9.5	2.0	2.0	11.8	12.2
Interdean International Relocation Group	Europe	4.0	5.9	6.0		1.0		14.6	

[1] IIndonesia, Japan, Malaysia and the Philippines.

Growth rates are determined for each individual cash-generating unit and are based on budgets and business plans for the next five years.

It is Management's assessment that reasonably possible changes to the key assumptions will not result in the carrying amount of goodwill and trademarks exceeding the recoverable amount in the cash generating units.

15. PROPERTY, PLANT AND EQUIPMENT

DKK million	Land and buildings etc.	Plants etc.	Other assets, installations, vehicles etc.	IT equipments	Construction in progress	Total
2011						
Cost:						
01.01.	917	661	246	66	223	2,113
Translation adjustment	23	19	9	1	5	57
Inflation adjustment	256	230	32	16	63	597
Additions	2	0	24	3	326	355
Additions due to business combinations	29	50	49	0	0	128
Disposals	9	1	11	2	6	29
Reclassification	133	91	15	42	-285	-4
31.12.	1,351	1,050	364	126	326	3,217
Depreciation						
01.01.	350	397	139	39	0	925
Translation adjustment	9	10	4	1		24
Inflation adjustment	95	137	30	9		271
Depreciation for the year	45	64	37	16		162
Disposals	8	1	8	2		19
Reclassification	4	-1	-5	1		-1
31.12.	495	606	197	64	0	1,362
Carrying amount 31.12.	856	444	167	62	326	**1,855**
Financial leases						8
2010						
Cost:						
01.01.	1,186	788	337	78	340	2,729
Translation adjustment including devaluation loss	-477	-360	-87	-25	-155	-1,104
Inflation adjustment	157	143	6	9	50	365
Additions	1		10	1	236	248
Additions due to business combinations	2		43	1		46
Disposals	2	1	19	1	1	24
Disposals, discontinued operations	72	4	56	12	3	147
Reclassification	122	95	12	15	-244	0
31.12.	917	661	246	66	223	2,113
Depreciation						
01.01.	469	492	211	57	0	1,229
Translation adjustment including devaluation loss	-185	-226	-54	-17		-482
Inflation adjustment	62	89	3	6		160
Depreciation for the year	37	42	29	8		116
Disposals	2		16	5		23
Disposals, discontinued operations	31		34	10		75
31.12.	350	397	139	39	0	925
Carrying amount 31.12.	**567**	**264**	**107**	**27**	**223**	**1,188**
Financial leases						0

The EAC Group was at 31 December 2011 contractually committed to investments related to production machinery, etc., primarily in Plumrose in the total amount of DKK 192m (DKK 103m).

16. LIVESTOCK

DKK million	2011	2010
Reconciliation of carrying amounts of reproducing livestock		
Carrying amount 1.1	15	21
Translation adjustment including devaluation loss	1	-10
Inflation adjustment	4	3
Increase due to purchases	22	16
Gain/loss arising from changes in fair value less estimated point-of-sale costs attributable to physical changes	-15	-11
Decrease due to sales	11	4
Reclassification	1	
Carrying amount 31.12	**17**	**15**

The reproducing livestock is presented at cost net of accumulated amortisation since there is no available market price and no other reliable alternatives to determine the fair value. The assets comprise pig herds and stock of cattle with an amortisation period of 2.5 and 5 years, respectively.

As of 31 December 2011, Plumrose owns 12,000 reproducing livestock (31 December 2010: 12,000).

17. AMORTISATION AND DEPRECIATION

Amortisation and depreciation of intangible assets and property, plant and equipment are included in the income statement under the following captions, according to the use of the assets:

DKK million	Intangible assets	Poperty, plant and equipment	2011 Total	Intangible assets	Poperty, plant and equipment	2010 Total
Cost of sales	1	75	76	0	68	68
Selling and distribution expenses	3	58	61	0	26	26
Administrative expenses	5	29	34	3	16	19
Total, continued operations	9	162	171	3	110	113
Discontinued operations				5	6	11
Total	**9**	**162**	**171**	**8**	**116**	**124**

18. FINANCIAL ASSETS

DKK million	Investment in associates	Other securities and investments	2011 Total	Investment in associates	Other securities and investments	2010 Total
Cost 01.01.	34	3	37	67	3	70
Reclassified to value adjustment 01.01	-11		-11			
Translation adjustments	0		0	11	0	11
Disposals, continued operations				32		32
Disposals, discontinued operations				12		12
Cost 31.12.	23	3	26	34	3	37
Value adjustment 01.01.	-9	8	-1	-13	8	-5
Reclassified to cost 01.01	11		11			
Net profit/loss, continued operations	2		2	13		13
Net profit/loss, discontinued operations				4		4
Dividend	-2		-2	-13		-13
Value adjustment 31.12.	2	8	10	-9	8	-1
Carrying amount 31.12.	**25**	**11**	**36**	**25**	**11**	**36**

The carrying amount of the investment in associates does not include goodwill.

18. FINANCIAL ASSETS (CONTINUED)

The Group's interests in its principal associates:

DKK million	Country of incorporation	Assets	Liabilities	Revenue	Profit/ Loss	% Interest held	EAC's share of profit in associates	EAC's invest-ment in associates
2011								
Asiatic Acrylics Company Ltd.[1]	Thailand	38	0	0	3	51.00	2	19
Thai Poly Acrylic Public Company Ltd.[2]	Thailand	172	61	284	10	2.81	0	3
Beijing Zhongboa Drinking Water Co. Ltd.	China	15	9	22	1	34.89	0	2
Alfa Relocation Management A/S	Denmark	15	14	34	1	50.00	0	1
							2	**25**

DKK million	Country of incorporation	Assets	Liabilities	Revenue	Profit/ Loss	% Interest held	EAC's share of profit in associates	EAC's invest-ment in associates
2010								
Asiatic Acrylics Company Ltd.[1]	Thailand	38	0	0	3	51.00	2	20
Thai Poly Acrylic Public Company Ltd.[2]	Thailand	195	82	286	10	2.81	0	3
Beijing Zhongboa Drinking Water Co. Ltd.	China	14	8	20	1	34.89	0	2
3PL FRIO, C.A.	Venezuela	0	0	0	0	50.00	0	0
							2	**25**

[1] EAC is not in control of the company through agreements, etc.
[2] Publicly listed company with a total market cap of THB 729m or DKK 132m (THB 753m or DKK140m). Interest held through Asiatic Acrylics Ltd. (indirect holding of 17.4%) and The East Asiatic 2010 (Thailand) Company Limited (direct holding of 2.8%).

Associated companies divested in 2010

Siri Asiatic Company Ltd., Berli Asiatic Soda Co. Ltd., AB Far East Sdn. Bhd. and Amochem Sdn. all formed part of EAC Industrial Ingredients, which was divested in July 2010. The contribution to profit from discontinued operations amounted to DKK 4m.

AkzoNobel Paints (Thailand) Ltd. and Griffin Travel (HK) Ltd. was divested in December and June respectively. The total contribution to share of profit in associates amounted to DKK 10m and DKK 1m respectively. The gain on disposal of associated was DKK 194m and DKK 3m respectively.

19. FINANCIAL INSTRUMENTS BY CATEGORY

DKK million	2011	2010
Available for sale financial assets measured at fair value		
Other investments (fair value is not based on observable market data, but is based on the net present value of expected future cash flow using a discount factor of 8 per cent p.a. (8 per cent p.a.))	11	11
Total	**11**	**11**
Financial assets measured at amortised cost		
Trade receivables	992	595
Other receivables, current and non-current	328	186
Bank and cash balances	629	1,054
Total	**1,949**	**1,835**
Financial liabilities measured at amortised cost		
Non-current debt	1,110	586
Bank loans, current	764	354
Trade payables	602	335
Other liabilities and tax payable, current and non-current	530	354
Total	**3,006**	**1,629**

20. SHARE CAPITAL

	Shares of DKK 70	Nominal value DKK '000
01.01.2010	**13,714,765**	**960,034**
31.12.2010 / 01.01.2011	**13,714,765**	**960,034**
Cancellation of treasury shares	-1,366,705	-95,670
31.12.2011	**12,348,060**	**864,364**

As at 31 December 2011, the share capital contained 1,199 (2010: 1,275) half shares.

Treasury shares	Shares of DKK 70	Nominal value DKK million	% of share capital
01.01.2010	334,000	23	2.44
Purchase of treasury shares	758,245	53	5.52
31.12.2010 / 01.01.2011	**1,092,245**	**76**	**7.96**
Purchase of treasury shares	612.954	43	4.74
Cancellation of treasury shares	-1,366,705	-96	9.96
31.12.2011	**338,494**	**23**	**2.74**

319,500 shares of the treasury shares (334,000) are held to cover the share option programme of the EAC Group as described in note 13.
For further information, please refer to Shareholder information, page 15.

21. INVENTORIES

DKK million	**2011**	2010
Raw materials	632	271
Work in progress	93	65
Finished goods	311	178
Total	**1,036**	**514**
Inventories recognised as an expense during the year	2,770	1,926
Amounts of write-down of inventory recognised as expense during the year	36	3
Amount of reversal of write-down of inventories during the year	31	3
Carrying amount of inventory carried at fair value less cost to sell	9	9

Change in write-down of inventories during 2011 were attributable to Plumrose.

