ANNUAL REPORT
Royal Greenland A/S - 2011/12
October 1st 2011 – September 30th 2012

BY APPOINTMENT TO THE ROYAL DANISH COURT

Royal Greenland®

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Reg.nr. 184.991

The annual report has been prepared and approved
by the ordinary Annual General Meeting on January 23rd 2013

XXXXXX
Chairman of the Annual General Meeting

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Statement by the Management on the annual report

The Supervisory and Executive Boards have today considered and adopted the annual report of Royal Greenland A/S for the financial year October 1st 2011 – September 30th 2012.

The annual report has been presented in accordance with the Danish Financial Statements Act. We consider the applied accounting policies appropriate for the annual report to provide a true and fair view of the Group's and the Parent's assets, equity and liabilities, financial position, financial performance, results and the consolidated cash flow.

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

Copenhagen, December 13th 2012

Executive Board

Mikael Thinghuus	Nils Duus Kinnerup

Supervisory Board

Niels Harald de Coninck-Smith	Marie Fleischer
Svend Bang Christiansen	Pernille Fabricius
Sara Heilmann	Peder Tuborgh
Lars Berthelsen	Peter Korsbæk
Niels Ole Møller	

Independent auditors' report

To the shareholder of Royal Greenland A/S
We have audited the annual report of Royal Greenland A/S for the financial year 1 October 2011 – 30 September 2012, comprising the statement by the Executive Board and the Board of Directors, Management's review, accounting policies, income statement, balance sheet, statement of changes in equity and notes for the Group as well as for the parent company and consolidated cash flow statement. The annual report is prepared in accordance with the Danish Financial Statements Act and Danish Accounting Standards.

Management's responsibility
Management is responsible for the preparation and presentation of an annual report that gives a true and fair view in accordance with the Danish Financial Statements Act and Danish Accounting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of an annual report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility and basis of opinion
Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of annual report, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and presentation 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 control. 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 annual report.

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

Our audit has not resulted in any qualification

Opinion
In our opinion, the annual report gives a true and fair view of the Group's and the parent company's financial position at 30 September 2012 and of the results of the Group's and the parent company's operations and consolidated cash flows for the financial year 1 October 2011 – 30 September 2012 in accordance with the Danish Financial Statements Act and Danish Accounting Standards.

Copenhagen, December 13th 2012

KPMG Grønland - Statsautoriseret Revisionsanpartsselskab

Claus Hammer-Pedersen - State Authorised Public Accountant

Jens Weiersøe Jakobsen - State Authorised Public Accountant

ANNUAL REVIEW

COMPANY DETAILS

Royal Greenland A/S
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www.royalgreenland.com

Reg.no. 184.991

FINANCIAL YEAR: October 1st – September 30th
REGISTERED IN: Kommuneqarfik Sermersooq

The Government of Greenland owns all shares in the Company.

AUDITORS: KPMG Grønland
Statsautoriseret Revisionsanpartsselskab

GROUP CHART

ROYAL GREENLAND A/S

Royal Greenland Seafood A/S - 100%

- Royal Greenland Seafood GmbH - 100%
- Royal Greenland Seafood Sp. zoo - 100%
- Eastern Quebec Seafoods Ltd. - 100%
- Royal Greenland Norway AS - 100%
- Royal Greenland Sweden AB - 100%
- Royal Greenland UK Ltd. - 100%
- Royal Greenland France S.A.S. - 100%
- Royal Greenland Japan Ltd. - 100%
- Royal Greenland Inc. - 100%
  - Iquique U.S. LLC - 18,63% associated
- Royal Greenland GmbH - 100%
- Royal Greenland Italy Spa. - 100%
- Royal Greenland Rusland LLC - 100%

7170629 Canada Inc. - 100%

Gaia Fish A/S - 50%

Ice Trawl Greenland A/S - 50%

- Qaleralik A/S - 50%, associated
- Gaia Fish A/S - 50%

Associated companies

- Upernavik Seafood A/S - 50%
- Agama Royal Greenland LLC - 50%
- Angunnguaq A/S - 49,4%
- Frans Peter ApS - 43,6%
- Polar Raajat A/S - 43%
- Lennert og Sønner ApS - 40%
- Savik ApS - 35%
- Ejendomsselskabet Suliffik A/S - 30,3%
- Sisimiut Fish ApS - 30%
- Akia Sisimiut A/S - 17,5%

