Annual report
2012/13

Gabriel Holding A/S

CVR no. 58 86 87 28

STRONG FOURTH QUARTER – REVENUE AND OPERATING PROFIT (EBIT) ABOVE EXPECTATIONS FOR THE YEAR

Summary

- Revenue increased to DKK 264.9 million. (DKK 247.6 million).
- The operating profit (EBIT) was DKK 21.4 million (DKK 21.4 million).
- The operating margin was 8.1% (8.7%).
- Finance income and costs had a negative effect on the profit, with net costs of DKK 0.9 million. (DKK 0.6 million).
- The profit after tax was DKK 18.0 million. (DKK 17.8 million).
- Return on invested capital (ROIC) before tax was 11.1% (11.2%).
- Cash flows from operating activities in the period were DKK 14.6 million. (DKK 28.0 million).
- The Board of Directors proposes an increase in the dividend to DKK 4.75 (DKK 4.50) per DKK 20 share.
- The expectations for the 2013/14 financial year are encumbered by a high level of uncertainty concerning developments in international economic conditions. The market for contract furniture is judged to be stable to mildly decreasing, but given the group's outreach activities and constantly increasing initiatives in the field of development and sales activities, the Executive Board expects organic growth in revenue of the order of 5-10% for the forthcoming 2013/14 financial year and a corresponding increase in operating profit (EBIT).

The Board of Directors recommends the following to Gabriel Holding A/S's general meeting on 12 December 2013:

- The Board of Directors proposes a dividend of DKK 4.75 per DKK 20 share.
- The Board of Directors proposes re-election of directors Jørgen Kjær Jacobsen, Kaj Taidal, Søren B. Lauritsen and Knud Erik Hansen as the company's board members elected by the general meeting.
- The Board of Directors proposes re-appointment of the company's auditor.
- The annual report is recommended for approval at the company's general meeting at 2:00 p.m. Thursday, 12 December 2013 at the company's office in Aalborg.

The official annual report is published on the company's website at the latest three weeks before the meeting, and the printed version of the report will be available on 4 December 2013 at the company's office.

Harlequin and Runner upholstered on viasit Bürositzmöbel GmbH's chair Scope. Designed by Martin Ballendat

FINANCIAL HIGHLIGHTS

for the group

Key figures	Unit	**2012/13**	2011/12	2010/11	2009/10	2008/09
Revenue	DKK million	**264.9**	247.6	242.6	220.4	204.7
	Index	**129**	121	119	108	100
Of which exports	DKK million	**240.2**	227.9	221.2	200.1	182.8
Export percentage	%	**91**	92	91	91	89
Operating profit (EBIT)	DKK million	**21.4**	21.4	18.2	10.4	2.0
Net finance income and costs	DKK million	**1.1**	0.9	4.3	2.5	-0.3
Profit before tax	DKK million	**22.5**	22.3	22.5	12.9	1.7
Tax	DKK million	**-4.5**	-4.5	-5.6	-2.7	-0.4
Profit after tax	DKK million	**18.0**	17.8	16.9	10.2	1.3
Cash flows from:						
Operating activities	DKK million	**14.6**	28.0	26.6	-8.4	18.5
Investing activities	DKK million	**-3.4**	8.7	-3.7	-11.0	-58.5
Financing activities	DKK million	**-11.9**	-10.6	-8.8	4.4	34.5
Cash flows for the year	DKK million	**-0.7**	26.1	14.1	-15.0	-5.5
Investments in property, plant and equipment	DKK million	**4.1**	2.9	4.5	13.6	24.3
Depreciation/amortisation and impairment losses	DKK million	**7.3**	6.1	6.2	4.5	4.4
Equity	DKK million	**155.8**	146.6	136.7	125.8	115.4
Statement of financial position total	DKK million	**230.2**	229.4	228.8	221.7	197.1
Invested capital	DKK million	**194.7**	189.2	195.2	193.8	163.9
Number of employees	Number	**106***	69	64	63	92
Revenue per employee	tDKK	**2,499**	3,589	3,791	3,499	2,225
Financial ratios						
Operating margin (EBIT margin)	%	**8.1**	8.7	7.5	4.7	1.0
Return on invested capital (ROIC) before tax	%	**11.1**	11.2	9.4	5.8	1.4
Return on invested capital (ROIC) after tax	%	**9.4**	9.2	8.7	5.7	0.9
Earnings per share (EPS)	DKK	**9.5**	9.4	8.9	5.4	0.7
Return on equity	%	**11.9**	12.5	12.8	8.4	1.1
Equity ratio	%	**67.7**	63.9	59.7	56.7	58.6
Net asset value at year end	DKK	**82**	78	72	67	61
Market price at year end	DKK	**137**	100	80	68	69
Market price/book value		**1.7**	1.3	1.1	1.0	1.1
Price earnings (PE)	DKK	**14.4**	10.6	9.0	12.6	100.3
Price cash flow (PCF)	DKK	**17.7**	6.7	5.7	-	6.5
Dividends proposed per DKK 20 share	DKK	**4.75**	4.50	4.25	3.25	0.00
Dividends yield	%	**3.5**	4.5	5.3	4.8	0
Payout ratio	%	**50**	48	48	60	0

The specified index figures are for base year 2008/09. Earnings per share were calculated in accordance with IAS 33.
Other financial ratios are calculated in accordance with the Danish Society of Financial Analysts' "Recommendations and Financial Ratios 2010".
*The UAB FurnMaster production unit was established in 2012/13.

CONTENTS

Gabriel Holding A/S
CVR no. 58868728
Hjulmagervej 55 • 9000 Aalborg, Denmark
Ph.: +45 9630 3100 • Fax: +45 9813 2544
E-mail: mail@gabriel.dk • www.gabriel.dk

FINANCIAL REVIEW

Sales and earnings 2012/13

The group achieved revenue of DKK 264.9 million in the 2012/13 financial year against DKK 247.6 million in the previous year, an increase of 7%. The contribution margin is 40.9% against 40.5% last year.

The operating profit (EBIT) was DKK 21.4 million, on a par with last year. The operating margin was 8.1% against 8.7% in the previous year.

The profit before tax was DKK 22.5 million against last year's DKK 22.3 million, while the profit after tax was DKK 18.0 million against DKK 17.8 million last year.

The return on invested capital (ROIC) before tax was 11.1% against 11.2% last year.

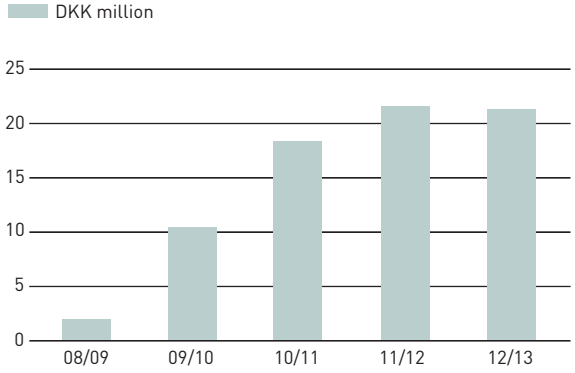
Cash flows from operating activities in the period were DKK 14.6 million against last year's DKK 28.0 million.

In connection with the quarterly report for the third quarter of 2012/13, management expressed expectations of a 5-10% increase in revenue relative to last year and an operating profit (EBIT) of the order of DKK 17-19 million. However, both revenue and earnings exceeded expectations in the fourth quarter, and the year's total operating profit and profit before tax were thus better than expected.

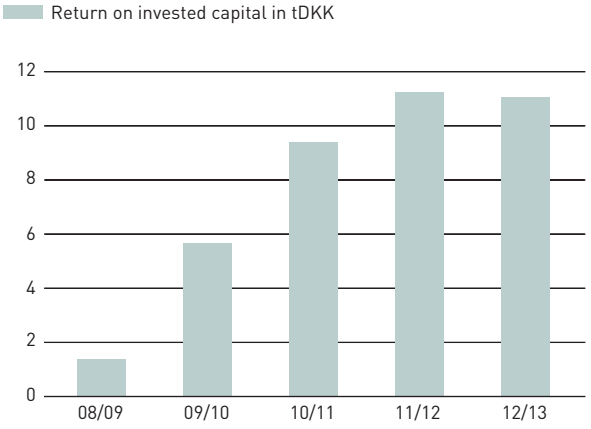
The group achieved revenue of DKK 62.9 million in the fourth quarter against DKK 59.4 million in the same quarter last year, equivalent to growth of 6% and an operating profit of DKK 5.5 million against DKK 5.0 million in the same quarter last year. In August and September, the company completed a number of major projects in Europe and Asia, with the result that revenue, and in particular the profit for the fourth quarter, greatly exceeded management's expectations.

Given the current market conditions, the Board of Directors finds the profit for the year satisfactory.

Operating profit (EBIT)



Return on invested capital before tax (ROIC)



Main points

Revenue

The group's revenue increased by 7% to DKK 264.9 million against DKK 247.6 million in the preceding year.

Cost of sales – gross profit

The group's realised gross profit in 2012/13 was 40.9% against 40.5% in 2011/12.

Other external costs

The group's external costs increased by DKK 0.4 million, equivalent to 1%. Sales costs for the Orgatec trade fair, held every second year in Cologne, were paid during the year. However, these costs were approximately counterbalanced by productivity improvements and savings which were effected.

Staff costs

The group's staff costs increased by 17% to DKK 41.2 million in 2012/13 against DKK 35.2 million last year.

The increase in staff costs is primarily attributable to appointments in product development and sales and establishment of the production unit UAB FurnMaster. Staffing in the product development area was extended by engineers and designers, and the sales staff were extended by Key Account Managers in China, Norway, Sweden, Germany and the USA.

The average number of employees for the financial year was 106 against 69 in 2011/12. The number of employees in the group at the end of the 2012/13 financial year was 119.

Depreciation/amortisation
Consolidated depreciation/amortisation in the group was DKK 7.3 million against DKK 6.1 million last year. The increase in depreciations is primarily attributable to write-downs/write-offs on the group's capitalised development tasks.

Profit/loss from investment in UAB Scandye
The profit for the year includes a total share of the profit on the investment in UAB Scandye of DKK 2.0 million against DKK 1.4 million last year.

Finance income and costs

THE SALES STAFF WAS EXTENDED BY KEY ACCOUNT MANAGERS IN CHINA, NORWAY, SWEDEN, DENMARK, GERMANY AND THE USA.

Finance income and costs include net costs of DKK 0.8 million against DKK 0.6 million last year.

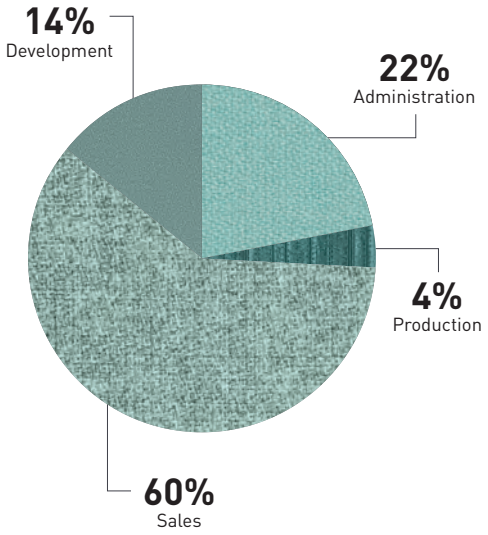
Tax on profit for the year
The tax on the profit for the year is DKK 4.5 million, as in last year. The profit was positively affected by revenue of DKK 0.7 million concerning deferred tax in connection with adjustments from 25% to 22% in corporation tax in Denmark.

The statement of financial position
The consolidated statement of financial position total is DKK 230.2 million against DKK 229.4 million last year.

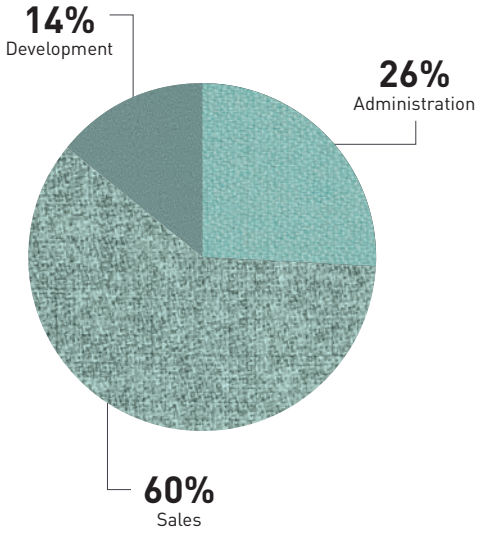
Inventories
The group's inventories amounted to DKK 41.1 million against DKK 40.5 million last year.

Receivables

Allocation of staff costs for the 2012/13 financial year



Allocation of staff costs for the 2011/12 financial year



Total receivables were DKK 45.7 million against DKK 42.9 million last year. Consolidated trade receivables increased to DKK 35.3 million against DKK 32.9 million on 30 September 2012. The increase is attributable to the increase in activities in the fourth quarter of 2012/13.