22. TRADE RECEIVABLES

DKK million	**2011**	2010
Trade receivables (gross)	1,021	612
Allowances for doubtful trade receivables:		
Balance at the beginning of the year	17	28
Balance at the beginning of the year, discontinued operations		-4
Balance at the beginning of the year, continued operations	17	24
Translation adjustment	0	-1
Additions during the year	17	6
Additions due to business combinations	9	
Realised losses during the year and reversals	14	12
Balance at the end of year	29	17
Total trade receivables	**992**	**595**

No significant losses were incurred in respect of individual trade receivables in 2011 and 2010. Generally no security is required from customers regarding sales on credit. Credit risk is further described in note 28.

23. OTHER RECEIVABLES

DKK million	2011	2010
Other receivables	261	141
Prepayments	55	44
Total	**316**	**185**

24. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

DKK million	Other provisions	Employee benefits	2011	Other provisions	Employee benefits	2010
01.01.	25	13	38	57	13	70
Translation adjustment	1	0	1	-24	-1	-25
Disposals, discontinued operations				2	10	12
Additions due to business combinations		2	2		10	10
Utilised	5	0	5	6		6
Reversed	1		1	12		12
Additions	60	4	64	12	1	13
31.12.	**80**	**19**	**99**	**25**	**13**	**38**
Specification of other provisions:						
Non-current	37	17	54	20	13	33
Current	43	2	45	5		5
	80	**19**	**99**	**25**	**13**	**38**

Other provisions are primarily related to potential labour indemnifications and tax disputes in Venezuela. Non-current other provisions are expected to mature within two years of the balance sheet date.

25. DEFINED BENEFIT OBLIGATIONS

DKK million	2011	2010
The EAC Group participates as employer in pension plans depending on local regulations. Usually these pension plans are defined contribution plans, however following the acquisition of Interdean also some defined benefit plans in Switzerland.		
Fair value of plan assets	-38	-
Present value of obligations	50	-
Net liability recognised (funded plans) 31.12.	**12**	**-**
Equity securities	3	-
Insurance contracts	32	-
Cash	3	-
Total plan assets 31.12.	**38**	**-**
Movements in the present value of the defined benefit obligation		
01.01.	0	-
Additions due to business combinations	51	-
Benefits paid by the plan	0	-
Employee contributions paid	1	-
Current service cost and interest	1	-
Actuarial losses/(gains) in other comprehensive income	0	-
Translation adjustments	-3	-
31.12.	50	-

25. DEFINED BENEFIT OBLIGATIONS (CONTINUED)

DKK million	2011	2010
Movements in the fair value of plan assets		
01.01.	0	-
Additions due to business combinations	39	-
Contributions paid into the plan	1	-
Employee contributions paid	1	-
Benefits paid by the plan	0	-
Expected return on plan assets	0	-
Actuarial (losses)/gains in other comprehensive income	0	-
Translation adjustments	-3	-
31.12.	38	-
Current service cost	1	-
Interest on obligation	1	-
Expected return on plan assets	0	-
Expense recognised in the income statement	**2**	**-**
Which has been recognised under the following captions:		
Selling and distribution expenses	2	-
Cumulative gains/(losses) recognised in other comprehensive income 31.12.	**0**	**-**
Principal actuarial assumptions (expressed in per cent as weighted averages)		
Discount rate	2,5	-
Expected return on plan assets	2,7	-
Future salary increases	2,0	-
Future pension increases	0,0	-

Historical information	2011	2010	2009	2008	2007
Present value of the defined benefit obligation	50	-	-	-	-
Fair value of plan assets	-38	-	-	-	-
Net liability recognised 31.12.	12	-	-	-	-
Experience adjustemnts on plan liabilities	0	-	-	-	-
Experience adjustemnts on plan assets	0	-	-	-	-

The EAC Group expects to contribute DKK 2 million to the defined benefit plans in 2012.

26. OTHER LIABILITIES

DKK million	2011	2010
Other liabilities by origin:		
Staff payables	131	93
Duties to public authorities	76	57
Other taxes	11	8
Other accrued expenses	257	130
Total	**475**	**288**

27. BORROWINGS

DKK million	2011	2010
Non-current borrowings:		
Bank loans	1,066	558
Bonds	27	26
Finance lease liabilities	3	
Other non-current borrowings	2	2
Total	**1,098**	**586**
Current borrowings:		
Bank loans	754	354
Finance lease liabilities	4	
Other current borrowings	6	0
Total	**764**	**354**
Total borrowings	**1,862**	**940**
Maturity of current and non-current borrowings:		
< 1 year	764	354
1-5 years	1,098	586
> 5 year	0	0
Total	**1,862**	**940**

At 31 December 2011 / 2010 all current and non-current borrowings are floating interest based. The borrowings are exposed to interest rate and currency risk, refer to note 28.

Finance lease liabilities

Finance lease liabilities are payable as follows:

			2011			2010
DKK million	**Future minimum lease payments**	**Interests**	**Present value of minimum lease payments**	Future minimum lease payments	Interests	Present value of minimum lease payments
Less than one year	5	1	4			
Between one and five years	3	0	3			
More than five years	0	0	0			
	8	**1**	**7**	-	-	-

28. CREDIT RISK, CURRENCY RISK AND INTEREST RATE RISK

Group policy for managing risk and capital

Given the international scope of EAC's business activities, the Group is exposed to financial market risk, i.e. the risk of losses as a result of adverse movements in currency exchange rates, interest rates and/or commodity prices. It also encompasses financial counterparty credit risk, liquidity and funding risk.

EAC operates in relatively volatile markets in South America and Asia Pacific where sudden currency and interest movements can be expected. Consequently, EAC maintains a conservative debt-equity ratio providing management with sufficient flexibility to act in support of its businesses, if and when so required. EAC will continuously strive to achieve an efficient debt-equity ratio in the operating businesses, while aming at maintaining a cautious cash position and equity ratio in the Parent Company.

EAC's financial risk management activities are decentralised, although co-ordinated by the EAC Group within a policy framework approved by the Supervisory Board. It is the EAC Group's policy not to engage in any active speculation in financial risks. Therefore, the Group's financial management is focused on managing or eliminating financial risks relating to operations and funding, in particular on reducing the volatility of the EAC Group's cash flows in local currencies. The Group does currently not apply any material financial derivatives for hedging.

There are no changes to the Group's risk exposure and risk management compared to 2010.

Credit risk

EAC has no significant concentration of credit risk. At the balance sheet date the total credit risk amounts to DKK 1.6bn (DKK 1.6bn). The EAC Group has policies in place that ensure sales of products and services are made to customers with an appropriate credit history. Generally, no security is required from customers regarding sales on credit. The credit risk lies in the potential insolvency of a counterpart and is thus to the extent possible equal to the sum of the positive net market values in respect of the corresponding business partners.

The available funds (cash and cash equivalents) of the Group are placed as demand or time deposits at relatively short terms. The EAC Group is exposed to the risk that financial counterparties may default on their obligations towards EAC. This risk is managed by having maximum exposure limits on each financial counterparty and by requiring a satisfactory credit rating from one of the established rating agencies for each counterparty. The current minimum Moody's rating required is a short-term rating of P-2 and a long-term rating of A3. In some countries this is not achievable e.g. Venezuela. In such cases the net risk (net of debt and deposits) should not be positive.

Trade receivables past due compounds as follows:

DKK million

	month (due)						
	not due	0 - 1	1 - 2	2 - 3	3 - 6	> 6	**31.12.11**
Receivables, not due	656						656
Receivables past due but not impaired		195	50	47	37	7	336
							992
In % of receivables not due and due but not impaired	66	20	5	5	4	1	
Impaired receivables past due						29	29
							1,021
Allowances for doubtful trade receivables							-29
Total trade receivables (net)							**992**

DKK million

	month (due)						
	not due	0 - 1	1 - 2	2 - 3	3 - 6	> 6	**31.12.10**
Receivables, not due	399						399
Receivables past due but not impaired		138	30	14	14	0	196
							595
In % of receivables not due and due but not impaired	68	23	5	2	2		
Impaired receivables past due					3	14	17
							612
Allowances for doubtful trade receivables							-17
Total trade receivables (net)							**595**

28. CREDIT RISK, CURRENCY RISK AND INTEREST RATE RISK (CONTINUED)

Liquidity risk
Liquidity risk means that the EAC Group is unable to meet its obligations as they fall due because of inability to realise assets or obtain adequate funding. The Group ensures that a liquidity position is maintained in order to service its financial obligations as they fall due. During 2011, EAC Parent used available cash balances to fully fund the acquisition of Interdean International Relocation Group. The EAC Group expects to obtain external funding in 2012 to partially fund the acquisition.

At the end of 2011, EAC continued to have a low financial gearing, hence the Group's liquidity/funding situation was comfortable. The Group had a net debt position at the end of 2011 of DKK 1,233m (DKK -115m). The Groups cash balance includes DKK 471m (DKK 252m) relating to cash in subsidiaries in countries with currency control or other legal restrictions. Accordingly this cash is not available for immediate use by the Parent Company or other subsidiaries.