SUPERVISORY BOARD

NIELS HARALD DE CONINCK-SMITH
Chairman

MARIE FLEISCHER
Deputy Chairman

SVEND BANG CHRISTIANSEN
Boardmember

PERNILLE FABRICIUS
Boardmember

SARA HEILMANN
Boardmember

PEDER TUBORGH
Boardmember

LARS BERTHELSEN *)
Boardmember

PETER KORSBÆK *)
Boardmember

NIELS OLE MØLLER *)
Boardmember

EXECUTIVE BOARD

MIKAEL THINGHUUS
CEO

NILS DUUS KINNERUP
CFO

*) employee representatives
The managerial positions held by members of the Supervisory Board and Executive Board are shown in note 28

ROYAL GREENLAND'S FLEET

Royal Greenland's fleet consists of three ocean-going prawn trawlers, two ocean-going trawlers for halibut, cod, etc., two coastal prawn trawlers, and a number of smaller vessels engaged in coastal fishing.

The ocean-going production trawlers are floating factories, equipped for both catching and processing prawns, cod, halibut, haddock, redfish and coalfish. The prawns are boiled and frozen on board, while the fish is filleted and frozen for high-quality sea frozen products, or cleaned for further processing on land. The ocean-going trawlers primarily operate off the coasts of Greenland and in the Barents Sea.

Royal Greenland's trawler division is responsible for operating a modern, hi-tech fleet. We make continual efforts to reduce our fuel consumption and promote the use of gentle catch methods. All trawls used in our own fishing are equipped with sorting grids and panels with a view to limiting bycatch as far as possible.

The smaller vessels that operate in the coastal fishing supply raw materials such as prawns and halibut directly to our land-based factories located along the west coast of Greenland. In addition to our own fleet, we also co-operate closely with local vessels and the independent fishermen who land their catches at Royal Greenland.

AKAMALIK - 2001

Length/width: 75,8 x 14,5 m
Production capacity: 110 tons/day
Catch capacity: 7-10,000 tons/year
Hold capacity: 450-750 tons
Crew: 22-26
Trawler type: Ocean-going prawn trawler
Ownership: RG 100%

QAQQATSIAQ - 2002

Length/width: 70 x 14,6 m
Production capacity: 110 tons/day
Catch capacity: 7-10,000 tons/year
Hold capacity: 450-750 tons
Crew: 22-26
Trawler type: Ocean-going prawn trawler
Ownership: RG 100%

SISIMIUT - 1992

Length/width: 66 x 14 m
Production capacity: 25-30 tons/day
Catch capacity: 5-6,000 tons/year
Hold capacity: 750 tons
Crew: 24-34
Trawler type: Ocean-going fish trawler
Ownership: RG 100%

NATAARNAQ - 2001

Length/width: 67,5 x 14,5 m
Production capacity: 110 tons/day
Catch capacity: 7-10,000 tons/year
Hold capacity: 600 tons
Crew: 22-24
Trawler type: Ocean-going prawn trawler
Ownership: RG 50%

LOMUR - 1988

Length/width: 43,2 x 9,6 m
Production capacity: 60 tons/day
Catch capacity: 6,000 tons/year
Hold capacity: 130 tons
Crew: 11
Trawler type: Coastal prawn trawler
Ownership: RG 75%

SERMILIK - 1986

Length/width: 26 x 8 m
Production capacity: 20 tons/day
Catch capacity: 2,500 tons/year
Hold capacity: 45 tons
Crew: 6-9
Trawler type: Coastal prawn trawler, iced prawns
Ownership: RG 100%

ITTUT - 1988

Length/width: 22,2 x 9,2 m
Production capacity: 20 tons/day
Catch capacity: 1,600 tons/year
Hold capacity: 40 tons
Crew: 6-9
Trawler type: Coastal prawn trawler, iced prawns
Ownership: RG 100%

NIELS - 2002

Length/width: 14,3 x 4,52 m
Production capacity: 3 tons/day
Catch capacity: 150-300 tons/year
Hold capacity: 14 tons
Crew: 3-5
Trawler type: Coastal halibut vessel
Ownership: RG 100%