The consolidated Lithuanian VAT receivables increased from DKK 3.0 million at 30 September 2012 to DKK 5.3 million at 30 September 2013, but a total of DKK 2.9 million for the period to and including April 2013 was received immediately after the end of the financial year.

Financing and capital resources
Consolidated cash flows from operating activities in 2012/13 amounted to DKK 14.6 million against DKK 28.0 million in the same period last year. The decline is primarily attributable to an increase in outstanding debts and a reduction in the group's trade payables and other debt.

Gabriel made total investments of DKK 4.1 million in property, plant and equipment in 2012/13 against DKK 2.9 million in the previous year.

The net balance of cash and cash equivalents at the end of the year was DKK 19.0 million. The group also has undrawn credit facilities via its bank and a liquidity reserve of DKK 8.8 million invested in Danish mortgage credit bonds.

Equity
The group's equity amounted to DKK 155.8 million on 30 September 2013 against DKK 146.6 million on the same date last year. Equity thus increased by DKK 9.2 million, and DKK 18.0 million is attributable to the profit for the year and a negative DKK 0.3 million to other comprehensive income, while DKK 8.5 million in dividends was paid.

Dividends
The Board of Directors recommends to the general meeting that a dividend of DKK 4.75 per share be distributed for 2012/13, equivalent to total dividends of DKK 9.0 million.

String and Fame upholstered on EFG's office chair EFG ONE Designed by Justus Kolberg.

Outlook

Following the activities initiated to increase potential, an improved basis for growth has been created. These activities included:

1. Focus on product development in cooperation with strategic customers with global distribution. DKK 8.5 million, equivalent to 3% of revenue, was invested in 2012/13 alone.

2. Establishment of the sales company Gabriel GmbH in Germany.

3. Establishment of the sewing and upholstering unit UAB FurnMaster in Lithuania.

4. Establishment of a sales presence on the important North American market.

5. 74% of the staff costs are directed towards sales and product development, which is on a par with last year.

6. The sales force was increased in China and remains in step with the recruitment which it is possible to implement, and regional sales offices in the country are regularly being added. Gabriel Asia Pacific now has 20 employees.

An acquisition committee on which the Executive Board and the Board of Directors are represented was established at the end of the 2010/11 financial year with a view to achieving growth via acquisitions. The committee's task is to structure and extend the initiatives for identification and assessment, and to contact targets and intermediaries. The committee added and analysed a number of potentials during the financial year without implementing or planning concrete purchases.

The expectations for the 2013/14 financial year are encumbered

by a high level of uncertainty concerning developments in international economic conditions. The market for contract furniture is judged to be stable to mildly decreasing, but given the group's outreach activities and constantly increasing initiatives in the field of development and sales activities, management expects organic growth in revenue of the order of 5-10% for the forthcoming 2013/14 financial year and a corresponding increase in operating profit (EBIT).

Sales activities in 2012/13

The group's revenue increased by 7% in the financial year. Revenue per quarter showed corresponding increases over the last five years, and notwithstanding the difficult market conditions and financial reticence, Gabriel has managed to maintain positive growth over the years.

The growth derives from upholstery fabrics for contract furniture and products and services which the group sells to the same customers but which belong to the next link in the value chain, e.g. cutting, sewing and upholstering of furniture components. A minor portion of the growth in revenue derives from increased rental income from Gabriel Erhvervspark. It is thus with considerable satisfaction that management notes that all business areas realised increased growth during the year, and that the market development initiatives have produced results.

- The FurnMaster business unit experienced positive development in both revenue and the establishment of new potential.
- The Gabriel Asia Pacific business unit had the best year in its ten-year presence in China with consequent marked growth in revenue and profit.
- The SampleMaster business unit gained the greatest revenue and the best result for a number of years.
- The core business "fabrics for contract furniture" realised a minor growth in revenue on a falling market.

Total export revenue increased by 5% to DKK 240.2 million against DKK 227.9 million last year.

The export share was 91% against 92% in 2011/12. Sales in Denmark increased by 25% to DKK 24.7 million against DKK 19.7 million last year. The increase in revenue in Denmark is primarily attributable to sales of fabrics to new areas of use and cutting, sewing and upholstering.

Gabriel is maintaining its strategy of "growing with the largest market participants", continuing the targeted effort towards selected key accounts. Gabriel's focus on product and process innovation with back-up from a number of business units has a positive effect on sales. The 50 or so global customers are assessed and selected on the basis of the total potential that can be realised from the group's business units.

One of the group's most important sales activities, participation in the Orgatec contract furniture trade fair in Cologne, Germany, took place in October 2012. Gabriel introduced a large number of new textiles and solutions at the fair. These new products were introduced in cooperation with leading contract furniture manufacturers and the result was positive. There is an expectation that these products and solutions can help to maintain and extend the group's position as the preferred development partner and supplier.

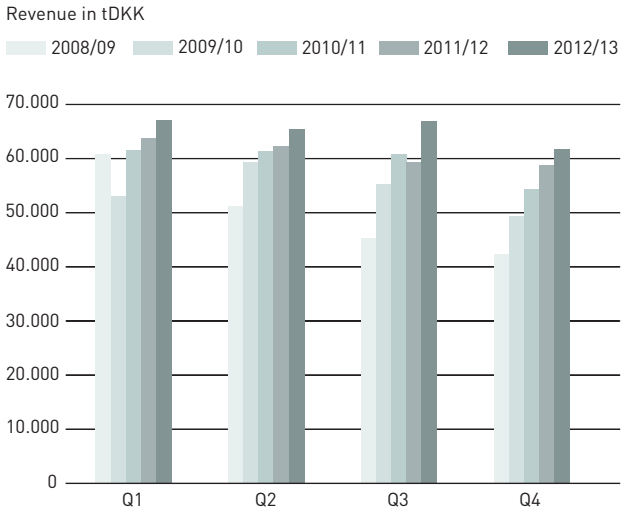
Gabriel was represented at Scandinavia's largest furniture trade fair in Stockholm in February 2013. The trade fair confirmed to Gabriel that our strategy "Applied furniture fabrics" produces results and contributes to increasing the potential for several of Gabriel's business units. The many new fabrics launched in past years are still being well received at the trade fair, ensuring that their potential is constantly being increased, including on the important Scandinavian market.

At NEOCON, North America's biggest furniture fair held every year in Chicago, Gabriel noted that a large proportion of the company's own fabrics and solutions was represented among a number of market-leading manufacturers. With the addition of a permanently stationed Key Account Manager on the American market, it is expected that the last year's positive development in revenue can be continued and extended.

In May 2013, Gabriel participated successfully at the furniture component trade fair Interzum, where solutions from SampleMaster and FurnMaster in particular were well received.

With the official opening of Gabriel GmbH's facilities in Bingen, Germany, in September, the financial year ended on a striking point. The opening, which was attended by many of central Europe's most important players, was just the starting signal that

Revenue by quarter



Gabriel had hoped for.

Product development and innovation at Gabriel

Ten products launched during the year is the result of the accelerated and coordinated efforts within product development.

IN 2012/13, DKK 8.5 MILLION WAS INVESTED IN PRODUCT DEVELOPMENT – EQUIVALENT TO 3% OF REVENUE.

Together with the new products of the previous year, Gabriel's total range of fabrics and solutions has been successfully extended with sound results.

Gabriel's product and process innovation system from concept to upholstered product continued to be a high priority core activity in 2012/13. The investment in research and development was DKK 8.5 million, equivalent to 3% of revenue. New products and solutions are being developed in coordination with the group's most important customers. The coordinated initiatives are helping to increase the accuracy of targeting and the speed of introduction of products, solutions and services launched on the market.

The group's goal that at least 30% of revenue must derive from products less than five years old was fulfilled in 2012/13, as the share of revenue from new products was 31%. The share in 2011/12 was 27%. The share of revenue from new products among top customers was 35% in 2012/13. This reflects the group's focused strategy, where product development and inbound selling are targeted to this very customer group.

Product development and innovation take place in all of Gabriel's strategic business units (Masters), which collectively support the core process "product and process innovation". The individual units' unique market potentials are identified, developed and capitalised, while the value of a joint coordinated effort is utilised and targeted towards the market's leading furniture manufacturers.

The DesignMaster business unit regularly performs designbased development and consultancy activities based on customers' and end users' wishes and needs. This is done on the basis of a fundamental understanding of the market and targeted research based on a "time-to-market" of 3-18 months.

Close relations with selected furniture manufacturers' designers, development teams and decision makers have been established on the basis of the theme "furniture fabrics in use" and via a targeted communication of Gabriel's innovation and development strategy.

A number of projects were performed, and new ones initiated, on this basis. Ten new products were released during the financial year, exceeding the year's target of eight. Please see www.gabriel.dk for product news and cases.

Subsidiaries and associated companies

Gabriel Asia Pacific

Sales development in the 2012/13 financial year was positive, and the unit's performance on growth in revenue and operating profit, which exceeded expectations for the year, was satisfactory. Gabriel Asia Pacific is an important part of the total strategy of being able to service global contract furniture manufacturers and distributors and to ensure the production of innovative and competitive products for all markets.

New products were developed and regular deliveries established to new strategic customers in the USA and Asia during the financial year. New development projects and potential customers are constantly in the pipeline, and local efforts are being intensified.

The Asian market is generally price-sensitive, but the leading players in the market are increasingly showing an interest in Gabriel Asia Pacific, which occupies the niche for highly improved furniture fabrics and related textile products, where there are indispensible requirements regarding design, quality, and products with documentation for environmental and energy-related sustainability, competitive prices and short delivery times.

ZenXit A/S

Development of the upholstery material is continuing with consequent satisfactory potential. Work is proceeding in cooperation with selected furniture manufacturers to fully develop the material and a number of concrete market maturation tasks, where the material can be used immediately.

The ZenXit product is included in the sales expectations for 2013/14 to a minor extent only, and it is expected that the development will incur special costs for the forthcoming product adaptation and introduction in this and future financial years.

The upholstery company UAB FurnMaster, Lithuania

The operating company Gabriel A/S established the subsidiary UAB FurnMaster in Lithuania during the financial year. The ownership interest in the company is 90%. UAB FurnMaster was established as a production unit which will support the group's continued strategic initiatives to bring furniture fabrics into use.

The dye works UAB Scandye, Lithuania

The share of the profit (after tax) from the associate UAB Scandye was DKK 2.0 million against DKK 1.4 million last year. The

improved profit is primarily attributable to an increase in Gabriel's purchases from UAB Scandye and a minor increase in activities with a single major customer. The ownership interest in the company remains 49.3%.

Increases in both revenue and earnings are expected in 2013/14.

Gabriel Erhvervspark – Gabriel Ejendomme A/S
The valuation of the property complex in the consolidated financial statements was again stated at cost less cumulative depreciation, corresponding to a carrying amount of DKK 67.3 million at 30 September 2013.

GABRIEL GMBH IS A STYLISHLY FITTED OUT SALES OFFICE WHICH, IN CLOSE COLLABORATION WITH THE CUSTOMERS, ACTS AS THE FRAMEWORK FOR SPECIFIC INNOVATION SEMINARS, PRODUCT PRESENTATIONS, TRAINING SESSIONS ETC.

The building complex in Aalborg was included in the subsidiary Gabriel Ejendomme A/S at a calculated fair value of DKK 83.0 million, which is equivalent to additional value of DKK 15.7 million on the carrying amount recognised in the consolidated financial statements as at 30 September 2013.

The profit before tax for 2012/13 of Gabriel Ejendomme A/S was DKK 2.1 million against DKK 2.4 million last year. The profit for the year is considered satisfactory. New leases with several external tenants were entered into during the financial year, and slightly increasing revenue and earnings are expected in 2013/14.

As of 30 September 2013, Gabriel Ejendomme A/S has let approximately 6,000 m². To this should be added a potential of up to 13,000 m² of industrial, warehouse and other premises which have not been renovated, and unused building rights.

The property complex's occupancy rate is 92%. Various activities have therefore been initiated to obtain permission to demolish and renovate old and worn-out factory buildings to create additional space for a modern office building for rental. Demolition and renovation are expected to commence in the 2013/14 financial year. Management regularly assesses how the property's value and income can be developed and optimised for the benefit of both tenants and owners.

Gabriel Erhvervspark is well established in its role as one of several meeting places in Aalborg for business and university people. This was achieved partly on the initiative of external businesses and educational institutions and partly by Gabriel and other tenants in the business park.

Gabriel GmbH
Given Gabriel's strengthened position on the central European market, the sales company Gabriel GmbH was established in the 2012/13 financial year. The company's object is to ensure greater proximity to the important central and southern European markets so that Gabriel's initiatives within innovation and value-adding activities can be targeted and focused on the development of business opportunities in central Europe.

Gabriel GmbH is a stylishly fitted out sales office which, in close collaboration with the customers, acts as the framework for specific innovation seminars, product presentations, training sessions etc. The office is centrally located in Bingen am Rhein near Frankfurt.

Omega upholstered on Sancal's chair Casta Designed by José Manuel Ferrero.