Contractual maturities of financial liabilities:

DKK million

		Contractual maturity incl. interest (cash flow)				
	Carrying amount	Total	< 1 years	1 - 3 years	3 - 5 years	> 5 years
31.12.11						
Non-derivative financial instruments						
Borrowings (current and non-current)	1,862	1,990	839	1,082	69	0
Trade payables	602	602	602			

		Contractual maturity incl. interest (cash flow)				
	Carrying amount	Total	< 1 years	1 - 3 years	3 - 5 years	> 5 years
31.12.10						
Non-derivative financial instruments						
Borrowings (current and non-current)	940	1,101	439	620	42	0
Trade payables	335	335	335			

The contractual maturity overview is based on undiscounted cash flows including estimated interest payments. Interest payments are based on current market conditions.

Liabilities regarding operational lease agreements are not included, but appear from note 35.

The Group has entered into contractual agreement regarding property, plant and equipment amounting to DKK 192m (DKK 103m) which is not included in the overview, refer to note 15.

Currency risk
The EAC Group is exposed to translation risks from currency translation into the Group reporting currency (DKK). EAC's business activities are conducted in different currencies: Venezuelan Bolivar, Asia Pacific currencies, and European curencies. In order to minimise the currency risk, EAC seeks to match the currency denomination of income and expenses and of assets and liabilities on a country-by-country basis. Consequently, EAC's functional currency varies from country to country and is typically different from the reporting currency in DKK of the listed entity, EAC Ltd. A/S. The objective of EAC's currency management strategies is to minimise currency risks relating to the functional currencies, i.e. to protect profit margins in local currency.

Due to the significance of Plumrose's activities in Venezuela the currency exposure to the Bolivar (VEF) is relatively high. The devaluation of the VEF in 2010 is detailed in note 39.

From a Group point of view, net assets in Plumrose are translated at the official rate of VEF/USD 4.30. Outstanding dividends from Plumrose are summarised below.

28. CREDIT RISK, CURRENCY RISK AND INTEREST RATE RISK (CONTINUED)

Outstanding dividends from Plumrose:

Period	Exchange rate	USD '000
2007	VEF/USD 4,30	22,866
2008	VEF/USD 4,30	14,163
2009	VEF/USD 4,30	152
2010	VEF/USD 4,30	19,597
Total		**56,778**

Due to uncertainty, the Parent Company only recognises dividends from Venezuela upon receipt.

EAC Parent royalty receivable at exchange rate VEF/USD 4,30 from Plumrose are summarised below:

Period	USD '000
Q4 2009	4,286
2010	17,996
2011	23,803
Total	**46,085**

During 2011, CADIVI did not approved payment of any outstanding royalties or dividends.

The EAC Group has foreign exchange risk on balance sheet items, partly in terms of translation of debt denominated in a currency other than the functional currency for the relevant Group entity, and partly in terms of translation of net investments in entities with a functional currency other than DKK. The former risk affects the operating profit.

Developments in exchange rates between DKK and the functional currencies of subsidiaries had an impact on the EAC Group's revenue and EBITDA for 2011 reported in DKK. In a number of countries (particularly in Asia Pacific) where the EAC Group has significant activities, the currency correlates partly with the USD. In 2011, the average DKK/USD rate (532.29) was 5.6 per cent below 2010 (DKK/USD 563.62). As a consequence of the depreciation of a number of key currencies compared to DKK, revenue and EBITDA for 2011 decreased in Santa Fe Group by DKK 36m and DKK 3m respectively.

In foreign subsidiaries that operate in hyperinflationary economies, income and expenses are translated at the exchange rate at the balance sheet date which had a positive impact in Plumrose due to the appreciation of the exchange rate from DKK/USD 561.33 end of 2010 to DKK/USD 574.56 end of 2011. The associated impact on revenue and EBITDA was an increase of DKK 103m and DKK 11m respectively.

Interest rate risk

EAC is directly exposed to interest rate fluctuations in connection with its funding and liquidity portfolio. The risk is managed by matching the duration of assets and liabilities and by ensuring a smooth rollover profile. EAC is also indirectly exposed as a result of the impact of interest rates on the macro economies of the countries in which EAC operates its businesses.

The EAC Group is exposed to mainly floating interest rate risk on bank balances and borrowings. All interest bearing assets, DKK 629m (DKK 1,054m) and interest bearing liabilities, DKK 1,862m (DKK 940m) are reprised within one year.

At the end of 2011 the combined interest rate risk of the Group was DKK 5m (DKK 1m) in the case of a one-percentage point change in the interest rates (impact on profit and equity).

Commodity risk

The Group uses a number of commodities for the production and is consequently exposed to price risks including corn and soya bean meal (Plumrose). Even if it is feasible to hedge against the price risk of these commodities through forward contracts, it has been decided for now not to enter into such hedging transactions.

29. OTHER NON-CASH ITEMS

DKK million	2011	2010
Gains/losses on disposal of intangible and tangible assets		-4
Changes in provisions	39	-6
Share based payments	4	10
Net monetary gain	195	60
of which relates to borrowings	-227	-126
Foreign currency & other adjustments	16	53
Total	**27**	**-13**

30. CHANGES IN WORKING CAPITAL

DKK million	2011	2010
Changes in inventories	-353	-36
Changes in trade receivables	32	-54
Changes in trade payables	-59	-10
Changes in other receivables/payables	-21	80
Total	**-401**	**-20**

31. DIVESTMENT OF ENTITIES

DKK million	2011	2010
Discontinued business		
Intangible assets		98
Property, plant and equipment		74
Investment in associates		12
Deferred tax		14
Inventories		247
Trade receivables		443
Other receivables		42
Cash and cash equivalents		65
Current and non-current borrowings		209
Trade payables		188
Other liabilities		88
Net assets sold	**-**	**510**
Non-controlling interests		0
EAC's share of equity	**-**	**510**
Recycling of cumulative exchange differences		-36
Gain on divestment recognised in income statement		503
Cash consideration received		977
Cash and cash equivalents, disposed of		-65
Cash inflow, net	**-**	**912**

No entities have been divested during 2011.

32. ACQUISITION OF ENTITIES

DKK million				2011
Name of business	Primary activity	Acquisition date	Holding acquired	Cost
La Montserratina	Processed meat products	16.03.2011	100%	67

Plumrose completed the acquisition of La Montserratina, a leading producer in Venezuela of processed, cured meats and fresh sausages on 16 March 2011 by acquiring 100 per cent of the shares. The total cash purchase price amounts to USD 12.5m (DKK 67m). The transaction is financed through a combination of equity and debt.

La Montserratina is a successful business with a well-known premium brand and an excellent product quality image based on typical Spanish artisan processed meat products. Today, the bulk of the product portfolio is focused within fresh sausages, BBQ and cured products, which is complementary to Plumrose's portfolio.

La Montserratina's production facilities are modern and have considerable excess capacity. The acquisition represents an opportunity for Plumrose to expand its range of branded products and enter into new and attractive product segments while leveraging Plumrose's excellence in business processes and administration as well as the significant marketing, sales and distribution force.

	Fair value at acquisition date
Intangible assets	10
Property, plant and equipment	83
Inventories	7
Receivables	17
Cash and cash equivalents	4
Provisions	-12
Deferred tax	-16
Borrowings	-5
Trade payables and other liabilities etc.	-21
Net assets	67
Non-controlling interests	0
Equity, EAC's share	67
Goodwill	0
Purchase price	67
Cash and cash equivalents, acquired	-4
Cash outflow, net	**63**

The acquisition of La Montserratina is in itself a relatively small transaction for EAC, but it constitutes an important step for the business in Venezuela that will assist in expanding capacity in addition to the existing plant. This adds important new production capacity and poses ample opportunity for growth and expansion by leveraging competencies and exploiting synergies.

Acquisition costs paid during 2011 by Plumrose to investment bankers, legal advisors, etc., amounted to DKK 4m, which have been recognised in EAC Group's income statement as other operating expenses.

Based on the purchase price allocation, the fair value of La Montserratinas' identified assets, liabilities and contingent liabilities at the acquisition date are outlined in the table above.

In connection with the acquisition, the EAC Group has recognised intangible assets relating to the La Montserratina trademark at fair value. Since the Montserratina trademark has been in use for more than 50 years, it is assumed to have an indefinite useful life. The trademark will accordingly not be subject to amortisation, but tested annually for impairment. The trademark has been valued based on a royalty rate of 4% using the relief-from-royalty method.

32. ACQUISITION OF ENTITIES (CONTINUED)

The fair value of property, plant and equipment has been determined using appraisals made by an independent assessor using the depreciated replacement cost approach.

The fair value of acquired inventory has been based on expected sales prices less cost to sell. The fair value of acquired raw materials has been estimated at replacement cost.

Trade receivables recognised at fair value amounts to DKK 16m. Trade receivables are expected to be fully collected and consequently gross contractual receivables are equal to fair value.

Provisions in the amount of DKK 12m have been recognised primarily relating to tax and labour issues.

In the purchase price allocation, no contingent liabilities have been identified. No goodwill has been recognised on the acquisition.

If the acquisition had occurred on 1 January 2011, Group revenue for 2011 would have increased by approximately DKK 30m and EBITDA by around DKK 0m.