ALUK - 1993

Length/width: 19,4 x 5,2 m
Production capacity: 3 tons/day
Catch capacity: 150-300 tons/year
Hold capacity: 30 tons
Crew: 3-5
Trawler type: Coastal halibut vessel
Ownership: RG 100%%

LAILA S - 2004

Length/width: 14,4 x 5,2 m
Production capacity: 3 tons/day
Catch capacity: 1,600 tons/year
Hold capacity: 15 tons
Crew: 3-5
Trawler type: Coastal halibut vessel
Ownership: RG 100%

PRODUCTION UNITS IN GREENLAND

UUMMANNAQ - 1949

Factory Manager: Abia Thorsteinsen
Main species: Halibut
Finished products: Whole halibut, heads, tails, fillets
Capacity: 40 tons/day
Cold store capacity: 1,100 tons
Number of employees: 10 low- / 50 high season

The current location dates from 1966, but the plant has been expanded in several stages, most recently in 2003.

QEQERTARSUAQ - 1934

Factory Manager: Knud Mølgård
Main species: Crab, cod, roe
Finished products: Crab sections, fish blocks, roe in barrels
Capacity: 10 tons/day crab, 1 ton/day fish
Cold store capacity: 100 tons
Number of employees: 3 low- / 30 high season

The plant has previously produced prawn, meat and frell, and now produces crabs and fish.

IKERASAARSUK - 1950

Factory Manager: Lars Karlsen
Main species: Cod, roe
Finished products: Salt fish
Capacity: 5 tons/day
Cold store capacity: No cold store
Number of employees: 1 low- / 10 high season

Renovated in 1995.

UKKUSISSAT - 1989

Factory Manager: Johanne Knudsen
Main species: Halibut
Finished products: J-cut, heads, tails, whole fish
Capacity: 4,5 tons/day
Cold store capacity: 100 tons
Number of employees: 1 low- / 10 high season

SAQQAQ - 1983

Factory Manager: Nielsine Hansen
Main species: Halibut, other fish
Finished products: Whole halibut in blocks
Capacity: 8 tons/day
Cold store capacity: 80 tons
Number of employees: 2 low- / 10 high season

The plant burned down in 2003, and the current plant opened in 2005.

NUUGAATSIAQ - 1990

Factory Manager: Job Mikaelsen
Main species: Halibut
Finished products: J-cut, heads, tails, whole fish. In winter, drying of halibut strips
Capacity: 4,5 tons/day
Cold store capacity: 100 tons
Number of employees: 1 low- / 10 high season

IKERASAK - 1990

Factory Manager: Elisabeth Filemonsen
Main species: Halibut
Finished products: Whole fish, fillets, with/without skin
Capacity: 20 tons/day
Cold store capacity: 80 tons
Number of employees: 2 low- / 25 high season

The plant has been rebuilt to a lesser degree since its establishment.

KANGAATSIAQ - 1950s

Factory Manager: Olina Themothæussen
Main species: Cod, roe
Finished products: Cod in blocks, roe in barrels
Capacity: 15 tons/day freezing
Cold store capacity: 100 tons
Number of employees: 2 low- / 25 high season

The factory was refurbished/rebuilt in 1986 to its current form, for cod production. Today, cod and other fish are frozen, and roe is processed in season.

SAATTUT - 1986

Factory Manager: Marie Knudsen
Main species: Halibut
Finished products: J-cut, heads, tails, whole fish
Capacity: 7 tons/day
Cold store capacity: 400 tons
Number of employees: 1 low- / 15 high season

The current plant was rebuilt in 1998, when the large cold store also came into use.

PRODUCTION UNITS IN GREENLAND


QAARSUT - 1995

Factory Manager: Anne Marie Markussen
Main species: Roe in season
Finished products: Roe in barrels
Capacity: 5 tons/day
Cold store capacity: No cold store
Number of employees: 0 low- / 6 in the roe season


NIAQORNAARSUK - 1948

Factory Manager: Rune Berthelsen
Main species: Cod, roe
Finished products: Salt fish
Capacity: 5 tons/day
Cold store capacity: No cold store
Number of employees: 1 low- / 10 high season

Rebuilt and renovated in 1995.


KANGAAMIUT - 1944

Factory Manager: Peter Kreutzmann
Main species: Cod, catfish, halibut, roe
Finished products: Whole fish, winter-dried cod, catfish strips, roe in barrels
Capacity: 5 tons/day
Cold store capacity: 30 tons
Number of employees: 4 low- / 16 high season

Renovated in 1994/95.