GABRIEL – CORPORATE GOVERNANCE

– statement on corporate governance and social responsibility

Gabriel Holding A/S has prepared the statutory statement on corporate governance as per Section 107b of the Danish Financial Statements Act. The statement covers the company's work with recommendations on corporate governance, a description of the main elements in the group's internal control and risk management system in connection with the financial reporting, and a description of the group's top management organs and their composition.

The stock exchange's recommendations on corporate governance

The NASDAQ OMX Copenhagen A/S has adopted a set of corporate governance recommendations which were most recently revised on 6 May 2013. The recommendations on corporate governance can be obtained from the Committee on Corporate Governance's website, www.corporategovernance.dk.

A MORE SYSTEMATIC REVIEW OF GABRIEL'S EXECUTIVE BOARD'S PRACTICE IN RELATION TO NASDAQ OMX COPENHAGEN A/S'S RECOMMENDATIONS IS AVAILABLE ON THE COMPANY'S WEBSITE.

Companies must follow these recommendations and in particular provide explanations where their practice deviates from the recommendations. The Board of Directors has adopted a detailed position on the recommendations, and Gabriel complies in essence with all of them. The supreme governing body has adopted a different practice in the following areas:

1. The composition and organisation of the Board of Directors
Gabriel does not publish the skills which members of the Board of Directors must possess or posess.

Gabriel does not comply with the recommendation on independence, as only one of the company's board members elected by the general meeting is considered independent. Gabriel attaches importance to the individual board member's capacity, competencies and contribution to group management. Accordingly, the company has not defined an age limit for its board members.

Gabriel does not disclose individual board members' shareholdings etc. in the Gabriel group.

Given Gabriel's size and complexity, the Board of Directors has decided not to establish managerial committees other than the audit committee.

2. Management's remuneration
Gabriel provides information in the annual report on the total remuneration to the Board of Directors and the Executive Board. The annual report does not specify any individual remuneration as this is personal information of limited relevance to the shareholders. The remuneration of the Board of Directors and Executive Board is made on market terms for a listed company of this size. Given the company's size, the Board of Directors does not find it relevant to prepare a specific remuneration policy for the Board of Directors and the Executive Board. However, a policy for an incentive pay system for the Board of Directors and the Executive Board was adopted at the company's 2012 general meeting.

3. Risk management and internal controls
As recommended, Gabriel has considered the establishment of a Whistleblower scheme and, given the company's size and complexity, has not found it relevant at this time.

A more systematic review of Gabriel's management practice in relation to NASDAQ OMX Copenhagen A/S's recommendations is available on the company's website at www.gabriel.dk/en/investor/corporate-governance.

Internal control and risk management systems

Gabriel's Board of Directors has general responsibility for the group's risk management and internal controls in relation to financial reporting, including compliance with relevant legislation and other financial reporting regulations.

The group's risk management and internal controls are designed to avoid any material misstatements and omissions during the financial reporting process. The Board of Directors/audit committee and the Executive Board regularly assess risks and internal controls in connection with the group's activities and any impact on the financial reporting process.

Control environment
Management regularly assesses the organisational structure and staffing of the group and lays down and approves overall policies, procedures and controls in relation to the financial reporting process, with emphasis on clear lines of reporting and segregation of duties.

Risk assessment
When the annual business plan is prepared, the most important business risks are identified, and against this background, management makes an overall risk assessment, including an assessment of the most important risks arising from the financial reporting process. As part of the risk assessment, management considers the risk of fraud and any other improper influence on the financial reporting process annually.

The group's Risk Management policy strives to eliminate and/or reduce the risks identified on the basis of an assessment of materiality and cost-benefit analyses.

Runner upholstered on Désio's chair Pompon
Designed by Didier Versavel.

The Board of Directors assesses Gabriel's IT security and insurance coverage annually.

The most important risks arising from the financial reporting process are disclosed in the Management Commentary and notes to the financial statements, to which reference is made.

Control activities
At the board meetings, the Executive Board reports on the status of any risk factors attributable to strategy, organisation or major operations. The group has a detailed internal reporting system comparing monthly reporting with the budget and regularly evaluating performance and the meeting of specific targets through Key Performance Indicators etc. The system provides a high level of transparency with respect to various activities in the company and helps to give management a comprehensive insight into and knowledge of matters which could be important in relation to the entire financial reporting process.

Each quarter, the Board of Directors is provided with a detailed account of financial performance compared with the budget and prior periods. The reporting also describes and assesses material Statement of financial position items, cash flows, forecast future activities and earnings and other matters with an impact on operations.

Information
The Board of Directors lays down the general requirements for the results and the external financial reporting in accordance with relevant legislation and regulations. The group also aims to offer adequate, complete and precise information reflecting corporate performance at all times.

THE BUSINESS UNITS ARE RUN AS INDEPENDENT PROFIT CENTRES WITH THEIR OWN MISSIONS, VISIONS, GOALS, STRATEGIES, ACTION PLANS AND BUDGETS.

The Board of Directors emphasises that there must be open communication in the company within the framework for listed companies, and that each individual must know his or her role in the company's internal controls. The group has chosen to divide operations and internal reporting into independent strategic business units. The business units are run as independent profit centres with their own missions, visions, goals, strategies, action plans and budgets. This division ensures a high degree of delegation of expertise, follow-up and delegation of responsibilities in the organisation and enables information on relevant matters to be communicated effectively and reliably throughout the system.

Monitoring
Gabriel monitors the functioning of its internal control and risk management system at all group levels on a regular basis. The scope thereof is determined primarily on the basis of the risk assessment and the effectiveness of controls and procedures.

Weaknesses, control failings or breaches of designated guidelines are reported on the basis of their importance to the Executive Board or the Board of Directors. The reporting is typically discussed at the next board meeting, at which the Board of Directors is informed of actual findings and recommendations on procedural changes etc.

In their long-form audit report to the Board of Directors, the auditors appointed by the annual general meeting report any material failings in the group's internal control systems in connection with the financial reporting process.

The Board of Directors follows up on the implementation of any planned optimisation of risk and internal controls in relation to the financial reporting process.

Management organs

The composition of the Board of Directors

The Board of Directors' collective profile can be characterised as possession of broad and international business experience with professional skills including within production, innovation, sales, finances and marketing judged to cover the group's needs. The board regularly assesses the need for any changes in its collective expertise. Board members keep themselves actively advised about Gabriel and the industry in general. The board makes an annual self-evaluation managed by the chairman.

Omega upholstered on Züco's chair 4+. Designed by Angelika Mosig, Andreas Notter, Jan Papenhagen and Wolfgang Ott.

GABRIEL ENDORSES THE PRINCIPLES IN THE UN GLOBAL COMPACT.

Election of employee representatives to the Board of Directors is a right enjoyed by Danish employees under Denmark's company law. The board members elected by the employees must comprise half the number of board members elected by the general meeting. On the date of the latest employee election in 2010, the number of board members elected by the general meeting was such that two employee representatives had to be elected. The board members elected by the employees act under the same terms as the other board members, but under company law they are elected for four years at a time.

The duties and responsibility of the Board of Directors

There are rules of procedure for Gabriel's Board of Directors. These are reviewed once a year by the full board with a view to updating. The rules of procedure specify inter alia guidelines for the relationship between the Board of Directors and the Executive Board, and the duties and responsibilities of the chairman and vice-chairman of the board.

Audit committee

In accordance with Section 31 of the Danish Act on Approved Auditors and Audit Firms, Gabriel Holding A/S set up an audit committee in 2009, on which the entire Board of Directors serves. The vice-chairman of the Board of Directors acts as chairman of the audit committee, which meets quarterly.

The audit committee's tasks are:

- to monitor the financial reporting process
- to monitor the effective functioning of the company's internal control and risk management systems,
- to monitor the statutory audit of the financial statements etc., and
- to monitor and check the auditor's independence.

In 2012/13, the audit committee focused on the group's IT strategy and security and reporting from subsidiaries.

Corporate social responsibility

CSR work is a natural part of the group's work. For Gabriel, CSR means taking responsibility for adding value which contributes to a positive development in society. Gabriel endorses the principles in the UN Global Compact and focuses on the following areas:

- Gabriel's products and services are developed and manufactured with consideration for the safety and health of users. Gabriel strives in the production process to minimise environmental impacts, and animal welfare is respected.

Europost upholstered on Zero's lamp Loos.
Designed by Luca Nichetto.

- A good working environment is ensured throughout the value chain and country-specific laws and Gabriel's own requirements are complied with. These requirements comprise specific technical specifications and matters specified in Gabriel's Code of Conduct.

- Continuous skills and job development for all employees are accorded a high priority.

- Gabriel wants to support students by providing practical training, and the company participates in training projects which benefit both the students and the company.

- Gabriel communicates the company's CSR activities openly and supports the propagation of CSR as a managerial activity.

Composition by gender

Gabriel believes in diversity among its employees and that an approximately equal distribution of the sexes contributes positively to the working environment and strengthens the group's performance and competitiveness.

The Gabriel group has set up the following numerical goals for the proportion of the under-represented sex:

Goals for composition by gender in 2017
Board of Directors:
Proportion of the under-represented sex 40%:
Proportion on 30.09.13.....0%

Top managers/the Executive Board:
Proportion of the under-represented sex 30%:
Proportion on 30.09.13.....0%

Middle management:
Proportion of the under-represented sex 30%:
Proportion on 30.09.13.....43%

The full statement on corporate social responsibility for the 2012/13 financial year can be read or downloaded at www.gabriel.dk/en/investor/reports/csr-and-enviromental-reports.

SHAREHOLDER INFORMATION

Share capital

Gabriel Holding A/S's share capital consists of 1,890,000 DKK 20 shares. Gabriel has one share class and no shares carry special rights. All shares are freely negotiable securities. Gabriel Holding A/S is listed on the NASDAQ OMX Copenhagen A/S under the ticker symbol GABR and the ID code DK0060124691. The share is included under the Small Cap Index.

Development in price

The 2012/13 financial year opened with a price of 100 and closed on 30 September 2013 with a price of 137. The total market value of the company's shares was DKK 258.9 million on 30 September 2013.

GABRIEL HOLDING ATTEMPTS TO MAINTAIN A SATISFACTORY AND UNIFORM LEVEL OF INFORMATION FOR INVESTORS AND ANALYSTS.

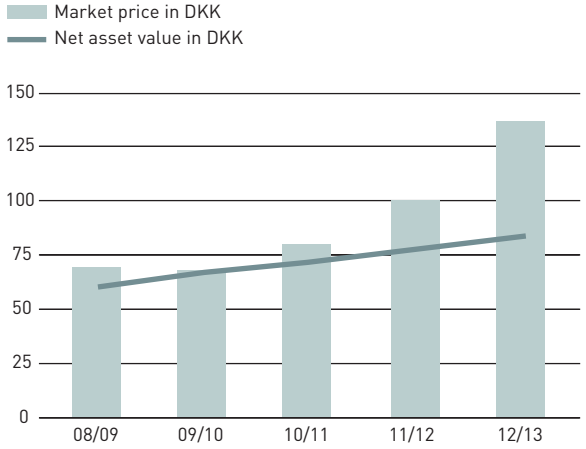
Capital management

The group regularly assesses the need for adjusting its capital structure to hold the required higher return on equity up against the higher degree of uncertainty surrounding external financing. A high equity ratio has always been a top priority of Gabriel in order to ensure the greatest room for manoeuvre in all situations. The group's equity ratio was 68% on 30 September 2013, four percentage points higher than last year. There is continuing focus on regular reduction of the group's working capital.

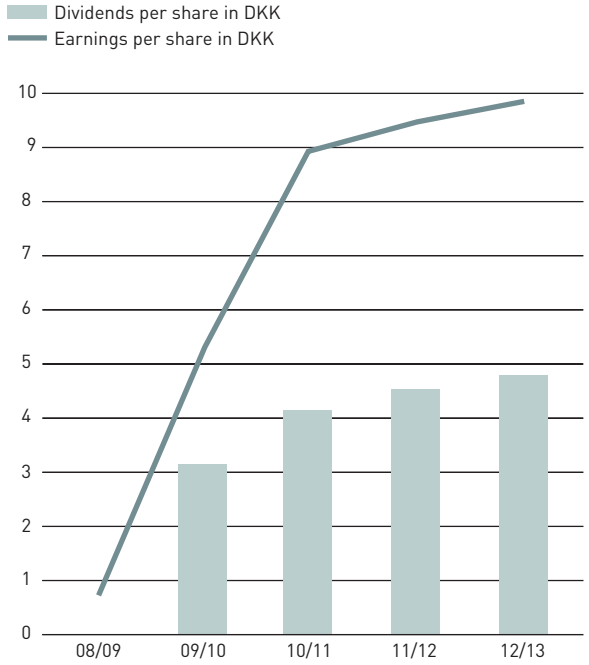
The group aims at providing its shareholders with a regular return on their investments while maintaining an appropriate equity level to ensure the company's future development. The Board of Directors recommends a dividend of DKK 4.75 per share for 2012/13, equivalent to a total dividend of DKK 9 million. The dividend is 5.8% of the equity and 49.8% of the group's profit for the year after tax.