DKK million				2011
Name of business	Primary activity	Acquisition date	Holding acquired	Provisional cost
Interdean International Relocation Group	Moving & Relocation Services	01.08.2011	100%	482

On 1 August 2011, the Santa Fe Group completed the acquisition of Europe's leading moving and relocation services company, Interdean International Relocation Group. The Santa Fe Group has taken over 100 per cent of Interdean's share capital at a total cash price of EUR 65m corresponding to DKK 482m on a cash and debt free basis excluding certain working capital adjustments, etc., and a contingent consideration of EUR 0-5m (DKK 0-37m) depending on Interdean's earnings in 2011, currently not expected to give rise to any additional payments. The cost of the acquisition is at this point in time provisionally determined. The acquisition will be financed through a combination of equity and debt.

Headquartered in the UK, Interdean was established in 1959. Interdean operates from 48 relocation service centres and employs 1,200 service staff in 35 countries across Europe (including Russia) and Central Asia.

In 2010, Interdean reported revenue of EUR 145m (DKK 1,081m) and an EBITDA of around EUR 7.0m (DKK 52m).

Joining forces with Interdean provides the Santa Fe Group with an important entry to both Europe and Central Asia where the company will have a market-leading position complementary to its solid footprint in Asia, Australia and the Middle East.

In addition to strengthened revenue and significantly expanded geographical footprint, the acquisition of Interdean offers Santa Fe Group several valuable competitive advantages: A very large proportion of Interdean's business volume is generated from direct accounts among corporate headquarters across Europe requesting one-stop solutions irrespective of whether the service is needed in Europe, Asia, Australia or the Middle East regions - or between these regions. This acquisition means that Santa Fe Group will be able to offer fully controlled service deliveries for its customers in an expanded geographical scope – an improvement which will also benefit the business' existing customers and partners. Moreover, the enhanced business platform significantly strengthens its competitive position to obtain new multinational customers - an advantage which is already apparent within the recently combined Santa Fe/ WridgWays organisation. In addition, significant growth synergies can be achieved by leveraging Santa Fe Group's sophisticated service solutions and concepts across Interdean's 48 offices.

32. ACQUISITION OF ENTITIES (CONTINUED)

	Fair value at acquisition date (provisional)
Intangible assets	249
Property, plant and equipment	45
Financial assets, non-current	1
Inventories	7
Receivables	438
Provisions and defined benefit obligations	-14
Deferred tax, net	-67
Borrowings	-21
Bank overdrafts	-12
Trade payables and other liabilities etc.	-436
Net assets	190
Non-controlling interests	-
Equity, EAC's share	190
Goodwill	292
Purchase price	482
Deferred payment	-16
Cash and cash equivalents, acquired	0
Cash outflow, net	**466**

Overall, the acquisition offers a unique strategic platform for continued growth and value creation with further attractive expansion opportunities in the Middle East and in those parts of Europe and Asia-Pacific where the company is not currently present.

Acquisition costs paid by the EAC Group to investment bankers, legal advisors, etc., amounted to DKK 20m, which have been recognised in the income statement as other operating expenses.

Based on a provisional purchase allocation, the fair value of Interdean identified assets, liabilities and contingent liabilities at the acquisition date are outlined in the table above.

In connection with the acquisition, the EAC Group has recognised intangible assets, including customer relationships and trademark, at fair value:

- Customer relationships have been valued based on the historical retention period using the Multi-period Excess Earnings method (MEEM) and a discounted rate of 14.6% before tax. Customer relationships will be amortised over 12 years on a straight line basis.
- The Interdean trademark has been valued based on a royalty rate of 2% using the relief-from-royalty method and a discount rate of 14.6% before tax. Since the Interdean trademark has been in use for many years, it is assumed to have an indefinite useful life. The trademark will accordingly not be subject to amortisation but tested annually for impairment.

The fair value of certain asset groups within property, plant and equipment have been determined using the market value for second hand assets in a similar condition. The fair value of other property, plant and equipment is based on the depreciated replacement cost approach.

Receivables recognised at their provisional fair value of DKK 438m relate to gross contractual receivables in the amount of DKK 447m net of DKK 9m which is not expected to be collected.

In the provisional purchase price allocation, no contingent liabilities or operating leases at off-market terms have been identified.

Goodwill recognised on the acquistion, DKK 292m, represents revenue synergies derived from improved geographical coverage by creating a single source solution in Europe through Asia to Australia for clients and partners seeking mobility solutions on a regional basis. Further goodwill represents intellectual capital presented by the acquired staff and exchange of best practices within the Group combined with cost efficiencies due to the strength of combined forces. The goodwill is not expected to be deductible for tax purposes.

The allocation of goodwill to cash generating units within the Interdean Group has not yet been completed.

Due to the timing of the transaction, the purchase price allocation described above is provisional, primarily within the areas property, plant and equipment, receivables and deferred taxes.

If the acquisition had occurred on 1 January 2011, Group revenue for 2011 would have increased by approximately DKK 0.6bn and EBITDA by around DKK 35m.

32. ACQUISITION OF ENTITIES (CONTINUED)

DKK million				2010
Name of business	Primary activity	Acquisition date	Holding acquired	Cost
Wridgways Australia Limited	Moving & Relocation Services	16.12.2010	100%	440

Santa Fe Group (Santa Fe Moving & Relocation Services Australia Pty. Ltd.) completed the acquisition of Wridgways Australia Limited ("Wridgways"), which was listed on the Australian Securities Exchange, on 16 December 2010 by acquiring 100 per cent of the voting rights of the company via a "Scheme of arrangement" as provided for under Australian law (offer announced 20 September 2010). Santa Fe acquired all 32,000,000 outstanding Wridgways shares at AUD 2.80 per share. Prior to completion, Wridgways paid an interim dividend of AUD 0.39 per share, and the purchase price was reduced correspondingly. This equals a total cash purchase price of AUD 77.1m (DKK 440m). The transaction is financed through a combination of equity and debt.

Following completion of the transaction Wridgways was delisted from the Australian stock exchange, Australian Securities Exchange.

Due to the late timing in the year, the recognition of Wridgways in December 2010 has had no material impact on the EAC Group's profit from continuing operations for 2010.

Wridgways traces its history back to 1892 as an Australian moving and relocation company. Wridgways has built a strong reputation for setting international benchmarks in household and commercial relocations and manages removals throughout Australia for a large number of domestic, corporate and government organisations, offering comprehensive solutions within packaging, storage and removal. Headquartered in Melbourne, Wridgways has a strong presence throughout Australia with 30 offices and 411 employees.

	Provisional recognition 2010	Change in 2011	Fair value at acquisition date
Intangible assets	207	7	214
Property, plant and equipment	46		46
Inventories	4		4
Receivables	120		120
Cash and cash equivalents	14		14
Provisions	-10		-10
Deferred tax	-39	37	-2
Borrowings	-71		-71
Trade payables and other liabilities etc.	-152	-3	-155
Net assets	119	41	160
Non-controlling interests	0		0
Equity, EAC's share	119	41	160
Goodwill	321	-41	280
Purchase price	440		440
Cash and cash equivalents, acquired	-14		-14
Cash outflow, net	**426**		**426**

EAC pursues an ambitious growth strategy for its businesses based on organic growth as well as acquisitions. There are significant scale benefits to be derived by combining the businesses of Wridgways and Santa Fe. Australian companies invest increasing resources in Asia, including the frequent transfer of executives between Australia and Asian countries. Furthermore, Asian-based companies and individuals similarly pursue opportunities in Australia.

32. ACQUISITION OF ENTITIES (CONTINUED)

The acquisition of Wridgways is an important step in consolidating Santa Fe as a market leader in the Asia-Pacific region. It doubles Santa Fe's revenue and establishes a unique market position for the combined businesses in the fast growing economies of Asia-Pacific and the Middle-East with operations in 15 countries through 71 offices and with over 2,100 employees.

Acquisition costs paid during 2010 by the EAC Group to investment bankers, legal advisors, etc., amounts to DKK 12m, which have been recognised in the EAC Group's income statement as other operating expenses.

Based on the purchase price allocation, the fair value of Wridgways' identified assets, liabilities and contingent liabilities at the acquisition date are outlined in the table above.

In connection with the acquisition, the EAC Group has recognised intangible assets, including customer relationships and trademark, at fair value:

- Customer relationships have been valued based on the historical retention period using the the Multi-period Excess Earnings method (MEEM) and a discount rate of 16.6% before tax. Customer relationships will be amortised over 15 years on a straight line basis.
- The Wridgways trademark has been valued based on a royalty rate of 3% using the relief-from-royalty method and a discount rate of 16.6% before tax. Since the Wridgways trademark has been in use for more than 100 years, it is assumed to have an indefinite useful life. The trademark will accordingly not be subject to amortisation but tested annually for impairment.

The fair value of property, plant and equipment has been determined using the depreciated replacement cost approach.

Trade receivables recognised at the fair value of DKK 109m relates to gross contractual receivables in the amount of DKK 110m net of DKK 1m not expected to be collected.

In the purchase price allocation, no contingent liabilities or operating leases at off-market terms have been identified.

Goodwill recognised on the acquisition, DKK 279m, represents revenue synergies derived from improved geographical coverage by creating a single source solution in Asia-Pacific for clients and partners seeking mobility solutions on a regional basis. Further goodwill represents intellectual capital presented by the acquired staff and exchange of best practices within the Group, cost synergies from Wridgway's being delisted as well as cost efficiencies due to the strength of combined forces. The goodwill is not deductible for tax purposes.

The reduction of goodwill by DKK 41m compared to the provisional purchase price allocation disclosed in the Annual Report 2010 is primarily related to a decrease of deferred tax liabilities following more detailed analysis of the Australian tax position. Comparatives have been restated accordingly.