ILULISSAT - 1920s

Factory Manager: Hans Lars Olsen
Main species: Prawn, halibut
Finished products: IQF prawns, shrimpmeal, whole halibut, cod
Capacity: 120 tons/day prawns, 20 tons/day fish
Cold store capacity: 1600 tons
Number of employees: 100 low- / high season

The current factory was established in 1961 and rebuilt several times. New halibut factory opened 1998, closed 2009. Prawn factory renovated in 2010.


SISIMIUT - 1914

Factory Manager: Vivi Høy Labansen
Main species: Prawn, crab
Finished products: C&P prawns, crab sections
Capacity: 120 tons prawns, 15 tons crabs/day
Cold store capacity: 1600 tons
Number of employees: 100 low- / high season

The current factory was built in 1969 for the production of cod and prawn, and renovated in 1992 and 2011 to a modern prawn factory.


ATAMMIK - 1992

Factory Manager: Mikael Poulsen
Main species: Cod, catfish, roe
Finished products: Whole fish, salt fish, roe in barrels
Capacity: 3 tons freezing, 4 tons salting/day
Cold store capacity: 8 tons
Number of employees: 4 low- / 20 in the roe season


QASIGIANNGUIT - 1940s

Factory Manager: Ole Vestergård
Main species: Halibut, other fish, roe
Finished products: Halibut fillet, frell, heads, IQF fillets, loins
Capacity: 25 tons/day halibut
Cold store capacity: 1,800 tons
Number of employees: 130 low- / high season

Rebuilt to prawn factory in 1952, rebuilt in 1960 and several more times until closure in 1997. Current new factory opened 2000.


NUUK - 1959

Factory Manager: Theo Didriksen
Main species: Cod, halibut, redfish, catfish, roe
Finished products: Roe, fish for export, domestic market products
Capacity: 50 tons/day
Cold store capacity: 200 tons
Number of employees: 12 low- / 40 high season

Godthåb Fiskeindustri taken over in 1990, prawn production ceased in 2002.


QEQERTARSUATSIAAT - 1983

Factory Manager: Ingvar Motzfeldt
Main species: Cod, roe
Finished products: Salt fish, IQF cod, cod in blocks, roe in barrels
Capacity: 21 tons/day
Cold store capacity: 80 tons
Number of employees: 6 low- / 16 high season

PRODUCTION UNITS IN GREENLAND


PAAMIUT - 1920

Factory Manager: Pele Nathansen
Main species: Crab, cod, roe, other fish
Finished products: Crab sections, IQF cod fillets, cod in blocks
Capacity: 10 tons/day crab, 35 tons/day cod
Cold store capacity: 500 tons
Number of employees: 10 low- / 50 high season

Converted from cod production to smokehouse in 1997. Closed 2003. Prawn and crab production established in 2004.