Against this background, the present capital resources are deemed adequate in the present economic climate.

Market price and net asset value



Dividends and earnings per share



Stock exchange announcements in the 2012/13 financial year

07.11.12 Gabriel expands production activities in Lithuania.
15.11.12 Announcement of the 2011/12 annual report:
Growth in revenue while operating profit (EBIT) exceeds the group's expectations for the financial year.
21.11.12 Notice of annual general meeting.
21.11.12 Annual report 2011/12.
13.12.12 Information at today's general meeting.
13.12.12 Minutes of the annual general meeting.
24.01.13 Management maintains the valuation of the property.
05.02.13 Q1 report 2012/13:
Revenue and operating profit as expected.
14.05.13 First half-yearly report 2012/13:
Growth in revenue in the first half-year.
Profit in the period affected by increasing sales and development activities.
22.08.13 Q3 report 2012/13:
Gabriel realises a better Q3 than expected.
22.08.13 Financial calendar 2013/14.

Financial calendar 2013/14

14.11.13 Announcement of the annual report.
04.12.13 The printed annual report for 2012/13 is available.
12.12.13 Annual general meeting.
06.02.14 Q1 report.
13.05.14 Half-yearly report.
26.08.14 Q3 report.
13.11.14 Announcement of the annual report.
11.12.14 Annual general meeting.

Investor Relations

Gabriel Holding is attempting to maintain a satisfactory and uniform level of information for investors and analysts so that the share price will develop stably and will always reflect the company's expected development.

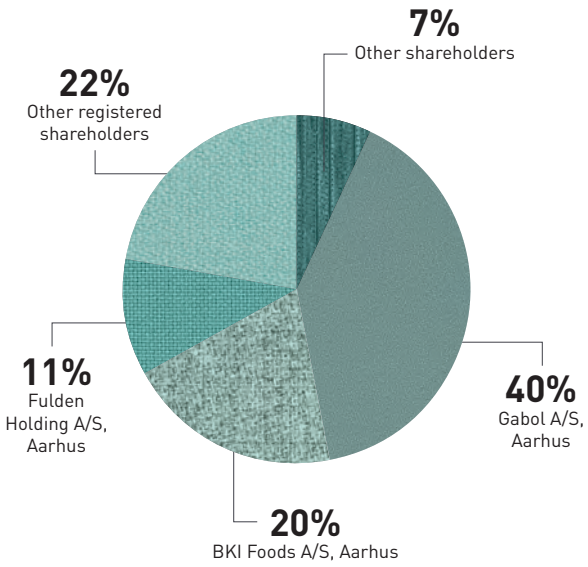
Gabriel's website www.gabriel.dk is the stakeholders' primary source of information and it is regularly updated with new and relevant information on Gabriel's profile, activities, industry and results.

Investor relations contact:
Anders Hedegaard Petersen, CEO
Phone: +45 9630 3100

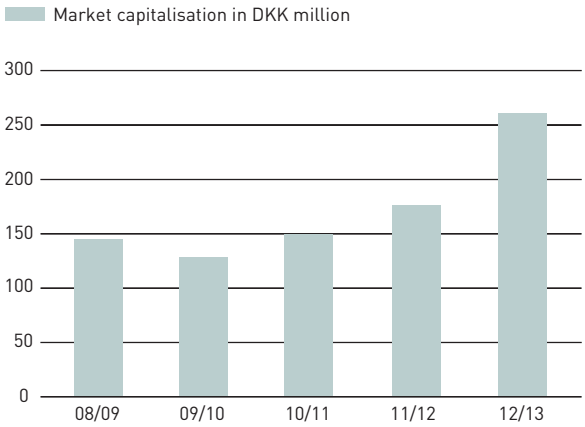
Annual general meeting

The general meeting will be held at 2.00 p.m. Thursday, 12 December 2013 at the company's office in Aalborg.

Composition of shareholders



Market price at year end



COMPANY INFORMATION

Board of Directors

Jørgen Kjær Jacobsen, general manager
Chairman (61 years)
Joined the Board of Directors in 2010 (D)

Executive positions
Raskier A/S

Directorships
UAB Scandye, Lithuania (CM)
Mekoprint Holding A/S (CM)
UNO Danmark A/S (CM)
Dolle A/S (CM)
Ambercon A/S (CM)
A/S Peder Nielsen Beslagfabrik (CM)
Nordjyske Medier A/S (VC)
BKI Foods A/S
Gabol A/S
Raskier A/S

Shareholders' committee and local council
Sydbank A/S

Trusts
Mads Eg Damgaards Familiefond (CM)

Kaj Taidal, general manager
Vice-chairman and chairman of the audit committee (54 years)
Joined the Board of Directors in 1998 (D)

Executive positions
A/S V. Sørensen

Directorships
A/S V. Sørensen
Dan-Iso Holding A/S (CM)
Dan-Iso A/S (CM)
EM-Fiberglas A/S (CM)
Impartex A/S (CM)
Slovakian Farm Invest A/S (CM)
Resolux A/S (CM)

Knud Erik Hansen, general manager
(61 years)
Joined the Board of Directors in 2012 (I)

Executive positions
Carl Hansen & Søn Holding A/S
Carl Hansen & Søn Møbelfabrik A/S
Rud. Rasmussens Snedkerier A/S

Directorships
Træ- og Møbelindustrien
Optica Forsikringsrådgivning A/S

Søren Brahm Lauritsen, general manager
(46 years)
Joined the Board of Directors in 2010 (D)

Executive positions
ONE Marketing A/S

Directorships
ONE Marketing A/S (CM)
GAB Invest ApS

Ole Thomsen, engineering worker
(61 years)
elected by the employees
Joined the Board of Directors in 2009

Quinten Xerxes van Dalm, sales supporter
(41 years)
elected by the employees
Joined the Board of Directors in 2010

D = Dependent member
I = Independent member
CM = Chairman
VC = Vice-chairman

Executive board

Anders Hedegaard Petersen, CEO
(37 years)
Employed in 2004

External executive positions
KAAN ApS

Directorships
GAB Invest ApS (CM)
Dansk Mode & Textil

Auditors
KPMG, Statsautoriseret Revisionspartnerselskab

Bank
Sydbank A/S

Subsidiaries
Gabriel A/S, Aalborg
Gabriel Ejendomme A/S, Aalborg
ZenXit A/S, Aalborg
Gabriel Innovation A/S, Aalborg
Gabriel GmbH, Germany
UAB FurnMaster, Lithuania
Gabriel (Tianjin) International Trading Co. Ltd., China

Associated companies
UAB Scandye, Lithuania

Location and representation
The head office with sales, logistics, development, innovation and accounts departments is located in Aalborg.

Gabriel has its own representatives in Denmark, Sweden, Finland, Norway, Germany, France, Spain, Italy, the UK, China and the USA.

STATEMENT BY THE EXECUTIVE BOARD AND THE BOARD OF DIRECTORS

The Board of Directors and the Executive Board have today discussed and approved the 2012/13 annual report of Gabriel Holding A/S.

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

It is our opinion that 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 assets, liabilities and financial position at 30 September 2013 and of the results of the group's and the parent company's operations and cash flows for the financial year 1 October 2012 – 30 September 2013.

In our opinion, the Management Commentary includes a fair review of the development in the group's and the parent company's operations and financial conditions, the results for the year, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that the group and the parent company face.

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

Aalborg, 14 November 2013

Executive Board

Anders Hedegaard Petersen
CEO

Board of Directors

Jørgen Kjær Jacobsen
Chairman

Kaj Taidal
Vice-chairman

Knud Erik Hansen

Søren B. Lauritsen

Quinten van Dalm
Employee representative

Ole Thomsen
Employee representative

INDEPENDENT AUDITORS' REPORT

To the shareholders of Gabriel Holding A/S

Independent auditors' 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 Gabriel Holding A/S for the financial year 2012/13. The consolidated financial statements and the parent company financial statements comprise income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, cash flow statement and notes, including 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 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

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 as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control that 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 as to 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 auditors' judgement, including the assessment of the risks of material misstatement in the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making these risk assessments, the auditors consider internal controls relevant to the company'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 company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management as well as evaluating 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 on 30 September 2013 and of the results of the group's and the parent company's operations and cash flows for the financial year 1 October 2012 – 30 September 2013 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the Management Commentary

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

Aalborg, 14 November 2013

KPMG
Statsautoriseret Revisionspartnerselskab

Hans B. Vistisen
State-authorised public accountant

Søren V. Nejmann
State-authorised public accountant

INCOME STATEMENT

for the year 01.10.2012 - 30.09.2013

		CONSOLIDATED		PARENT COMPANY	
Note	tDKK	**2012/13**	2011/12	**2012/13**	2011/12
	Net revenue	**264,902**	247,643	**2,004**	-
	Changes in inventories of finished goods and work in progress	**2,398**	-1,910	**-**	-
2	Other operating income	**633**	1,181	**-**	-
3	Cost of sales	**-158,960**	-145,493	**-**	-
4	Other external costs	**-39,175**	-38,770	**-419**	-1,311
5	Staff costs	**-41,157**	-35,157	**-2,985**	-1,100
10	Depreciation/amortisation of intangible assets and property, plant and equipment	**-7,290**	-6,055	**-**	-
	Operating profit/loss (EBIT)	**21,351**	21,439	**-1,400**	-2,411
12	Share of profit after tax in associates	**1,953**	1,372	**-**	-
6	Finance income	**868**	1,292	**7,849**	8,447
7	Finance costs	**-1,694**	-1,848	**-23**	-11
	Profit before tax	**22,478**	22,255	**6,426**	6,025
8	Tax on profit for the year	**-4,448**	-4,488	**137**	369
	Profit for the year	**18,030**	17,767	**6,563**	6,394
	Distribution:				
	To the shareholders of Gabriel Holding A/S	**18,014**	17,767		
	Non-controlling interests	**16**	-		
		18,030	17,767		
	Proposed profit appropriation				
	Proposed dividends			**8,978**	8,505
	Retained earnings			**-2,415**	-2,111
				6,563	6,394
9	**Earnings per share (DKK)**				
	Earnings per share (EPS), basic	**9.5**	9.4		
	Earnings per share (EPS-D), diluted	**9.5**	9.4		

STATEMENT OF COMPREHENSIVE INCOME

for the year 01.10.2012 - 30.09.2013

		CONSOLIDATED		PARENT COMPANY	
Note	tDKK	**2012/13**	2011/12	**2012/13**	2011/12
	Profit for the year	**18,030**	17,767	**6,563**	6,394
	Other comprehensive income:				
	Items that can be reclassified to the income statement				
	Value adjustment of hedging transactions:				
	Value adjustment for the period	**-321**	66	**-**	-
	Value adjustment reclassified to revenue	**232**	43	**-**	-
	Value adjustment of financial assets available for sale	**-143**	-26	**-143**	-26
	Exchange rate adjustment at the translation of foreign entities	**-135**	81	**-**	-
	Tax on other comprehensive income	**58**	-28	**36**	-1
	Other comprehensive income after tax	**-309**	136	**-107**	-27
	Total comprehensive income	**17,721**	17,903	**6,456**	6,367
	Distribution:				
	To the shareholders of Gabriel Holding A/S	**17,705**	17,903		
	Minority shareholders	**16**	-		
		17,721	17,903		

STATEMENT OF FINANCIAL POSITION

Assets at 30.09.2013

		CONSOLIDATED		PARENT COMPANY	
Note	tDKK	**2012/13**	2011/12	**2012/13**	2011/12
10	**Non-current assets**				
	Intangible assets:				
	Development projects	**10,756**	9,128	**-**	-
	Property, plant and equipment:				
	Land and buildings	**67,322**	68,026	**-**	-
	Leasehold improvements	**874**	-		
	Plant and machinery	**653**	971	**-**	-
	Fixtures and fittings, other plant and equipment	**7,959**	8,838	**-**	-
		76,808	77,835	**-**	-
	Other non-current assets:				
11	Investments in subsidiaries	**-**	-	**67,288**	67,288
12	Investments in associates	**20,687**	18,734	**-**	-
13	Amounts owed by associates	**5,859**	7,269	**-**	-
14	Other receivables	**1,470**	1,470	**-**	-
15	Securities	**8,832**	11,864	**8,832**	11,864
		36,848	39,337	**76,120**	79,152
	Total non-current assets	**124,412**	126,300	**76,120**	79,152
	Current assets				
16	Inventories	**41,131**	40,514	**-**	-
17	Receivables	**45,692**	42,899	**24,760**	23,839
	Cash and cash equivalents	**18,951**	19,676	**154**	1,538
	Total current assets	**105,774**	103,089	**24,914**	25,377
	Total assets	**230,186**	229,389	**101,034**	104,529