If the acquisition had occurred on 1 January 2010, Group revenue would have increased by approximately DKK 620m and net profit by DKK 19m.

33. PROFIT FROM DISCONTINUED OPERATIONS

DKK million	2011	2010
Discontinued operations		
Key figures for discontinued operations:		
Revenue		950
Cost of sales		775
Gross profit	-	**175**
Operating profit	-	**70**
Net financials		-9
Share of profit in associates		4
Profit before income tax expense		65
Income tax expense		21
Net profit from discontinuing operations	-	**44**
Gain on the divestment of EAC Industrial Ingredients		503
Tax on divestment		0
Profit from discontinued operations	-	**547**
Net cash from operating activities		-38
Net cash from investing activities		-39
Net cash from financing activities		83
Changes in cash	-	**6**

The EAC Group did not have any discontinued operations during 2011.

EAC Industrial Ingredients

Divestment of business segment

As announced on 5 July 2010 (announcement no. 8/2010), EAC entered into an agreement with the German Brenntag Group (Brenntag Holding B.V.) to divest EAC Industrial Ingredients for a total consideration of DKK 1.2bn on a cash and debt free basis ("Enterprise Value") corresponding to DKK 0.9bn in equity value. The transaction did not include EAC's portfolio investments in the three associated companies Akzo Nobel Paints (Thailand) Ltd., Asiatic Acrylics Company Ltd. and Thai Poly Acrylics Public Company Ltd. The divestment was executed on 13 July 2010. The business EAC Industrial Ingredients is presented as discontinued operations (excluding the retained associated companies) and comparatives figures in the income statement have been adjusted accordingly. The gain on the divestment, including the net profit until the divestment of the business, amounted to DKK 547m (including recycling of accumulated foreign exchange gains DKK 36m previously recognised in the equity).

Acquisition of entities

2010

On 26 January 2010, prior to the divestment to Brenntag Group, EAC Industrial Ingredients acquired 100 per cent of the shares in the company Seawards (M) Sdn. Bhd. located in Malaysia and integrated its 20 employees and product portfolio. Seawards is a chemical distributor of specialty ingredients for the personal care, food and beverage and the latex-glove industries. The transaction was completed in January 2010. Annual revenue amounts to approx. DKK 60-70m. Total consideration amounted to DKK 35m of which DKK 15m was deferred payments (net present value). Net assets amounted to DKK 4m (inventories, DKK 3m, receivables DKK 19m, borrowings DKK 12m and trade payables, DKK 6m) and goodwill and intangible assets amounted to DKK 31m. Factors contributing to the recognition of goodwill and intangible assets include supplier contracts, customer lists and noncompete agreements.

34. CONTINGENT LIABILITIES

DKK million	2011	2010
Carrying amount of pledged assets	9	3
Other guarantees	134	53

Legal proceedings pending

Certain claims have been raised against the EAC Group. In the opinion of management, the outcome of these proceedings will not have any material effect on the financial position of the EAC Group.

Material Contracts and Change of Control

In case of a takeover of EAC (change of control) certain contracts may become terminable at short notice. A review of contracts within the EAC Group shows the following:

Plumrose

A trademark license agreement contains provisions according to which licensor under certain conditions may terminate the license agreement in case of a change in control of the company. The impact on revenue in case of termination amounts to DKK 612m (DKK 489m).

Santa Fe

The subsidiaries have entered into a number of framework agreements with international companies for the provision of moving and relocation services. However, the subsidiaries do not have any exclusive rights in this respect and on this background the consequences of change of control do not seem material.

35. LEASE OBLIGATION

DKK million	2011	2010
Lease obligations relate mainly to leases of production equipment, offices, vehicles, office equipment etc.		
The operating lease cost expensed in the income statement during 2011 and 2010 were DKK 111m and DKK 38m respectively (continued operations).		
Total commitments fall due as follows:		
Within one year	118	74
Between one and five years	296	157
After five years	65	56
Total	**479**	**287**

Total commitments represent the total minimum payments at the balance sheet date.

36. RELATED PARTIES AND OWNERSHIP

The EAC Group has no related parties with controlling interest.

Related parties in the EAC Group comprise affiliated companies and associates, as listed on pages 96-97, members of the Supervisory Board, Executive Board and other senior executives. Remuneration to the Supervisory Board and the Executive Board is disclosed in note 12 and note 13. Shares held by the Supervisory Board and the Executive Board are disclosed on page 40.

37. RELATED PARTY TRANSACTIONS

The EAC Group had no transactions with associates during 2011. During 2010 the EAC Group had transactions with associates of DKK 3m which were all performed on an arm's length basis. The EAC Group have received dividends from associated companies of DKK 2m (DKK 13m). Furthermore the EAC Group had no intercompany balances outstanding with associated companies by the end of 2011. Intercompany transactions are eliminated in the consolidated financial statements. No further transactions with related parties have taken place during the year. Please refer to note 12 and 13 regarding remuneration of Management and to page 40 for Management's posession of EAC shares.

38. ACCOUNTING IMPACT OF VENEZUELA'S STATUS AS A HYPERINFLATIONARY ECONOMY

DKK million

As described in the accounting policies for the consolidated financial statements, the assessment as to when an economy is hyperinflationary is based on qualitative as well as quantitative factors.

Due to recent years' rising inflation in Venezuela, the country was considered a hyperinflationary economy for accounting purposes effective from 30 November 2009. This was based on the fact that the cumulative inflation for the three years ending 30 November 2009 exceeds 100 per cent and that the other qualitative characteristics of a hyperinflationary economy all was met.

Based on this assessment, the EAC Group has retrospectively from 1 January 2009 onwards applied IAS 29 "Financial Reporting in Hyperinflationary Economies" for the activities of Plumrose as if the economy has always been hyperinflationary.

IAS 29 requires the financial reporting of Plumrose to be restated to reflect the current purchasing power at the end of the reporting period, and as a result all non-monetary assets, such as property, plant and equipment and inventories, should be restated to the current purchasing power as of 31 December using a general price index from the date when they were first recognised in the accounts (or 1 January 2004 when IFRS was first applied as basis of preparation of the consolidated financial statements). Monetary assets and liabilities are by their nature stated at their current purchasing power and accordingly a gain/loss on the monetary net position from 1 January to 31 December is recognised as financial income or expense for the year representing the gain/loss obtained from maintaining a monetary liability or asset position respectively during an inflationary period. For the income statement, all items are restated for changes in the general price index from the date of the transaction to the reporting date of 31 December except for items related to non-monetary assets such as depreciation and amortization and consumption of inventories, etc. Deferred tax is adjusted accordingly.

IAS 29 and IAS 21 require the end-of-period reporting exchange rate to be applied when translating both the income statement and the balance sheet from the hyperinflationary currency, VEF, into the presentation currency of the EAC Group, DKK.

At 31 December 2011, the applicable rate for translation purposes was the official exchange rate of VEF/USD 4.30 (VEF/USD 4,30) as the Group expects to receive future royalties as well as dividends at this exchange rate. The alternative parallel exchange rate in May 2010 (prior to suspension of the parallel exchange market) was in the region of VEF/USD 7.50. The implied VEF/USD exchange rate trough issuance of bonds by the Venezuelan republic and PDVSA during 2011 was approximately VEF/USD 6.12 (based on bond purchases/sales by Plumrose in February 2011).

Since the EAC Group's presentation currency, DKK, is non-inflationary, comparatives are not adjusted for the effects of inflation in the current period. The net impact from inflation adjustment of EAC Foods' net asset is taken directly to the equity (as part of other comprehensive income for the year).

The inflation adjustment for 2011 is based on available data for changes in the Consumer Price Index (CPI) for the Metropolitan Area of Caracas until December 2007 and the National Consumber Price Index (NCPI) as from January 2008 published by the Central Bank of Venezuela (BCV). Based on these indices, the inflation for 2011 is 27.6 per cent (27.2 per cent) and the hyperinflation closing index at 31 December 2011 was 266 (208).

The hyperinflation adjustment during 2011 is not offset by a corresponding devaluation of the VEF exchange rate as this, since the devaluation on 8 January 2010, has been fixed against the USD at the official rate of VEF/USD 4.30. Accordingly, the hyperinflation adjustment under IAS 29 has correspondingly increased the consolidated accounting figures reported in DKK including revenue, non-current assets and equity.

The impact from applying IAS 29 on the consolidated financial statements for 2011 is summarised in a separate column in note 4, to which reference is made.

The most material inflation accounting adjustments between the historical accounting policies of Plumrose (now applied for internal management reporting) as well as recognition and measurement after IAS 29 can be explained as follows:

- Revenue increases as it is restated for changes in the general price index from the date of the transaction until 31 December.
- Gross profit decreases due to higher costs of goods sold and fixed costs following restatement for changes in the general price index from the date of the transaction until 31 December.
- Operating profit decreases due to higher depreciation charges following the restatement of property, plant and equipment for changes in the general price index from the date of the transaction until 31 December.
- Profit before income tax is impacted, in addition to as set out above, by the recognition of a gain on the net monetary position which is due to the purchasing power impact resulting from Plumrose having monetary liabilities in excess of monetary assets as of 31 December.
- Net profit is further impacted by changes to deferred tax following the change in the accounting values of the non-monetary assets (hyperinflated).
- Total equity increases primarily due to the restatement of the fixed assets to a higher inflation adjusted level.
- Total assets and equity increase primarily due to restatement of non-current assets to a higher inflation-adjusted level.