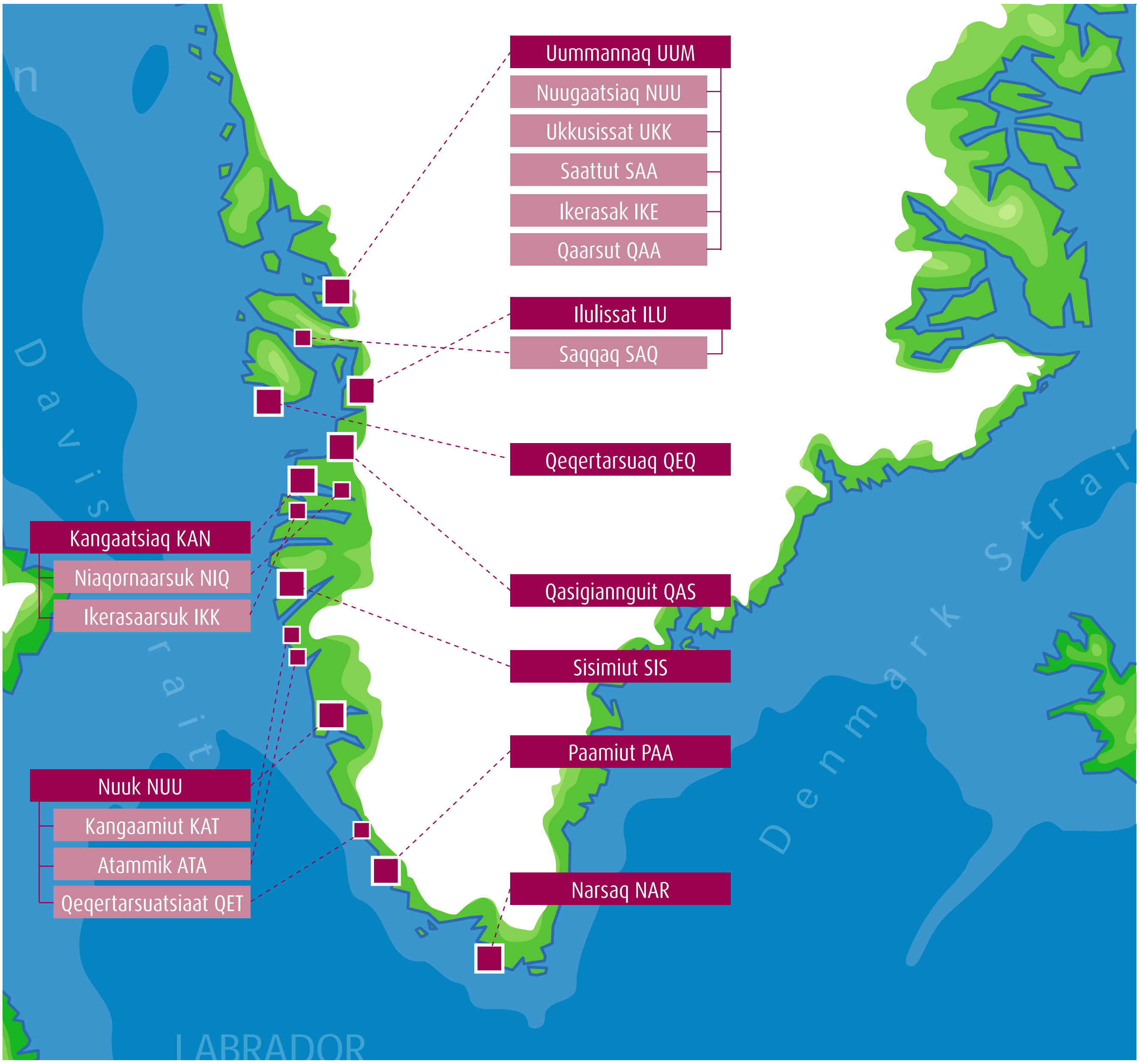

NARSAQ - 1951

Factory Manager: Niels Sakariassen
Main species: Roe, cod, halibut
Finished products: Roe, whole fish
Capacity: Fish freezing, 20 tons/day
Cold store capacity: 600 tons
Number of employees: 1 low- / 15 high season

Built as lamb slaughterhouse and for cod production in 1951. Slaughterhouse sold in 1995. Converted to prawn production in 2003, transferred to seasonal production in 2009.

Production units in Greenland
Royal Greenland's 20 factories and first sales facilities in Greenland are spread along the west coast of the country from Uummanaq in the north to Narsaq in the south.

Our production units in Greenland are based on local species, the most important of which are prawns, cod, halibut, snow crabs and lumpfish roe. The production units in Greenland produce both finished products, such as prawns and natural fillets, and intermediate products for our other production sites.



OTHER PRODUCTION UNITS

LANGERAK - 1988

Factory Manager: Jack Møller
Main species: Prawn
Finished products: Retail and food service shellfish packing
Capacity: 15-18,000 tons/year
Number of employees: 50-70 low- / high season

GLYNGØRE - 1982

Factory Manager: Jack Møller
Main species: Prawn, crayfish tails, surimi
Finished products: Brine and MAP products
Capacity: Brine products 7-8 tons/day, MAP 25 tons/day
Number of employees: 70-80 low- / high season

WILHELMSHAVEN - 1996

Factory Manager: Allan Jensen
Main species: Alaska pollack, cod, hake, hoki
Finished products: Fish fingers, natural fillets, gourmet fillets, Fish 'n' Chips
Capacity: 80,000 ton/year
Number of employees: 420 low- / high season