STATEMENT OF FINANCIAL POSITION

Equity and liabilities at 30.09.2013

		CONSOLIDATED		PARENT COMPANY	
Note	tDKK	**2012/13**	2011/12	**2012/13**	2011/12
	Equity				
19	Share capital	**37,800**	37,800	**37,800**	37,800
	Translation reserve	**88**	223	**-**	-
	Reserve for fair value adjustment	**72**	179	**72**	179
	Reserve for hedging transactions	**15**	82	**-**	-
	Retained earnings	**108,822**	99,786	**52,470**	54,885
	Proposed dividends	**8,978**	8,505	**8,978**	8,505
	Gabriel Holding A/S's shareholders' share of the equity	**155,775**	146,575	**99,320**	101,369
	Non-controlling interests	**16**	-	**-**	-
	Total equity	**155,791**	146,575	**99,320**	101,369
	Liabilities				
	Non-current liabilities				
20	Deferred tax	**6,398**	7,223	**-**	-
21	Credit institutions	**32,568**	34,855	**-**	-
22	Lease liabilities	**2,127**	3,337	**-**	-
	Total non-current liabilities	**41,093**	45,415	**-**	-
	Current liabilities				
21	Credit institutions	**2,218**	2,099	**-**	-
22	Lease liabilities	**1,319**	1,281	**-**	-
	Trade payables	**17,613**	19,956	**15**	696
	Debt to associates	**-**	-	**-**	724
	Corporation tax	**714**	1,054	**-**	795
	Other debt	**11,438**	13,009	**1,699**	945
	Total current liabilities	**33,302**	37,399	**1,714**	3,160
	Total liabilities	**74,395**	82,814	**1,714**	3,160
	Total equity and liabilities	**230,186**	229,389	**101,034**	104,529

STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED								
tDKK	Share capital	Reserve for exchange rate adjustments	Reserve for fair value adjustment	Reserve for hedging transactions	Retained earnings	Proposed dividends	Non-controlling interests	Total equity
2011/12								
Equity 01.10.11	**37,800**	**142**	**206**	**-**	**90,524**	**8,033**	**-**	**136,705**
Comprehensive income for the period								
Profit for 2011/12	-	-	-	-	9,262	8,505	-	17,767
Other comprehensive income								
Exchange rate adjustment at the translation of foreign entities	-	81	-	-	-	-	-	81
Value adjustment of hedging transactions:								
Value adjustment for the period	-	-	-	66	-	-	-	66
Value adjustment reclassified to revenue	-	-	-	43	-	-	-	43
Value adjustment of financial assets available for sale	-	-	-26	-	-	-	-	-26
Tax on other comprehensive income	-	-	-1	-27	-	-	-	-28
Total other comprehensive income	-	81	-27	82	-	-	-	136
Total comprehensive income for the year	-	81	-27	82	9,262	8,505	-	17,903
Comprehensive income with shareholders								
Distributed dividends	-	-	-	-	-	-8,033	-	-8,033
Equity 30.09.12	**37,800**	**223**	**179**	**82**	**99,786**	**8,505**	**-**	**146,575**
2012/13								
Equity 01.10.12	**37,800**	**223**	**179**	**82**	**99,786**	**8,505**	**-**	**146,575**
Comprehensive income for the period								
Profit for 2012/13	-	-	-	-	9,036	8,978	16	18,030
Other comprehensive income								
Exchange rate adjustment at the translation of foreign entities	-	-135	-	-	-	-	-	-135
Value adjustment of hedging transactions:								
Value adjustment for the period	-	-	-	-321	-	-	-	-321
Value adjustment reclassified to revenue	-	-	-	232	-	-	-	232
Value adjustment of financial assets available for sale	-	-	-143	-	-	-	-	-143
Tax on other comprehensive income	-	-	36	22	-	-	-	58
Total other comprehensive income	-	-135	-107	-67	-	-	-	-309
Total comprehensive income for the year	-	-135	-107	-67	9,036	8,978	16	17,721
Comprehensive income with shareholders								
Distributed dividends	-	-	-	-	-	-8,505	-	-8,505
Equity 30.09.13	**37,800**	**88**	**72**	**15**	**108,822**	**8,978**	**16**	**155,791**

PARENT COMPANY					
tDKK	Share capital	Reserve for fair value adjustment	Retained earnings	Proposed dividends	Total equity
2011/12					
Equity 01.10.11	**37,800**	**206**	**56,996**	**8,033**	**103,035**
Comprehensive income for the period					
Profit for 2011/12	-	-	-2,111	8,505	6,394
Other comprehensive income					
Value adjustment of financial assets available for sale	-	-26	-	-	-26
Tax on other comprehensive income	-	-1	-	-	-1
Total comprehensive income	-	-27	-2,111	8,505	6,367
Comprehensive income with shareholders					
Distributed dividends	-	-	-	-8,033	-8,033
Equity 30.09.12	**37,800**	**179**	**54,885**	**8,505**	**101,369**
2012/13					
Equity 01.10.12	**37,800**	**179**	**54,885**	**8,505**	**101,369**
Comprehensive income for the period					
Profit for 2012/13	-	-	-2,415	8,978	6,563
Other comprehensive income					
Value adjustment of financial assets available for sale	-	-143	-	-	-143
Tax on other comprehensive income	-	36	-	-	36
Total comprehensive income	-	-107	-2,415	8,978	6,456
Comprehensive income with shareholders					
Distributed dividends	-	-	-	-8,505	-8,505
Equity 30.09.13	**37,800**	**72**	**52,470**	**8,978**	**99,320**

CASH FLOW STATEMENT

	CONSOLIDATED		PARENT COMPANY	
tDKK	**2012/13**	2011/12	**2012/13**	2011/12
Cash flows from operating activities				
Profit before tax	**22,478**	22,255	**6,426**	6,025
Adjustment for non-cash items:				
Depreciation/amortisation	**7,290**	6,055	**-**	-
Value adjustment, securities	**-153**	-	**-153**	-
Share of profit after tax in associates	**-1,953**	-1,372	**-**	-
Cash generated from operations before changes in working capital	**27,662**	26,938	**6,273**	6,025
Changes in inventories	**-617**	207	**-**	-
Changes in receivables	**-2,794**	1,565	**2,373**	-5,010
Changes in trade and other payables	**-4,086**	7,575	**80**	-466
Corporation tax paid	**-5,556**	-8,278	**-4,648**	-7,417
	14,609	28,007	**4,078**	-6,868
Cash flows from investing activities				
Addition of intangible assets	**-3,876**	-3,372	**-**	-
Addition of property, plant and equipment	**-4,089**	-2,872	**-**	-
Disposal of property, plant and equipment	**65**	245	**-**	-
Purchase of shares in associates	**-**	-2,258	**-**	-
Change in amount owed by associate	**1,411**	1,364	**-**	-
Acquisition/disposal of securities	**3,043**	15,621	**3,043**	15,621
	-3,446	8,728	**3,043**	15,621
Cash flows from financing activities				
External financing:				
Repayment on long-term debt	**-2,209**	-2,084	**-**	-
Extension of lease	**-**	723	**-**	-
Repayment on lease	**-1,174**	-1,194	**-**	-
Shareholders:				
Dividends distributed	**-8,505**	-8,033	**-8,505**	-8,033
	-11,888	-10,588	**-8,505**	-8,033
Changes for the year in cash and cash equivalents	**-725**	26,147	**-1,384**	720
Opening bank loans/cash and cash equivalents	**19,676**	-6,471	**1,538**	818
Closing bank loans/cash and cash equivalents	**18,951**	19,676	**154**	1,538

NOTES ON THE FINANCIAL STATEMENTS

NOTE

NOTES
on the financial statements

Note

1 Segment information

The Gabriel group has only one reportable business segment as all its products relate to furniture fabrics and related textiles. The products are sold to selected leading international manufacturers and key account customers specialising in upholstered furniture, seats and upholstered surfaces. Gabriel A/S accounts for most of the activities. The products for the individual business areas go through substantially the same production process, and the sales divisions have the same type of customers. In addition, the product distribution channels are the same.

Revenue generated by the Western European markets accounts for more than 95% of total revenue, where the economic and political climates, activities, risks and currency exposure remain undifferentiated. The group is dependent to a lesser extent on sales to individual customers, none of whom accounts for more than 10% of the group's total revenue. Consequently, the group's income and expenses as well as assets and liabilities are not broken down on operating segments in the notes.

The geographical break-down of revenue and non-current assets and the break-down of revenue on products and services are disclosed. The information is based on the internal management reporting.

Geographical information

Geographical information specifies revenue on geographical segments based on the geographical location of the customers. The break-down of assets by geographical segments is based on the physical location of the assets.

Revenue is distributed on markets as follows:

	CONSOLIDATED		PARENT COMPANY	
tDKK	**2012/13**	2011/12	**2012/13**	2011/12
Denmark	**24,696**	19,493		
Sweden	**43,482**	50,976		
Germany	**50,666**	51,645		
France	**25,690**	23,407		
Lithuania	**20,693**	20,773		
Other countries	**99,675**	81,349		
	264,902	247,643		
Non-current assets except financial assets etc. are				
Denmark	**85,304**	85,744		
Lithuania	**780**	971		
Other countries	**1,480**	248		
	87,564	86,963		
Products and services				
Distribution of revenue:				
Textiles	**261,655**	244,712		
Rental income	**3,247**	2,931		
	264,902	247,643		
2 Other operating income				
Sale of services etc.	**110**	430	**-**	-
Repayment of deduction for canteen VAT	**-**	351	**-**	-
Other income	**523**	400	**-**	-
	633	1,181	**-**	-

Note	tDKK	CONSOLIDATED 2012/13	CONSOLIDATED 2011/12	PARENT COMPANY 2012/13	PARENT COMPANY 2011/12
3	**Cost of sales**				
	Cost of sales for the year	**-157,070**	-146,994	**-**	-
	Write-down of inventories for the year	**-1,400**	-774	**-**	-
	Reversal of write-downs on inventory	**693**	2,275	**-**	-
	Production wages etc.	**-1,183**	-		
		-158,960	-145,493	**-**	-
	Reversal of write-downs on sales of depreciated inventory				
4	**Other external costs**				
	Other external costs include fees for the auditors appointed by the general meeting as follows:				
	Statutory audit services	**-250**	-308	**-45**	-45
	Tax advice	**-35**	-35	**-10**	-10
	Other services	**-156**	-154	**-45**	-55
		-441	-497	**-100**	-110
5	**Staff costs**				
	Wages and salaries etc.	**-38,517**	-32,213	**-2,801**	-1,100
	Defined contribution pension schemes	**-2,238**	-2,037	**-165**	-
	Other social security costs	**-2,106**	-1,576	**-3**	-
	Other payroll-related costs	**-1,769**	-1,613	**-16**	-
		-44,630	-37,439	**-2,985**	-1,100
	Payroll costs capitalised regarding development projects	**2,290**	2,022	**-**	-
	Payroll costs transferred to cost of sales	**1,183**	260	**-**	-
		-41,157	-35,157	**-2,985**	-1,100
	Remuneration of the Board of Directors of the parent company	**-830**	-830	**-680**	-680
	Remuneration of the Executive Board of the parent company	**-1,878**	-1,725	**-1,878**	-400
	Pension contribution to the parent company's Executive Board	**-165**	-152	**-165**	-
	Remuneration of other managerial employees	**-9,240**	-9,643	**-**	-
	Pensions for other managerial employees	**-678**	-758	**-**	-
	Average number of employees	**106**	69	**1**	-
6	**Finance income**				
	Dividends from subsidiary	**-**	-	**7,000**	7,500
	Interest income, cash and bonds, etc.	**715**	1,098	**141**	484
	Interest income from subsidiary	**-**	-	**554**	463
	Other finance income	**153**	194	**154**	-
		868	1,292	**7,849**	8,447

Note	tDKK	CONSOLIDATED 2012/13	CONSOLIDATED 2011/12	PARENT COMPANY 2012/13	PARENT COMPANY 2011/12
7	**Finance costs**				
	Interest expenses, etc.	**-549**	-1,171	**-23**	-
	Foreign exchange losses	**-699**	-203	**-**	-
	Other finance costs	**-446**	-474	**-**	-11
		-1,694	-1,848	**-23**	-11
8	**Tax on profit for the year**				
	Current tax	**-5,214**	-5,229	**-**	-
	Joint taxation contribution	**-**	-	**173**	310
	Adjustment of deferred tax	**67**	98	**-36**	59
	Adjustment of deferred tax concerning change in corporate tax rate	**699**	-	**-**	-
	Adjustment in respect of previous years	**-**	643	**-**	-
		-4,448	-4,488	**137**	369
	Tax on profit for the year is specified as follows				
	Computed tax on profit before tax, 25%	**-5,619**	-5,564	**-1,606**	-1,506
	Tax effect of:				
	Reduction in Danish corporation tax from 25% to 22% up to 2016	**699**	-	**-**	-
	Non-deductible costs	**-39**	-35	**-7**	-
	Non-taxable dividends	**-**	-	**1,750**	1,875
	Share of results after tax in associates	**488**	343	**-**	-
	Adjustment of tax in foreign subsidiaries to 25%	**23**	125	**-**	-
	Adjustment in respect of previous years	**-**	643	**-**	-
		-4,448	-4,488	**137**	369
	Effective tax rate	**19.8%**	20.2%	**-2.1%**	-6.1%
9	**Earnings per share**				
	Profit for the year after tax	**18,030**	17,767		
	Average number of shares	**1,890,000**	1,890,000		
	Average number of own shares	**-**	-		
	Average number of shares in circulation	**1,890,000**	1,890,000		
	Earnings per share (EPS), basic DKK 20	**9.5**	9.4		
	Earnings per share (EPS-D), diluted DKK 20	**9.5**	9.4		