For 2011, the gain on the net monetary position amounts to DKK 195m (DKK 60m) which has been recognised as financial income.

39. DEVALUATION OF THE BOLIVAR IN 2010

Devaluation in January 2010

On 8 January 2010, the Venezuelan government announced a devaluation of the official exchange rate of the Bolivar (VEF) to the USD, which had been pegged at VEF/USD 2.15 since March 2005, to a new split rate of VEF/USD 2.60 for the importation of food, pharmaceuticals and other essential goods and VEF/USD 4.30 for all other items. The existence of a third floating rate - known as the parallel rate - was officially acknowledged and will managed through central bank intervention to avoid excessive speculation with this initiative. The government aimed to stabilise the parallel rate at a rate close to VEF/USD 4.30.

As all future royalties and dividends will be received at VEF/USD 4.30, this exchange rate has consequently been applied as of 1 January 2010 for translation of the financial statements of Plumrose into the reporting currency of the EAC Group, DKK.

Suspension of the parallel exchange market and introduction of the SITME allocation system.

On 14 May 2010, the Venezuelan government announced that it would take over management of the VEF/USD parallel market. As a consequence, purchase of USD could henceforth only be made from CADIVI and via the Central Bank of Venezuela through the SITME allocation system at a rate of VEF/USD 5.30 and subject to a number of restrictions.

Simplification of the Venezuelan exchange rate system in December

On 30 December 2010, the Venezuelan government announced the elimination of the preferential VEF/USD 2.60 exchange rate used for importation of certain product categories including Plumrose' imports. The elimination will primarily impact future import transactions into Venezuela, and now will take place at VEF/USD 4.30.

40. SUBSEQUENT EVENTS

No material events have taken place after 31 December 2011, that may have a significant influence on the assessment of the consolidated financial statements.

Parent Company Financial Statements

CONTENTS

DKK million	Note	2011	2010
INCOME STATEMENT			
Royalty income from subsidiaries		141	116
Administrative expenses		43	40
Other operating income	4	1	0
Other operating expenses	4	19	12
Operating profit		**80**	**64**
Gain on disposal of subsidiaries	12		601
Dividend income from subsidiaries		418	11
Financing income	5	5	16
Financing expenses	6	146	55
Profit before income tax		**357**	**637**
Income tax expense	7	25	31
Net profit for the year		**332**	**606**
Proposed distribution of profit			
Proposed dividend for the year		62	69
Interim dividend			274
Retained earnings		270	263
Total		**332**	**606**
STATEMENT OF COMPREHENSIVE INCOME			
Net profit for the year		332	606
Other comprehensive income net of tax		0	0
Total comprehensive income for the year		**332**	**606**

ASSETS

DKK million	Note	31.12.2011	31.12.2010
Non-current assets			
Intangible assets	13	10	0
Property, plant & equipment	14	1	1
Investment in subsidiaries	12	1,485	1,725
Receivables from subsidiaries	15	12	8
Total non-current assets		**1,508**	**1,734**
Current assets			
Receivables from subsidiaries	15	770	158
Other receivables	15	12	19
Cash and cash equivalents	15	6	442
Total current assets		**788**	**619**
Total assets		**2,296**	**2,353**

EQUITY AND LIABILITIES

DKK million	Note	31.12.2011	31.12.2010
Equity			
Share capital	16	864	960
Retained earnings		1,229	1,006
Treasury shares		-24	-76
Proposed dividend		62	69
Total equity		**2,131**	**1,959**
Liabilities			
Non-current liabilities			
Deferred tax	7	38	28
Other liabilities	15	2	2
Total non-current liabilities		**40**	**30**
Current liabilities			
Bank overdraft		56	
Payables to subsidiaries	15	57	328
Current tax payables			20
Other liabilities	15	12	16
Total current liabilities		**125**	**364**
Total liabilities		**165**	**394**
Total equity and liabilities		**2,296**	**2,353**

DKK million	Share capital	Retained earnings	Treasury shares	Proposed dividend for the year	Total equity
Equity at 1 January 2011	**960**	**1,006**	**-76**	**69**	**1,959**
Comprehensive income for 2011					
Net profit for the year		270		62	332
Total comprehensive income for the year		**270**		**62**	**332**
Transactions with the shareholders					
Dividends paid to shareholders				-62	-62
Dividends, treasury shares		7		-7	
Reduction in share capital by cancellation of treasury shares	-96		96		
Purchase of treasury shares		-58	-44		-102
Share based payments		4			4
Total transactions with the shareholders	**-96**	**-47**	**52**	**-69**	**-160**
Equity at 31 December 2011	**864**	**1,229**	**-24**	**62**	**2,131**

At the end of the year proposed dividends of DKK 62m are included in retained earnings (DKK 5 per share). Paid dividend during the year amounts to DKK 5 per share. No dividend is declared on treasury shares.

DKK million	Share capital	Retained earnings	Treasury shares	Proposed dividend for the year	Total equity
Equity at 1 January 2010	**960**	**790**	**-23**	**69**	**1,796**
Comprehensive income for 2010					
Net profit for the year		263		343	606
Total comprehensive income for the year		**263**		**343**	**606**
Transactions with the shareholders					
Dividends paid to shareholders				-67	-67
Dividends, treasury shares		2		-2	
Interim dividend				-267	-267
Interim dividend, treasury shares		7		-7	
Purchase of treasury shares		-66	-53		-119
Share based payments		10			10
Total transactions with the shareholders	**0**	**-47**	**-53**	**-343**	**-443**
Equity at 31 December 2010	**960**	**1,006**	**-76**	**69**	**1,959**

At the end of the year proposed dividends of DKK 69m are included in retained earnings (DKK 5 per share). Total paid dividend during the year amounts to DKK 25 per share. No dividend is declared on treasury shares.

Further information about the share capital is disclosed in note 20 in the consolidated financial statements.

The Parent Company's policy for managing capital is disclosed in note 17. The Group policy for managing capital is disclosed in note 28 in the consolidated financial statements.

DKK million	Note	31.12.2011	31.12.2010
Cash flows from operating activities			
Operating profit		80	64
Adjustment for:			
Depreciation		0	0
Other non-cash items	18	3	1
Change in working capital	19	-596	142
Interest received		2	6
Interest paid		-1	
Tax paid		-36	-12
Net cash flow from operating activities		**-548**	**201**
Cash flows from investing activities			
Changes in non-current receivables from subsidiaries		-4	-5
Dividends received from subsidiaries		234	11
Investments in intangible assets and property, plant and equipment		-10	0
Proceeds from sale of non-current assets			1
Investment in subsidiaries		0	-362
Proceeds from sale of subsidiaries	20		908
Net cash flow from investing activities		**220**	**553**
Net cash flow from operating and investing activities		**-328**	**754**
Cash flows from financing activities			
Bank overdraft		56	
Purchase of own shares		-102	-119
Dividends paid out		-62	-334
Net cash flow from financing activities		**-108**	**-453**
Changes in cash and cash equivalents		**-436**	**301**
Cash and cash equivalents at beginning of year		442	141
Cash and cash equivalents at end of period		**6**	**442**
Bank balances		6	442
Cash and cash equivalents at end of period		**6**	**442**

1. ACCOUNTING POLICIES OF THE PARENT COMPANY

Basis of preparation

The separate financial statements of the Parent Company have been included in the Annual Report as required by the Danish Financial Statements Act.

The separate financial statements of the Parent Company for 2011 are presented in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

In addition, the annual report has been prepared in compliance with IFRS as issued by the IASB.

Financial statements of Parent Company

The accounting policies of the Parent Company are consistent with those applied in the consolidated financial statements (refer to note 1 in the consolidated financial statements) with the following exceptions:

Foreign currency translation adjustments of balances with subsidiaries and associates, which are neither planned nor likely to be settled in the foreseeable future, and which are therefore considered to form part of the net investment in the subsidiary, are recognised in the Parent Company's financial statements in the income statement as financial items.

Dividends from subsidiaries and associates are recognised in the Parent Company's income statement when the right to receive payment has been established (at the date of declaration or upon payment when special exchange rate restrictions apply). If the dividend exceeds the comprehensive income of the subsidiary or associate during the period, an impairment test is carried out.

Investments in subsidiaries and associates are measured at cost in the Parent Company's financial statements. If an indication of impairment is identified, an impairment test is carried out as described in the accounting policies of the consolidated financial statements. If the carrying amount exceeds the recoverable amount, a corresponding impairment loss is recognised. Impairment losses are recognised in the Parent Company's income statement as financial items.

If the Parent Company has a legal or constructive obligation to cover a negative net asset value of a subsidiary or associate, this obligation is recognised by means of a provision.

For share-based payments to employees of subsidiaries, the value of services received in exchange for granted options is recognised over the vesting period as part of the cost of investments in subsidiaries.

2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

In connection with the preparation of the parent company financial statements, management has made accounting estimates and judgements that affect the assets and liabilities reported at the balance sheet date as well as the income and expenses reported for the financial period. Management continuously reassesses these estimates and judgements based on a number of other factors in the given circumstances.