CUXHAVEN - 2010

Factory Manager: Helgi Helgason
Main species: Lumpfish roe
Finished products: Lumpfish roe in jars
Capacity: 125,000 jars/day
Number of employees: 19 low- / 60 high season

KOSZALIN - 2006

Factory Manager: Meinhard Jacobsen
Main species: Plaice, flounder, cod
Finished products: Breaded flatfish with filling, natural fillet, salmon sides with topping
Capacity: 20,000 tons/year
Number of employees: 425 low- / high season

MATANE - 2006

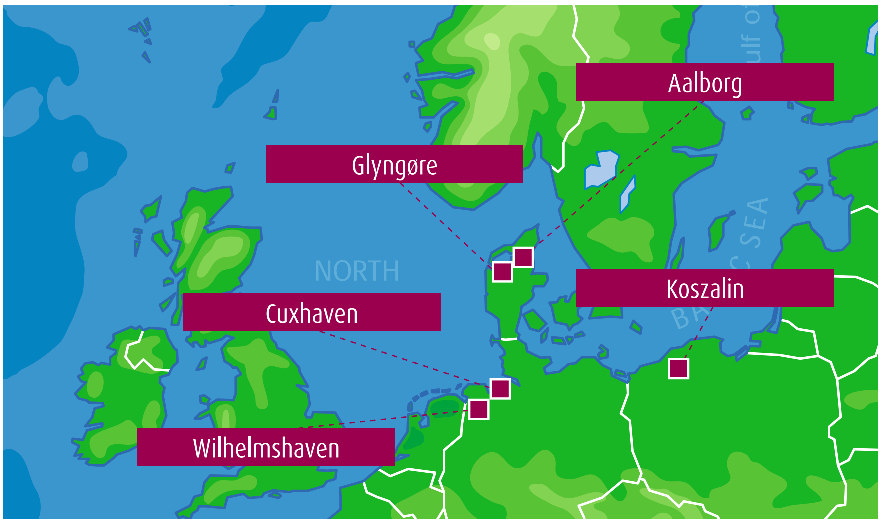
Factory Manager: Lars Juul Petersen
Main species: Prawn
Finished products: Cooked and peeled prawns
Capacity: 30 tons/day
Number of employees: 120 low- / high season

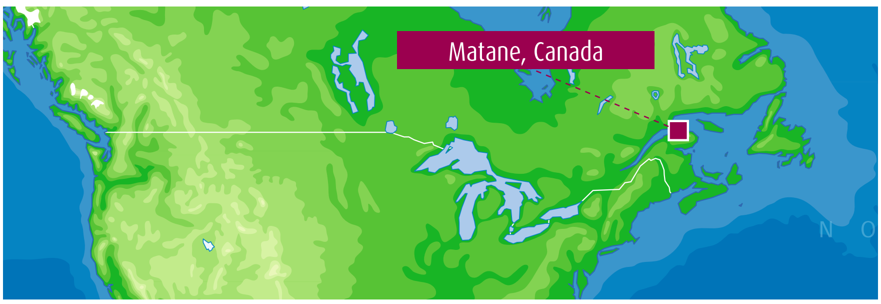
Other production units

Royal Greenland's production units outside Greenland work both with processing and packaging raw materials from Greenland and refining external raw materials. In Denmark, Royal Greenland owns and operates two production units: the central prawn packing plant in Aalborg, and the factory for MAP products and prawns in brine in Glyngøre.

In Germany and Poland, the company operates three production units. The factories in Wilhelmshaven, Germany, and Koszalin, Poland, are the hub for the production and refining of products which are subject to strong competition, and in which efficiency, price and low margins are keywords. The factory in Cuxhaven processes lumpfish roe from Greenland.

In Canada, the company operates a prawn factory in Matane, producing MSC-certified boiled and peeled prawns.





ROYAL GREENLAND SALES ORGANISATION

In Royal Greenland's sales organisation, sales are mainly concentrated in three geographical areas: Scandinavia, Europe and Asia.

SCANDINAVIA

Sales in Scandinavia are mainly of various North Atlantic products, such as prawns and halibut, together with a number of breaded variants processed at the factory in Poland. Royal Greenland has its own sales organisations in Denmark and Sweden, with the latter covering Sweden, Norway, Finland and the Baltic nations. A considerable proportion of sales in Scandinavia take place under Royal Greenland's own brand.