Note	tDKK	CONSOLIDATED				
		Development projects	Land and buildings	Leasehold improve-ments	Plant and machinery	Fixtures and fittings, other plant and equipment
10	**Non-current assets**					
	2011/12					
	Cost at 01.10.2011	11,862	101,935	-	9,240	21,521
	Value adjustment	-	-	-	-	25
	Additions during the year	3,372	21	-	-	2,851
	Disposals during the year	-50	-	-	-1,576	-3,357
	Cost at 30.09.2012	15,184	101,956	-	7,664	21,040
	Depreciation/amortisation at 01.10.2011	4,801	32,435	-	7,752	12,564
	Value adjustment	-	-	-	-	-3
	Disposals during the year	-50	-	-	-1,576	-3,097
	Depreciation/amortisation for the year	1,255	1,495	-	517	2,723
	Write-downs for the year	50	-	-	-	15
	Depreciation/amortisation at 30.09.2012	6,056	33,930	-	6,693	12,202
	Carrying amount at 30.09.2012	9,128	68,026	-	971	8,838
	of which development projects/assets under construction	6,609	-	-	-	-
	of which assets held under finance leases	-	-	-	-	3,978
	Depreciated/amortised over	5 years	10-25 years	10 years	3-8 years	3-8 years
	2012/13					
	Cost at 01.10.2012	15,184	101,956	-	7,664	21,040
	Value adjustment	-	-	-	-	-6
	Additions during the year	3,876	830	898	146	2,215
	Disposals during the year	-2,673	-	-	-874	-936
	Cost at 30.09.2013	16,387	102,786	898	6,936	22,313
	Depreciation/amortisation at 01.10.2012	6,056	33,930	-	6,693	12,202
	Value adjustment	-	-	-	-	-2
	Disposals during the year	-2,673	-	-	-874	-866
	Depreciation/amortisation for the year	1,417	1,534	24	464	2,999
	Write-downs for the year	831	-	-	-	21
	Depreciation/amortisation at 30.09.2013	5,631	35,464	24	6,283	14,354
	Carrying amount at 30.09.2013	**10,756**	**67,322**	**874**	**653**	7,959
	of which development projects/assets under construction	7,128	-	-	-	428
	of which assets held under finance leases	-	-	-	-	2,652
	Depreciated/amortised over	5 years	10-25 years	10 years	3-8 years	3-8 years

The group performed an impairment test on the carrying amounts of development projects under construction recognised in 2012/13. The test resulted in a total write-down of tDKK 831, under which the project development sequence in the form of expenses paid and results obtained was also evaluated in relation to the approved project and business plans. It was judged on this basis that the recoverable amount after the write-down exceeds the carrying amount.

Note	tDKK	PARENT COMPANY 2012/13	2011/12
11	**Investments in subsidiaries**		
	Cost at 01.10.	**67,288**	67,288
	Cost at 30.09.	**67,288**	67,288

Name	Registered office	Stake	Share capital tDKK	Equity tDKK	Profit for the year before tax tDKK	Profit for the year
Gabriel A/S	Aalborg	100%	25,500	85,076	17,732	13,490
ZenXit A/S	Aalborg	100%	1,000	360	-1,062	-687
Gabriel Ejendomme A/S	Aalborg	100%	1,000	35,129	2,103	2,333
Gabriel (Tianjin)	China	100%	1,492	7,966	3,751	2,813
				128,531	22,524	17,949

		CONSOLIDATED 2012/13	2011/12
12	**Investments in associates**		
	Cost at 01.10.	**13,811**	11,553
	Additions	**-**	2,258
	Cost at 30.09.	**13,811**	13,811
	Adjustments at 01.10.	**4,923**	3,551
	Share of profit for the year	**1,888**	1,279
	Intra-group profit	**122**	122
	Value adjustment, property	**-57**	-29
	Adjustments at 30.09.	**6,876**	4,923
	Carrying amount at 30.09.	**20,687**	18,734

Name	Registered-office	Stake	Revenue	Profit for the year tDKK	Assets tDKK	Liabilities	GABRIEL'S SHARE Equity	Profit for the year tDKK
UAB Scandye,	Lithuania	49%	34,985	3,829	55,771	24,839	15,247	1,888
Value adjustment, property							1,149	-57
Intra-group profit							-508	122
Goodwill 30.09.2013							4,799	-
Carrying amount at 30.09.2013							**20,687**	**1,953**

Note	tDKK	CONSOLIDATED 2012/13	2011/12
13	**Amounts owed by associates**		
	Cost at 01.10.	**7,269**	8,633
	Disposals	**-1,410**	-1,364
	Carrying amount at 30.09.	**5,859**	7,269
	Gross receivables are specified as follows:		
	Due within 1 year	**1,767**	1,767
	Due within 1-5 years	**4,656**	6,423
	Due after 5 years	**-**	-
	Unearned future financing income	**-564**	-921
	Total receivables	**5,859**	7,269
	Net receivables are specified as follows:		
	Due within 1 year	**1,478**	1,409
	Due within 1-5 years	**4,381**	5,860
	Due after 5 years	**-**	-
	Total receivables	**5,859**	7,269

The receivable arises from finance leasing of production equipment to UAB Scandye. At the end of the lease term of 5-8 years, the lessee has the option of acquiring the production equipment. The assets leased out have been provided as collateral for the group's receivables.

14	**Other receivables**		
	Cost at 01.10.	**1,470**	1,470
	Additions	**-**	-
	Disposals	**-**	-
	Carrying amount at 30.09.	**1,470**	1,470
	Gross receivables are specified as follows:		
	Due within 1 year	**-**	250
	Due within 1-5 years	**1,470**	1,532
	Due after 5 years	**-**	-
	Unearned future financing income	**-**	-312
	Total receivables	**1,470**	1,470
	Net receivables are specified as follows:		
	Due within 1 year	**-**	148
	Due within 1-5 years	**1,470**	1,322
	Due after 5 years	**-**	-
	Total receivables	**1,470**	1,470

The receivable arises from finance leasing of production equipment and loan to a business partner. The receivable has not been amortised in accordance with the loan agreement in the past two years, but an amortisation agreement has now been entered into under which full or partial repayment will be made during the next two financial years.

Note	tDKK	CONSOLIDATED 2012/13	CONSOLIDATED 2011/12	PARENT COMPANY 2012/13	PARENT COMPANY 2011/12
15	**Securities**				
	Cost at 01.10.	**11,628**	27,260	**11,628**	27,260
	Additions during the year	**-**	-	**-**	-
	Disposals during the year	**-2,889**	-15,632	**-2,889**	-15,632
	Cost at 30.09.	**8,739**	11,628	**8,739**	11,628
	Adjustments at 01.10.	**236**	264	**236**	264
	Adjustments for the year	**-143**	-28	**-143**	-28
	Adjustments at 30.09.	**93**	236	**93**	236
	Carrying amount at 30.09.	**8,832**	11,864	**8,832**	11,864

The investment portfolio comprises Danish mortgage bonds with variable interest rate.

16	**Inventories**				
	Raw materials and consumables	**11,403**	9,170	**-**	-
	Work in progress	**5,008**	3,247	**-**	-
	Finished goods and goods for resale	**24,720**	28,097	**-**	-
		41,131	40,514	**-**	-

The group has no inventories recognised at fair value.

17	**Receivables**				
	Trade receivables	**35,289**	32,939	**-**	-
	Amounts owed by subsidiaries	**-**	-	**15,897**	23,606
	Other receivables	**10,403**	9,960	**8,863**	233
		45,692	42,899	**24,760**	23,839

Other receivables include total VAT of tDKK 5,348. (2011/12: tDKK 3,047)
concerning VAT returns in Lithuania. The group is still experiencing delays in the repayment process.

Credit risks associated with the individual receivables depend primarily on the debtors' domicile. The quality of receivables not written down is assessed on the basis of the group's internal credit rating procedures and external credit ratings to be of high quality and to pose a low risk of loss. See also note 23 for information on credit risks.

The group's trade receivables are distributed as follows by geographical area:

Denmark	**2,581**	2,815
Scandinavia	**7,671**	9,927
EU	**19,378**	16,201
Other countries	**5,659**	3,996
	35,289	32,939

The group's trade receivables at 30.09.2013 include receivables totalling tDKK 700. (2011/12: tDKK 1,009, written down to tDKK 700 after an individual assessment (2011/12: tDKK 1,000) Other external costs include bad debts of tDKK 490. (2011/12: tDKK 704). Write-downs of trade receivables are due to customer bankruptcy or anticipated payment default by the individual customer.

Note	tDKK	CONSOLIDATED 2012/13	CONSOLIDATED 2011/12	PARENT COMPANY 2012/13	PARENT COMPANY 2011/12
	Scandinavia	**65**	130		
	EU	**635**	724		
	Other countries	**-**	146		
		700	1,000		

Trade receivables due on 30.09.2013, but not impaired, were recognised as follows:

	Up to 30 days	**4,338**	2,481	
	Between 30 and 90 days	**1,279**	358	
	Over 90 days	**1,312**	988	
		6,929	3,827	

Interest income arising from receivables written down is not recognised.

18 Research and development costs

The correlation between research and development costs incurred and expensed is specified as follows:

	Research and development costs incurred	**8,461**	7,773	
	Development costs recognised as intangible assets	**-3,876**	-3,372	
	Research and development costs for the year recognised in the income statement under staff and other external costs	**4,585**	4,401	

19 Share capital

The share capital comprises 1,890,000 DKK 20 shares. No shares carry special rights.

Neither the group nor the parent company holds any treasury shares.

Capital management

The group's ordinary activities still generate high cash flows, enabling the group to maintain solid financial resources. The group regularly assesses the need for adjusting its capital structure to hold the required higher return on equity up against the higher degree of uncertainty surrounding external financing. A high equity ratio has always been a top priority of Gabriel in order to ensure the greatest room for manoeuvre in all situations. The group's equity ratio on 30.09.13 was 68%, four percentage points higher than last year. Reducing tied-up funds is also constantly on the group's agenda.

The group wishes to provide its shareholders with regular returns on their investment while maintaining an appropriate level of equity to ensure the company's future operations.

Against this background, the present capital resources are deemed adequate in the present economic climate.

Note	tDKK	CONSOLIDATED 2012/13	CONSOLIDATED 2011/12	PARENT COMPANY 2012/13	PARENT COMPANY 2011/12
20	**Deferred tax**				
	Deferred tax at 01.10.	**7,223**	7,960	**-**	58
	Deferred tax for the year recognised in the income statement	**-67**	-98	**36**	-58
	Deferred tax for the year recognised in other comprehensive income	**-58**	28	**-36**	-
	Reduction in Danish corporation tax from 25% to 22% up to 2016	**-700**	-	**-**	-
	Adjustment in respect of previous years	**-**	-667	**-**	-
	Deferred tax at 30.09	**6,398**	7,223	**-**	-
	Deferred tax is incumbent on:				
	Intangible assets	**2,420**	2,282	**-**	-
	Land and buildings	**3,084**	3,542	**-**	-
	Plant and machinery, etc.	**1,020**	1,371	**-**	-
	Current assets	**-74**	28	**-**	-
	Current liabilities	**-52**	-	**-**	-
		6,398	7,223	**-**	-
21	**Credit institutions**				
	Amounts owed to credit institutions relate to:				
	Mortgage debt	**34,786**	36,954	**-**	-
	Total carrying amount	**34,786**	36,954	**-**	-
	Amounts owed to credit institutions were recognised on the statement of financial position as follows:				
	Non-current liabilities	**32,568**	34,855	**-**	-
	Current liabilities	**2,218**	2,099	**-**	-
	Total carrying amount	**34,786**	36,954	**-**	-
	Fair value	**36,080**	38,316	**-**	-
	Debt falls due as follows:				
	0-1 years	**2,525**	2,659	**-**	-
	1-5 years	**9,986**	10,529	**-**	-
	> 5 years	**24,737**	28,621	**-**	-

The loan is a floating-rate mortgage loan in EUR (F1) subject to annual adjustment.
The current level of interest is 0.3927% p.a. with the principal of tEUR 5,920.

The maturity analysis is based on all undiscounted cash flows, including estimated interest payments.
Interest payments are estimated on the basis of existing market conditions.