Management assesses that, in respect of the financial reporting for the Parent Company, no accounting estimates or judgements are made when applying the Parent Company's accounting policies which are significant to the financial reporting apart from those disclosed in note 3 to the consolidated financial statements regarding impairment tests.

3. NEW ACCOUNTING REGULATION

Reference is made to note 3 of the consolidated financial statements.

None of the described new accounting standards (IAS and IFRS) and interpretations (IFRIC) are expected to have a significant effect on the Parent Company's financial statements.

4. OTHER OPERATING INCOME/EXPENSES

DKK million	2011	2010
Rental income, management fees and other operating income	1	
Consultancy fee and other operating expenses	19	12
Net	**18**	**12**

5. FINANCIAL INCOME

DKK million	2011	2010
Foreign exchange gains	1	9
Interest income on receivables from subsidiaries	2	1
Interest income, cash and cash equivalents	2	6
Total	**5**	**16**

6. FINANCIAL EXPENSES

DKK million	2011	2010
Devaluation loss on receivables from subsidiaries in Venezuela		50
Impairment of receivables from subsidiaries		3
Impairment of investments in subsidiaries	143	
Interest expense on liabilities to subsidiaries	2	2
Other interest expenses	1	
Total	**146**	**55**

7. INCOME TAX EXPENSE

DKK million	2011	2010
Current tax on profit for the year	2	19
Change in deferred tax during the year	9	1
Corporate income tax	**11**	**20**
Withholding tax on royalties	14	11
Income tax expense	**25**	**31**
Profit before income tax	**357**	**637**
Reported effective corporate tax rate (%)	**3.1**	**3.1**
Corporate tax rate explanation		
Danish corporate tax rate in per cent	25.0	25.0
The tax effect from:		
Withholding tax including expected tax credits on royalties	-8,1	-2.7
Differences from non-taxable income / non-deductable expenses	1.7	-22.7
Non-taxable dividends	-29.2	-0.4
Non-deductable impairment of investments in subsidiaries	10.0	
Tax losses for which no deferred tax asset was recognised	3.3	4.3
Prior year tax adjustment	0.4	
Other		-0.4
Effective tax rate (%)	**3.1**	**3.1**

7. INCOME TAX EXPENSE (CONTINUED)

DKK million	2011	2010
Deferred tax		
Non-current assets	6	6
Receivables	-44	-35
Provisions		1
Deferred tax assets / liabilities	**-38**	**-28**

The Parent Company did not recognise deferred tax assets of DKK 39m (DKK 28m) in respect of tax losses carried forward amounting to DKK 158m (DKK 110m) due to uncertainty with respect to utilisation.

8. AUDIT FEES

DKK million	2011	2010
KPMG Statsautoriseret Revisionspartnerselskab, Denmark		
Statutory audit	1	1
Other assurance services	0	0
Tax/VAT advisory service	0	0
Other non-audit services	4	6

9. NUMBER OF EMPLOYEES

	2011	2010
EAC Parent, average	9	9

10. SALARIES, WAGES AND FEES, ETC.

DKK million	2011	2010
Salaries and wages to employees	12	10
Equity-settled share based payment transactions, employees	0	1
Salaries to the Executive Board of the Parent Company	5	5
Equity-settled share based payment transactions, Executive Board of the Parent Company	1	1
Board fees to the Supervisory Board of the Parent Company	2	2
Pensions, defined contribution schemes	1	1
Total	**21**	**20**

Employment contracts for members of the Executive Management contain terms and conditions that are common to those of their peers in companies listed on NASDAQ OMX Copenhagen - including terms of notice and non-competition clauses.

11. INCENTIVE SCHEMES

Please refer to note 13 in the consolidated financial statements.

12. INVESTMENT IN SUBSIDIARIES

DKK million	2011	2010
Cost 01.01.	1,725	1,665
Additions	2	369
Disposals	99	309
Cost 31.12.	**1,628**	**1,725**
Impairment:		
01.01.	0	0
Impairment for the year	-143	0
31.12.	**-143**	**0**
Carrying amount 31.12.	**1,485**	**1,725**

Impairments in 2011 are related to dormant subsidiaries following distribution of dividends to the parent company in 2011. Fair value less cost to sell has been determined based on remaining net monetary assets in the dormant subsidiaries.

A list of subsidiaries and associates is included on page 96-97.

Disposals in 2011 relates to liquidation of DS Industries ApS. Disposals in 2010 primarily includes the divestment of EAC Industrial Ingredients Ltd. A/S and its subsidiaries. The gain associated with the divestment amounted to DKK 601m.

13. INTANGIBLE ASSETS

DKK million	Trademarks[1]	Total
2011		
Cost:		
01.01.	16	16
Additions	10	10
31.12.	**26**	**26**
Amortisation:		
01.01.	16	16
31.12.	**16**	**16**
Carrying amount 31.12.	**10**	**10**
2010		
Cost:		
01.01.	16	16
31.12.	**16**	**16**
Amortisation:		
01.01.	16	16
31.12.	**16**	**16**
Carrying amount 31.12.	**0**	**0**

[1] Trademarks amounting to DKK 10m (DKK 0m) are assumed to have an indefinite useful life since La Montserratina is a strong wellknown trademark which has been in use for more than 50 years. The trademark will accordingly not be subject to amortisation, but is tested annually for impairment. At 31 December 2011, Management performed impairment testing of the carrying amount of the trademark based on the budgets and business plans approved by the Supervisory Board and Executive Management.

The La Montserratina trademark has been valued based on a royalty rate of 4 per cent using the relief-from-royalty method and a discount rate of 20 per cent after tax. The revenue portion linked to the trademark is 85 per cent and the tax rate is 34 per cent. The terminal growth is set to 1 per cent. The revenue average growth from 2012-2016 in La Montserratina is between 14 to 22 per cent.

It is Management's assessment that reasonably possible changes to the key assumptions will not result in the carrying amount of the trademark exceeding the recoverable amount.

14. PROPERTY, PLANT AND EQUIPMENT

DKK million	Other installations	IT equipment	Total
2011			
Cost:			
01.01.	5	11	16
Additions	0	0	0
Disposals	0	11	11
31.12.	**5**	**0**	**5**
Depreciation:			
01.01.	4	11	15
Depreciation for the year	0	0	0
Disposals	0	11	11
31.12.	**4**	**0**	**4**
Carrying amount 31.12.	**1**	**0**	**1**
2010			
Cost:			
01.01.	6	11	17
Additions	0	0	0
Disposals	1	0	1
31.12.	**5**	**11**	**16**
Depreciation:			
01.01.	4	11	15
Depreciation for the year	0	0	0
Disposals	0	0	0
31.12.	**4**	**11**	**15**
Carrying amount 31.12.	**1**	**0**	**1**
Finance leases			0

15. FINANCIAL INSTRUMENTS BY CATEGORY

DKK million	2011	2010
Financial assets measured at amortised cost		
Receivables from subsidiaries, current and non-current	782	166
Other receivables, current	12	19
Cash and cash equivalents	6	442
Total	**800**	**627**
Financial liabilities measured at amortised cost		
Payables to subsidiaries, current	57	328
Bank overdraft, current	56	
Other liabilities, current and non-current	14	18
Total	**127**	**346**

16. SHARE CAPITAL

Please refer to note 20 in the consolidated financial statements.

17. CREDIT RISK, CURRENCY RISK AND INTEREST RATE RISK

Policy for managing risk

The Group policy for managing risk etc. is described in note 28 to the consolidated financial statements. The EAC parent's policy is an integral part of this Group policy. There are no changes to the Group's risk exposure and risk management compared to 2010.

EAC Parent maintains a conservative debt-equity ratio providing management with sufficient flexibility to act in support of its subsidiaries, if and when so required. EAC will continuously strive to achieve an efficient debt-equity ratio in the operating businesses, while aming at maintaining a cautious cash position and equity ratio in the Parent Company.

EAC's financial risk management activities follow a policy framework approved by the Supervisory Board. It is the EAC Parent's policy not to engage in any active speculation in financial risks. Therefore, the Parent's financial management is focused on managing or eliminating financial risks relating to operations and funding.

Credit risk

EAC Parent has limited external credit risk related to liquid funds and guaranties. Credit risk related to subsidiaries is managed as part of the Group policy.

The available funds (cash and cash equivalents) of the EAC Parent are placed on demand or time deposits at relatively short terms. The EAC Group is exposed to the risk that financial counterparties may default on their obligations towards EAC. This risk is managed by having maximum exposure limits on each financial counterparty and by requiring a satisfactory credit rating from one of the established rating agencies for each counterparty. The current minimum Moody's rating required is a short-term rating of P-2 and a long-term rating of A3.

Liquidity risk

Liquidity risk means that the EAC Parent is unable to meet its obligations as they fall due because of inability to realise assets or obtain adequate funding. The EAC Parent and Group ensures that a liquidity position is maintained in order to service its financial obligations as they fall due.

During 2011, EAC Parent transferred significant funds to subsidiaries in connection with the acquisition of Interdean International Relocation Group. As external funding is drawn by subsidiaries in 2012, Santa Fe expects to transfer part of these funds back to EAC Parent.

At the end of 2011, EAC Parent had no significant external borrowings, apart from a short-term bank overdraft of DKK 50m (DKK 0m). The EAC Parent had liquid funds at the end of 2011 of DKK 6m (DKK 442m).