EUROPE

In the major European markets such as Germany and France, sales are mainly of private label products produced at the factory in Wlhelmshaven. In France there is also a tradition of eating halibut and lumpfish roe. In the southern European markets of Spain, Portugal and Italy, Royal Greenland has a less dominating position. Russia and UK are the main markets in cold-water prawns. Besides cold-water prawns the UK sales company is also experiencing rising sales in breaded products from Poland, including for the large fish-and-chips market.

ASIA

Royal Greenland has its own sales company in Japan which operates in the sushi market, etc., on the basis of raw materials from Greenland. Sales to China, Taiwan and other Asian markets are handled by our international sales organisation in Svenstrup, Denmark. The primary product groups derive from the North Atlantic.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

PROFIT/LOSS

KEY FIGURES - DKK mill.	2011/12	2010/11	2009/10	2008/09	2007/08
Net revenue	4,976	4,724	4,249	4,741	5,173
Profit from ordinary operating activities (EBIT)	241	171	73	(86)	50
Net financials	(60)	(40)	(88)	(124)	(99)
Net profit before tax	180	131	(15)	(210)	(49)
Net profit for the year	136	79	(43)	(196)	(78)

BALANCE SHEET

KEY FIGURES - DKK mill.	2011/12	2010/11	2009/10	2008/09	2007/08
Fixed assets	1,314	1,435	1,430	1,378	1,452
Net working capital	1,544	1,480	1,545	1,411	1,814
Equity	1,009	882	803	831	816
Net interest-bearing debt	1,599	1,773	1,976	1,859	2,340
Balance sheet total	3,853	4,066	3,748	3,717	3,869
Investments in property, plant and equipment	109	130	98	168	221

RATIOS IN %

	2011/12	2010/11	2009/10	2008/09	2007/08
EBIT-margin	4.8	3.6	1.7	(1.8)	1.0
EBT-margin	3.6	2.8	(0.4)	(4.4)	(0.9)
ROIC including goodwill	9.9	6.8	2.9	(3.0)	1.7
Return on equity (ROE)	15.7	10.2	(4.3)	(23.4)	(8.8)
Equity ratio	26.8	22.4	22.0	22.4	21.1
Net interest-bearing debt / EBITDA	3.9	4.9	8.0	18.8	10.5

NUMBER OF EMPLOYEES

	2011/12	2010/11	2009/10	2008/09	2007/08
Greenland	832	793	826	855	1,015
Denmark	234	236	251	297	386
Other locations	896	859	857	928	812
I alt	**1,962**	**1,888**	**1,934**	**2,080**	**2,213**

Management's review 2011/12

Royal Greenland continues its positive development

With profits of DKK 136 million and revenue growth of five percent, Royal Greenland is maintaining its momentum and positive development, and has delivered the best annual results in the Company's history.

Royal Greenland's overall goal, as defined in the Naleraq strategy, is to be the leading supplier of North Atlantic seafood and related products.

Fish species which naturally belong in the North Atlantic are caught, and processed in Greenland, Denmark, Canada, China and to some extent in Poland. In addition to this, Royal Greenland also operates a supplementary business based on products from its factories in Germany and Poland. These factories process high-quality products from the northern hemisphere, which are purchased and sold in sales channels along with the Company's other products.

As a very significant company within the Greenlandic fishing industry, we see it as a priority for Royal Greenland to refine and develop Greenland's resources for the maximum benefit of our owners and Greenlandic society as a whole.

To sum up, we can conclude that our business has developed very positively, and has surpassed the economic goals of the strategy – despite declining prawn quotas and a difficult period in ocean-going prawn fishing, which has brought a decline in sales of prawn products by 6,800 tons, corresponding to 23 percent. Through efficiency improvements, major investments in the prawn factories in Sisimiut and Ilulissat have contributed to the positive development.

Products which are primarily sold to large European retail customers are under price pressure, and we are taking steps to address the ever-increasing pressure from the major European chains. In practice this may mean that to an even greater extent than today, we may shift our marketing more towards Asia, if our main European customers refuse to pay even a tolerably reasonable price for a number of products.

After the conclusion of the financial year, it was decided to discontinue production of prawns in brine in Glyngøre and to transfer this production to the factory in Aalborg, with a view to improving future earnings. The financial statements therefore include an accounting write-down of DKK 40 million. Conversely, in the course of the year sold a prawn trawler was sold at a profit of DKK 24 million.