Note

22 Lease liabilities

Lease liabilities are recognised as follows on the statement of financial position:

tDKK	CONSOLIDATED					
	2012/13			2011/12		
	Minimum lease payment	Interest component	Carrying amount	Minimum lease payment	Interest component	Carrying amount
0-1 years	**1,406**	**-87**	**1,319**	1,406	-125	1,281
1-5 years	**2,180**	**-53**	**2,127**	3,471	-134	3,337
> 5 years	**-**	**-**	**-**	-	-	-
	3,586	**-140**	**3,446**	4,877	-259	4,618

The lease liability concerns the financing of an ERP system, and financing thereof has been agreed with the group's bankers. The agreement runs for five years and expires in 2016.

23 Financial risks and derivative financial instruments

Given its operations, investments and financing, the group is exposed to a number of financial risks, including market risks (currency risks, interest rate risks and risks relating to raw materials), credit risks and liquidity risks.

Gabriel's policy is not to engage in active speculation in financial risks. The group's financial management thus covers only management and reduction of the financial risks arising directly from the group's operations, investments and financing.

Management monitors the group's risk concentration broken down on customers, geographical areas, currencies, etc. Management also monitors whether the group's risks are correlated, and whether the group's risk concentration has undergone any changes. The group's risk exposure and risk management have remained unchanged from 2011/12.

The group's categories of financial assets and liabilities are given below:

tDKK	CARRYING AMOUNT	
	2012/13	**2011/12**
Derivatives taken up to hedge future cash flows	20	109
Financial assets used as hedging instruments	**20**	**109**
Amounts owed by associates	5,859	7,269
Other non-current receivables	1,470	1,470
Receivables	45,672	42,790
Cash and cash equivalents	18,951	19,676
Loans and receivables	**71,952**	**71,205**
Securities	8,832	11,864
Financial assets available for sale	**8,832**	**11,864**
Credit institutions	34,786	36,954
Financial leasing liabilities	3,446	4,618
Trade payables	17,613	19,956
Financial liabilities measured at amortised cost	**55,845**	**61,528**

The fair value of financial assets and liabilities is in line with the carrying amounts apart from amounts owed to credit institutions (see note 21).

Note

23 cont.

The group measures its portfolio of bonds at market value (see note 15). Securities are classified as level 1 "listed prices" under the market value hierarchy. Derivative financial instruments in the form of forward exchange contracts entered into to hedge future cash flows are recognised as financial assets at market value of tDKK 20. (2011/12: tDKK 109). Forward exchange contracts are valued in accordance with generally recognised valuation techniques based on relevant observable exchange rates and classified as level 2 "other input" under the fair value hierarchy.

Currency risks

The group's foreign exchange positions in Danish kroner are specified as follows at 30.09.2013:

tDKK Currency	Trade receivables	Bank loans – trade payables/ credit institutions	Hedged by forward contracts	Net position
DKK	2,533	-3,388	-	-855
EUR	24,524	-40,053	-	-15,529
SEK	2,110	-18	-3,897	-1,805
NOK	388	190	-	578
Other	5,734	6,376	-	12,110
Abroad	32,756	-33,505	-3,897	-4,646

The group's foreign exchange positions in Danish kroner on 30.09.2012 were as follows:

tDKK Currency	Trade receivables	Bank loans – trade payables/ credit institutions	Hedged by forward contracts	Net position
DKK	3,695	-954	-	2,741
EUR	22,616	-43,401	-	-20,785
SEK	2,304	609	-5,608	-2,695
NOK	288	398	-	686
Other	4,036	2,805	-	6,841
Abroad	29,244	-39,589	-5,608	-15,953

The group has used forward exchange transactions to hedge its risks related to changes in cash flows resulting from exchange rate movements. The effective part of the outstanding forward exchange contracts' market value at 30.09.2013, which is used to fulfil the terms for hedge accounting of future transactions, is recognised directly in equity until the hedged transactions are recognised in the income statement. Forward exchange contracts were entered into with a principal of tDKK 3,897 at 30.09.2013 to hedge exchange rate risks in SEK. A value adjustment of tDKK 20 is recognised in equity at 30.09.2013.

The foreign exchange contracts mature within three months.

Note

23 cont. The group hedges currency risks considering projected future cash flows and projected future exchange rate movements. The majority of sales in Europe are settled in the customer's currency, while the euro is primarily used for settlement with other international customers. Currency risks generated by income are only of a limited scale, as most income is invoiced in the Scandinavian currencies or euros. Most purchases are settled in Danish kroner or euros.

Any changes in the exchange rates on 30.09.2013 are not deemed to have any material impact on results or equity because of the low currency exposure on 30.09.2013.

Given the group's use of derivative financial instruments to hedge the group's exposure in relation to expected sales transactions and financial instruments, the group's equity will be affected by the recognition of the effective part of the changes in the hedging instruments' market value in the reserve for cash flow hedging.

In 2013/14, the group's foreign currency exposure is expected to be essentially unchanged relative to 2012/13.

Liquidity and interest rate risks
The group has generated positive cash flows for many years and has thus not been dependent on external financing. The group has cash and cash equivalents of DKK 19.0 million and a further liquidity reserve of DKK 8.8 million in Danish mortgage credit bonds. At 30.09.2013, the group had no bank debt and an unused line of credit of DKK 30 million with the group's bank. The group is thus judged to have adequate liquidity to ensure the ongoing financing of future operations and investments.

The group has an ongoing operating credit, while the mortgage loan was taken up as an adjustable rate loan in euros with annual interest adjustments. The lease for the ERP system was drawn up in euros with a variable interest rate. The agreement runs for five years. The bond portfolio consists primarily of short-dated bonds denominated in Danish kroner, adjusting interest to the general societal interest level.

Group financial receivables carry a contractual fixed interest rate during their entire lives. On this basis, an isolated rise or fall of one percentage point in the market rate is judged not to be of major significance for the group's profit.

Risks relating to raw materials
The group typically enters into cooperative agreements with its most important suppliers to ensure reliability of delivery and to lock prices. As indicated in note 25, Gabriel has concluded purchase agreements for raw material supplies for 2013/14. The group is not exposed to any major price risks arising from its use of raw materials.

Credit risks
In line with group credit risk policy, all major customers and other business partners are regularly credit rated. Credit risk management is based on internal credit lines for customers. Prompted by the financial crisis, the group has intensified its focus on the approval of customer credit lines and strengthened its management and monitoring of customers. Group trade receivables are distributed on numerous customers, countries and markets, ensuring a high degree of risk diversification. On the basis of the group's internal credit procedures, it is judged that the quality of the group's trade receivables depends primarily on the debtor's home country. The creditworthiness of debtors from Scandinavia and the EU is usually higher than that of debtors from other countries.

The group aims to reduce risk through efficient monitoring, follow-up and credit insurance of major foreign and domestic receivables or alternative collateral. Credit insurance has been taken out for all major foreign and domestic receivables at 30.09.2013. The group's trade receivables are usually due for payment no later than 1-2 months after delivery. The group has a past record of minor bad debts and is usually exposed to only a limited risk of major losses. We refer to note 17.

The group financed production equipment for the associate UAB Scandye and another business partner as investments. Gabriel has been provided with collateral in the leased equipment and with a guarantee for the amount. The lessees may perform the contracts at their residual values.

24 Operating leases
At 30.09.2013, the group held operating leases for vehicles with a residual lease liability of tDKK 1,659, of which tDKK 939 is due within one year, while the rest is due within 1-3 years. An amount of tDKK 1,037 was expensed in the financial year as against tDKK 806 in 2011/12.

On 30.09.2013, the group had entered into a rental contract for its sales office in Bingen, Germany. The rental period terminates in 2023 and the total liability for future rental payments is tDKK 2,667, of which tDKK 278 is due within one year, while tDKK 1,276 is due after five years.

Note

25 Contingent liabilities and collateral

Parent company

The parent company has issued a letter of subordination to the bankers of the subsidiary Gabriel A/S covering the current amount owed.

The parent company is jointly taxed with other Danish companies in the Gabriel Holding group. In its capacity as the administrative company, the company has unlimited joint and several liability with the other companies in the joint taxation unit for Danish corporation taxes and withholding taxes on dividends and interest within the joint taxation unit. Any subsequent corrections to corporation and withholding taxes could result in a change in the company's liability.

Consolidated

As part of usual group operations, the group has entered into purchase agreements for future raw material supplies at an amount of tDKK 8,993 to ensure raw material supplies in 2013/14.

Claims and warranties do not represent a major expense for the group. This is the result of the certifications for the ISO 9001 Quality Management Standard since 1991 and the Environmental Management Standard ISO 14001 since 1996.

Gabriel has provided collateral of tDKK 44,100 in land and buildings for amounts owed to credit institutions. The carrying amount of land and buildings was tDKK 67,322 at 30.09.2013, while amounts owed to credit institutions (mortgage debt) were tDKK 34,786.

26 Transactions with group companies, major shareholders, Board of Directors and Executive Board

The parent company's related parties comprise subsidiaries as well as their Boards of Directors and Executive Boards. Related parties also comprise companies in which the above persons have significant influence. Gabriel Holding A/S has no related parties exercising control.

The parent company is jointly taxed with other Danish companies in the Gabriel Holding group, which means that the company is liable for Danish corporation and withholding taxes etc. within the joint taxation unit. Please see note 25 for further information.

	PARENT COMPANY	
tDKK	**2012/13**	2011/12
Administration fee from affiliated enterprises	**2,000**	-
Interest income from affiliated enterprises	**554**	462
Dividend from affiliated enterprises	**7,000**	7,500

Transactions with group enterprises were eliminated in the consolidated financial statements in accordance with the accounting policy.

The related parties also include associates over which Gabriel exercises significant influence. Trading with the associate UAB Scandye comprised the following:

	CONSOLIDATED	
tDKK	**2012/13**	2011/12
Purchases from associates	**24,893**	23,740
Interest, etc. from associates	**357**	432

Apart from executive and directors' remuneration disclosed in note 5, the group and the parent company did not engage in any transactions with the Board of Directors, Executive Board, executive employees, major shareholders or other related parties during the year.

Note

27 Accounting estimates and judgments

The carrying amount of certain assets and liabilities is stated on the basis of Management's estimated impact of future events on the value of these assets and liabilities at the statement of financial position date. Estimates important to the financial reporting are mainly made by calculating write-downs for inventory obsolescence, write-downs on debtors, depreciation/amortisation and impairment losses, and contingent liabilities.

28 New financial reporting regulations

The IASB has issued new financial reporting standards (IASs and IFRSs) and IFRICs which are not mandatory for Gabriel Holding A/S in the preparation of the 2012/13 annual report. Gabriel Holding A/S expects to implement the new accounting standards and IFRICs upon their mandatory adoption. The new standards and IFRICs are not expected to materially affect Gabriel Holding A/S's future financial reporting.

29 Accounting policies

Gabriel Holding A/S is a limited liability company domiciled in Denmark. The financial section of the annual report for the period 01.10.2012-30.09.2013 comprises the consolidated financial statements for Gabriel Holding A/S and its subsidiaries (the group) and separate parent company financial statements.

The consolidated financial statements and the parent company financial statements of Gabriel Holding A/S for 2012/13 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and Danish disclosure requirements for listed companies.

The Board of Directors and the Executive Board discussed and approved the annual report for 2012/13 of Gabriel Holding A/S on 14 November 2013. The annual report will be presented to the shareholders of Gabriel Holding A/S for approval at the annual general meeting on 12 December 2013.

Basis for preparation

The consolidated financial statements and the parent company financial statements are presented in DKK rounded to the nearest DKK 1,000.

The accounting policies as described below were applied consistently during the financial year and for the comparative figures. Comparative figures are not restated for standards to be implemented in the future.

Change in accounting policies

With effect from 1 October 2012, Gabriel Holding A/S has implemented:

- Amendments to IAS 1 Presentation of items of other comprehensive income.

The new standards and IFRICs did not affect the recognition and measurement in 2012/13.

ACCOUNTING POLICIES APPLIED

Consolidated financial statements

The consolidated financial statements cover the parent company Gabriel Holding A/S and subsidiaries in which Gabriel Holding A/S exercises control, i.e. the power to govern the financial and operating policies so as to obtain benefits from its activities. A controlling interest is obtained when the company directly or indirectly holds more than 50% of the voting rights in the subsidiary, or which it controls in some other way.

Enterprises over which the group exercises significant influence, but which it does not control, are considered associates. Significant influence is typically obtained by direct or indirect ownership or control of more than 20% of the voting rights but less than 50%.

Whether Gabriel Holding A/S exercises control or significant influence is determined on the basis of the potential voting rights exercisable at the statement of financial position date.

The consolidated financial statements cover the parent company Gabriel Holding A/S and the subsidiaries Gabriel A/S, Gabriel Ejendomme A/S, ZenXit A/S, Gabriel (Tianjin) International Trading Co. Ltd., UAB FurnMaster and Gabriel GmbH. UAB Scandye is considered an associate and was recognised as an investment in associates in the annual report.