17. CREDIT RISK, CURRENCY RISK AND INTEREST RATE RISK (CONTINUED)

Currency risk

EAC Parent has foreign exchange risk on balance sheet items, primarily in terms of translation of intercompany receivables/payables denominated in a currency other than the functional currency of the EAC Parent. This risk affects net financials and is managed at Group level. Bank balances are primarily held in DKK to minimise the currency risk.

Due to the significance of Plumrose's activities in Venezuela, the currency exposure to the Bolivar (VEF) is relatively high, primarily related to royalties and dividends. For information about outstanding dividends and royalties from Plumrose, please refer to note 28 in the consolidated financial statements.

Interest rate risk

EAC Parent is exposed to interest rate fluctuations in connection with its liquidity portfolio, primarily floating interest risk on bank balances.

18. OTHER NON-CASH ITEMS

DKK million	2011	2010
Gains/losses on disposal of non-current assets		-1
Share based payments	1	2
Foreign currency and other adjustments	2	
Other non-current items	**3**	**1**

19. CHANGES IN WORKING CAPITAL

DKK million	2011	2010
Changes in current receivables/payables to/from subsidiaries	-599	137
Changes in other receivables/liabilities	3	5
Total	**-596**	**142**

20. PROFIT FROM SALE OF SUBSIDIARIES

DKK million	2011	2010
Net proceeds		908
Total		**908**

21. CONTINGENT LIABILITIES

DKK million	2011	2010
Guaranties and similar commitments	36	28

Legal proceeding pending

No claims have been realised against the Parent Company.

22. RELATED PARTY TRANSACTIONS

Please refer to note 36 and 37 in the consolidated financial statements.

Royalties and dividends received from subsidiaries are disclosed seperately in the income statement.

Receivables from and payables to subsidiaries are disclosed seperately in the balance sheet. Interest income and expenses as well as impairments of receivables are disclosed in note 5 and 6. Accumulated impairments of receivalbes from subsidiaries amounts to DKK 18m (DKK 18m).

23. SUBSEQUENT EVENTS

No material events have taken place after 31 December 2011 that may have a significant influence on the assessment of the financial statements.

Share Capital		Entities per Business	Share in % Direct	Share in % EAC
		PLUMROSE		
VEF	4,995,520	Agropecuaria Fuerzas Integradas, C.A., Estado Guarico, Venezuela	100.00	100.00
VEF	6,866,224	I.E.N.C.A. Inversiones C.A., Venezuela	100.00	100.00
VEF	4,500,000	Industrial Saxolutions C.A., Venezuela	100.00	100.00
VEF	5,250,000	La Montserrantina, C.A., Venezuela	100.00	100.00
VEF	1,733,610	Plumrose Caracas C.A., Venezuela	100.00	100.00
VEF	12,353,359	Plumrose Latinoamericana C.A., Venezuela	100.00	100.00
VEF	50,096,037	Venezolana Empacadora C.A. (VENPACKERS), Venezuela	100.00	100.00
VEF	17,400,000	Procer C.A., Venezuela	51.00	51.00
VEF	10,000,000	3PL Frio, C.A., Venezuela	50.00	50.00**
		SANTA FE GROUP		
EUR	120,000	Interdean Auguste Daleiden Sarl, Luxembourg	100.00	100.00
EUR	90,000	Interdean B.V., Netherlands	100.00	100.00
BGN	10,000	Interdean Bulgaria EOOD, Bulgaria	100.00	100.00
KZT	900,000	Interdean Central Asia LLC, Kazakhstan	100.00	100.00
RSD	403,804	Interdean D.O.O, Serbia	100.00	100.00
EUR	35,000	Interdean Eastern Europe Ges.m.b.H, Austria	100.00	100.00
GBP	1	Interdean Holdings Limited, United Kingdom	100.00	100.00
HUF	30,000,000	Interdean Hungaria Nemzetközi Költöztetö Kft., Hungary	100.00	100.00
EUR	110,000	Interdean Int' Movers s.r.l., Italy	100.00	100.00
EUR	1,000	Interdean International Ltd., United Kingdom	100.00	100.00
EUR	113,300	Interdean International Relocation SA, Portugal	100.00	100.00
UAH	294,500	Interdean International Relocation Ukraine LLC, Ukraine	100.00	100.00
EUR	72,673	Interdean Internationale Spedition Ges.m.b.H, Austria	100.00	100.00
USD	100,000	Interdean Limited, Azerbaijan	100.00	100.00
GBP	650,000	Interdean Limited, United Kingdom	100.00	100.00
EUR	25,000	Interdean Relocation Services GmbH, Germany	100.00	100.00
EUR	61,500	Interdean Relocation Services NV, Belgium	100.00	100.00
EUR	750,081	Interdean SA, Spain	100.00	100.00
CHF	500,000	Interdean SA, Zurich, Switzerland	100.00	100.00
EUR	915,000	Interdean SAS, France	100.00	100.00
PLN	650,000	Interdean SpZoo, Poland	100.00	100.00
RON	153,130	Interdean Srl, Romania	100.00	100.00
EUR	6,639	Interdean SRO, Slovakia	100.00	100.00
CHF	196,000	Interdean Switzerland SA, Geneva, Switzerland	100.00	100.00
CZK	1,877,000	Interdean, spol s.r.o, Czech Republic	100.00	100.00
EUR	213,334	Iriben Limited, United Kingdom	100.00	100.00
RUR	1,450,000	OOO IDX International LLC, Russia	100.00	100.00
IDR	500,000,000	PT Global Santa Indonusa, Indonesia	100.00	100.00
IDR	550,000,000	PT Relokasi Jaya, Indonesia	100.00	100.00
USD	420,000	PT Santa Fe Indonusa, Indonesia	100.00	100.00
THB	60,150,000	Santa Fe (Thailand) Ltd., Thailand	100.00	100.00
DKK	500,000	Santa Fe Group Holding Ltd. A/S, Denmark	100.00	100.00
HKD	28,000,000	Santa Fe Holdings Ltd., Hong Kong	100.00	100.00
AUD	67,500,100	Santa Fe Holdings Pty. Ltd., Australia	100.00	100.00
INR	100,000	Santa Fe India Private Limited, India	100.00	100.00
AUD	67,500,100	Santa Fe M&R Services Australia Pty. Ltd., Australia	100.00	100.00
MOP	25,000	Santa Fe Macau Limited, Macau	100.00	100.00

Share Capital		Entities per Business	Share in % Direct	Share in % EAC
		SANTA FE GROUP		
PHP	16,000,000	Santa Fe Moving and Relocation Services Phils., Inc., Philippines	100.00	100.00
INR	2,400,000	Santa Fe Moving Services Private Limited, India	100.00	100.00
SGD	87,670,000	Santa Fe Relocation Services (S) Pte. Ltd., Singapore	100.00	100.00
JPY	80,000,000	Santa Fe Relocation Services Japan K.K., Japan	100.00	100.00
MNT	125,000,000	Santa Fe Relocation Services LLC., Mongolia	100.00	100.00
AED	300,000	Santa Fe Relocation Services LLC, United Arab Emirates	100.00	100.00
MYR	500,000	Santa Fe Relocation Services Sdn. Bhd., Malaysia	100.00	100.00
WON	450,000,000	Santa Fe Relocation Services, Korea	100.00	100.00
TWD	7,500,000	Santa Fe Relocation Services, Taiwan	100.00	100.00
VND	780,000,000	Santa Fe Relocation Services, Vietnam	100.00	100.00
HKD	920,000	Santa Fe Transport International Limited, Hong Kong	100.00	100.00
AUD	1,500,000	WridgWays Australia Limited, Australia	100.00	100.00
AUD	5	WridgWays Limited, Australia	100.00	100.00
CNY	1,000,000	Sino Santa Fe Real Estate (Beijing) Co. Ltd., China	100.00	50.00**
CNY	100,000	Sino Santa Fe Real Estate (Shanghai) Co. Ltd., China	100.00	50.00**
EUR	3,006	Record Storage S.L., Spain	51.00	51.00**
DKK	500,000	Alfa Relocation Management A/S, Denmark	50.00	50.00*
CNY	11,046,000	Sino Santa Fe International Transportation Services Co. Ltd., China	50.00	50.00**

Share Capital		Other entities per country	Share in % Direct	Share in % EAC
		ASIA		
		China		
USD	10,000,000	The East Asiatic Company (China) Ltd., Beijing	100.00	100.00
CNY	2,605,000	Beijing Zhongbao Drinking Water Co. Ltd., Beijing	34.89	34.89*
		Singapore		
SGD	10,000,000	The East Asiatic Company (Singapore) Pte. Ltd., Singapore	100.00	100.00
		Thailand		
THB	150,000,000	Asiatic Acrylics Company Ltd., Bangkok	51.00	51.00*
THB	36,250,000	The East Asiatic 2010 (Thailand) Company Ltd., Bangkok	49.00	100.00
THB	121,500,000	Thai Poly Acrylic Public Company Ltd., Bangkok	2.81	20.21*
		EUROPE		
		Denmark		
DKK	1,000,000	EAC Consumer Products Ltd. ApS, Copenhagen	100.00	100.00
DKK	1,000,000	EAC Timber Ltd. A/S, Copenhagen	100.00	100.00
DKK	200,000	Ejendomsanpartsselskabet af 31. Maj 1996, Copenhagen	100.00	100.00

* Associated company
** EAC is in control of company through agreements, etc.

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