The consolidated financial statements were prepared as a consolidation of the parent company's and the individual subsidiaries' financial statements prepared according to the group's accounting policies with elimination of intra-group income and expenses,

Note

29 cont.

shareholdings, intra-group balances and dividends and realised and unrealised gains on intra-group transactions. Unrealised gains on transactions with associates are eliminated in proportion to the group's ownership share of the enterprise. Unrealised losses are eliminated in the same way as unrealised gains to the extent that impairment has not taken place.

The consolidated financial statements include the subsidiaries' accounting items 100%. The minority interested parties' share of the profit for the year and of the equity in subsidiaries which are not 100% owned is included as a part of the group's result or equity but shown separately.

Business combinations
Enterprises acquired or formed during the year are recognised in the consolidated financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the consolidated financial statements until the date of disposal. The comparative figures are not restated for acquisitions.

For acquisitions of new businesses over which Gabriel Holding A/S obtains control, the purchase method is used. The acquired businesses' identifiable assets, liabilities and contingent liabili¬ties are measured at fair value at the acquisition date. Deferred tax related to the revaluations is recognised.

The acquisition date is the date when Gabriel Holding A/S effectively obtains control of the acquired business.
Costs attributable to business combinations are recognised directly in profit or loss when incurred.

Non-controlling interests
On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' ownership share or at the non-controlling interests' proportionate share of the fair value of the acquired business' identifiable assets, liabilities and contingent liabilities. Measurement of non-controlling interests is chosen transaction by transaction and disclosed in the notes in connection with the description of acquired enterprises.

Foreign currency translation
For each of the reporting entities in the Group, a functional currency is determined. The functional currency is the currency used in the primary financial environment in which the reporting entity operates. Transactions denominated in other currencies than the functional currency are foreign currency transactions. On initial recognition, foreign currency transactions are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange differences arising between the transaction date and the date of payment are recognised in profit or loss as finance income or finance costs. Receivables and payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rates at the end of the reporting period. The difference between the exchange rates at the end of the reporting period and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised in profit or loss as finance income or finance costs. In the consolidated financial statements, the income statements of subsidiaries with a functional currency different from DKK are translated at the exchange rates at the transaction date, and the statement of financial position items are translated at the exchange rates at the end of the reporting period. An average exchange rate for each month is used as the transaction date exchange rate to the extent that this does not significantly distort the presentation of the underlying transactions.

Foreign exchange differences arising on translation of the opening balance of equity of such foreign operations at the exchange rates at the end of the reporting period and on translation of the statements of comprehensive income from the exchange rates at the transaction date to the exchange rates at the end of the reporting period are recognised in other comprehensive income under a separate translation reserve under equity.

On recognition in the consolidated financial statements of associates with another functional currency than DKK, the share of profit/loss for the year is translated at average exchange rates and the share of equity, including goodwill, is translated at the exchange rates at the end of the reporting period. Foreign exchange differences arising on the translation of the share of the opening equity of foreign associates at the exchange rates at the end of the reporting period, and on translation of the share of profit/loss for the year from average exchange rates to the exchange rates at the end of the reporting period, are recognised in other comprehensive income under a separate translation reserve under equity.

Derivative financial instruments
Derivative financial instruments are recognised and measured on the statement of financial position at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and other liabilities respectively. Fair values for derivative financial instruments are measured on the basis of current market data and acknowledged valuation methods.

Note

29 cont. Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the results together with changes in the value of the hedged asset or liability as regards the portion hedged.

Changes in the fair value of derivative financial instruments designated as and qualifying for recognition as a hedge of future cash flows, and which effectively hedge changes in future cash flows, are recognised in equity under a separate reserve for hedging transactions until the hedged cash flows affect the results. At this time, any gain or loss regarding such hedging transactions is transferred from equity and recognised in the same item as the hedged item.

For derivative financial instruments that do not qualify for hedge accounting, changes in fair value are recognised in the income statement as finance income or finance costs.

INCOME STATEMENT

Net revenue
Revenue from the sale of goods for resale and finished goods is recognised in revenue provided that delivery and transfer of risk to the buyer has taken place before year end and that the income can be reliably measured and is expected to be received. Rental income is accrued and recognised on a straight-line basis over the period in accordance with contracts entered into.

Net revenue is measured ex VAT, taxes and discounts in relation to the sale.

Other operating income
Other operating income comprises items secondary to the principal activities of the enterprise, including gains on the sale of intangible assets and property, plant and equipment.

Public subsidies
Public subsidies comprise subsidies and financing of development projects. Public subsidies are recognised in the income statement under other operating income in step with payment of the costs entitled to subsidy.

Cost of sales etc.
These costs include costs paid to achieve the year's net revenue, including direct and indirect costs of raw materials and consumables, goods for resale and energy etc.

The cost of sales etc. also includes direct and indirect costs of wages and consumables in connection with production of the group's products.

Other external costs
Other external costs are mainly costs concerning sales, distribution, maintenance, premises and administration.

Profit/loss from investments in associates recognised in the consolidated financial statements
The proportionate share of the results after tax of the associates is recognised in the consolidated income statement after elimination of the proportionate share of intra-group profits/losses.

Finance income and costs
Finance income and costs comprise interest income and expenses, gains and losses as well as write-downs on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities and surcharges and refunds under the on-account tax scheme etc. Realised and unrealised gains and losses on derivative financial instruments which are not designated as hedging arrangements are also included.

Dividends received from investments in subsidiaries are recognised in the parent company income statement in the financial year in which the dividends are declared. If distributed dividends exceed comprehensive income for the relevant period, an impairment test is made.

Note

29 cont. **Tax on profit for the year**

Gabriel Holding A/S is jointly taxed with the subsidiaries Gabriel A/S, Gabriel Ejendomme A/S, ZenXit A/S and Gabriel Innovation A/S. The current Danish corporation tax is allocated between the jointly taxed Danish companies in proportion to their taxable incomes (full absorption with deduction for tax losses). The jointly taxed companies are included in the on-account tax scheme.

The tax for the year comprises current tax and changes in deferred tax for the year. The tax expense relating to the profit for the year is recognised in the income statement, and the tax expense relating to changes directly recognised in equity is recognised directly in equity.

STATEMENT OF FINANCIAL POSITION

Development projects

Development costs comprise costs, salaries and amortisation which are directly or indirectly attributable to the company's development activities.

Development projects that are clearly defined and identifiable, where the technical utilisation degree, sufficient resources and a potential future market or development opportunities in the company are evidenced, and where the company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production and distribution costs, administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Capitalised development costs are measured at the lower of cost less cumulative amortisation and impairment losses and recoverable amount.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The usual amortisation period is five years.

Property, plant and equipment

Land and buildings, plant and machinery, fixtures and fittings, other plant and equipment are measured at costs less cumulative depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, suppliers, and wages and salaries as well as borrowing costs from specific and general borrowing directly relating to the construction of the individual asset.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items which are depreciated separately.

The cost of finance leases is stated at the lower of fair value and the net present value of future minimum lease payments. When the net present value of the future lease payments is calculated, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor.

Subsequent costs arising from e.g. the replacement of components of property, plant and equipment are recognised in the carrying amount of the relevant asset when it is probable that future economic benefits will flow to the group. The components replaced will be derecognised on the statement of financial position and the carrying amount will be transferred to the income statement. All other ordinary costs of repair and maintenance will be recognised in the income statement as incurred.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets/components as follows:

Buildings	10-25 years
Leasehold improvements	10 years
Plant and machinery	3-8 years
Fixtures and fittings, other plant and equipment	3-8 years

Land is not depreciated.

Note

29 cont. The depreciation is calculated on the basis of the residual value less impairment losses. Depreciation period and residual value are determined on the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued.

When the depreciation period or the residual value is changed, the effect on depreciation is recognised prospectively as a change in accounting estimates.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the sales price less cost of sales and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs.

Impairment of non-current assets
The carrying amount of non-current assets is tested annually for indicators of impairment. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined. The recoverable amount is the higher of an asset's net selling price less anticipated disposal costs and its value in use. The value in use is calculated as the net present value of forecast future cash flows from the asset or from the cash-generating unit to which the asset belongs.

An impairment loss is recognised if the carrying amount of the net assets exceeds its recoverable amount.

Investments in associates in the consolidated financial statements
Investments in associates are measured according to the equity method.

Investments in associates are measured in the statement of financial position at the groups' share of the enterprises' equity values calculated in accordance with the group's accounting policies plus or minus the proportionate share of unrealised intra-group profits and losses and plus the carrying amount of goodwill. Investments in associates are tested for impairment when there is an indication of impairment.

Investments in subsidiaries in the parent company financial statements
Investments in subsidiaries are measured at cost. Where the recoverable amount is lower than cost, investments are written down to this lower value.

At the distribution of reserves other than retained earnings in subsidiaries, the distribution will reduce the cost of investments when the distribution is characterised as repayment of the parent company's investment.

Amounts owed by associates
Amounts owed by associates are attributable to lease contracts for assets of which the group is the owner, but of which all major risks and maintenance liabilities are incumbent on the associate. Finance leases are recognised on the statement of financial position at the net present value of future lease payments. The interest rate implicit in the lease is used for the calculation of the net present value.

Securities
Listed bonds classified as available-for-sale are recognised as non-current assets at cost on the trade date and are measured at fair value corresponding to the market price. Unrealised value adjustments are recognised in other comprehensive income except for foreign exchange adjustments of bonds denominated in foreign currencies, which are recognised in the result under finance income and costs. On realisation, the cumulative value adjustment recognised in other comprehensive income is reclassified to finance income and costs in the result.

Inventories
Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages/salaries and indirect production overheads. Indirect production costs comprise indirect materials, wages/salaries and maintenance as well as depreciation of production equipment, buildings and equipment and factory administration and management.

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

Note

29 cont. **Receivables**

Receivables are measured at amortised cost. Write-downs are made for losses on bad debts when there is an objective indication of an impairment loss. In such cases, a write-down is made individually for each specific receivable. Write-downs are determined as the difference between the carrying amount and the net present value of projected cash flows, including the net realisable value of any collateral.

Equity

Dividends

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Treasury shares

Cost of acquisition of, compensation received for and dividends received from treasury shares are recognised directly as retained earnings in equity. Gains and losses on sales are thus not recognised in the income statement.

Translation reserve

The translation reserve in the consolidated financial statements comprises foreign exchange differences arising on translation of financial statements of foreign enterprises from their functional currencies to Danish kroner.

Reserve for hedging transactions

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions which qualify for recognition as a cash flow hedge and where the hedged transaction has not been realised.

Reserve for fair value adjustment

The reserve for fair value adjustment comprises the cumulative change in the fair value of financial assets available for sale. The reserve, which forms part of the company's distributable reserves, is eliminated and transferred to the income statement as the investment is sold or written down.

Current tax and deferred tax

Current tax payable and receivable is recognised on the statement of financial position as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the statement of financial position liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities.

Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability.

Deferred tax assets are recognised at the expected value of their utilisation, either as a set-off against tax on future earnings or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the statement of financial position date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

Financial liabilities

Amounts owed to credit institutions etc. are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest rate. The difference between the proceeds and the nominal value is accordingly recognised in the income statement as finance costs over the term of the loan. Financial liabilities also include the capitalised residual obligation on finance leases measured at amortised cost.

Liabilities comprising trade payables, group enterprises and other liabilities are measured at nominal value.

Leases

For accounting purposes, lease obligations are divided into finance and operating leases.

Leases are classified as finance leases if they transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating leases.

Note

29 cont. The accounting treatment of assets held under finance leases and lease obligations is described under Property, plant and equipment and Financial liabilities, respectively. Operating lease payments are recognised in the income statement on a straight-line basis over the lease term

CASH FLOW STATEMENT

The cash flow statement shows the cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are recognised as the share of profit/loss adjusted for non-cash operating items, changes in working capital and corporation taxes paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of businesses and activities and of intangible assets, property, plant and equipment and other non-current assets as well as acquisition and disposal of securities not classified as cash and cash equivalents.

Cash flows from financing activities

Cash flows from financing activities comprise the raising of loans, repayment of interest-bearing debt, acquisition of treasury shares and payment of dividends to shareholders.

Bank loans/cash and cash equivalents

The item covers cash and cash equivalents and bank loans (overdraft facilities).

SEGMENTS

The Gabriel group has only one reportable business segment, as all its products relate to furniture fabrics and related textiles. The products are sold to selected leading international manufacturers and key account customers specialising in upholstered furniture, seats and upholstered surfaces. Gabriel A/S accounts for most of the activities. The products for the individual business areas go through substantially the same production process, and the sales divisions have the same type of customers. In addition, the product distribution channels are the same.

Revenue generated by the Western European and U.S. markets, where the economic and political climates, activities, risks and currency exposure remain undifferentiated, accounts for more than 95% of total revenue.

Consequently, the group's income and expenses as well as assets and liabilities are not broken down on operating segments in the notes.

The geographical break-down of revenue and non-current assets based on the internal management reporting are disclosed.

Gabriel®

Gabriel Holding A/S
Hjulmagervej 55
DK-9000 Aalborg
Phone: +45 9630 3100
www.gabriel.dk