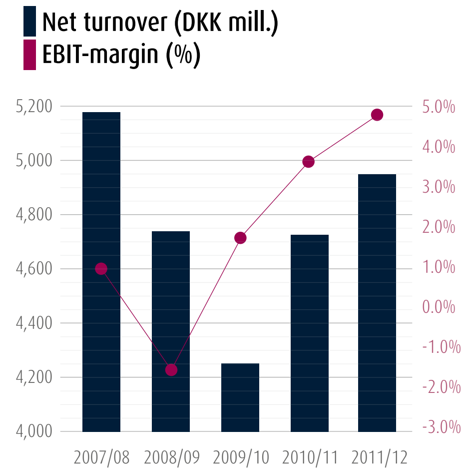
At year-end, the interest-bearing debt amounted to DKK 1.6 billion, as against DKK 2.3 billion at the end of 2007/08, and this will continue to be a strategic focus area. The ambition is to reduce Royal Greenland's interest-bearing debt to DKK 1 billion, so that the Company can obtain sufficient financial freedom to pursue the long-term goal of expansion in its core areas.

We wish to have a strong presence in the awareness of the Greenlandic population, and to be an attractive employer both within and outside Greenland. Satisfactory financial performance helps to strengthen Royal Greenland's profile.

Pursuant to the adopted dividend policy, DKK 3.6 million has been allocated as dividends on the net profits for the year. Tax payable in Greenland amounts to DKK 14.1 million.

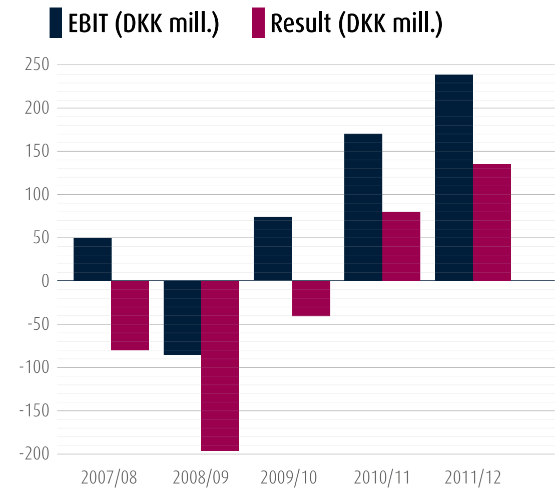
Accounts

The results improvement in 2011/12 is based on revenue growth and on a significant improvement in operating profits.



The EBIT margin improved from 3.6 percent to 4.8 percent, reflecting, in particular, positive developments in the North Atlantic product groups, especially in prawn and halibut.

In the markets, the Asian, British and German markets all showed growth.



For a number of the North Atlantic products the market is global, and we have largely succeeded in distributing these products to the markets with the best earnings.

However, pawns in brine products have been challenged due to rising raw materials prices and excess capacity in the market. Despite the growth in sales, this product area has experienced a decline in earnings and is loss-making, which is why the production is being transferred from Glyngøre to the factory in Aalborg.

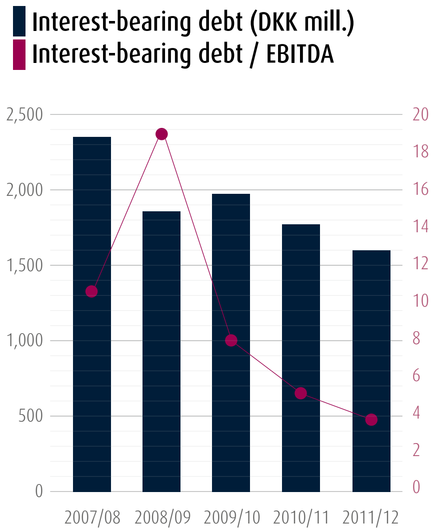
Our European factories mainly supply to strong retail chains, where the markets are highly competitive due to excess capacity.

The associated companies show an improvement of DKK 11 million, deriving from the companies Upernavik Seafood and Qaleralik, which deal with the processing of coastal and ocean-going halibut, respectively.

Financial items rose by DKK 31 million, which is attributable to movements in the US dollar relative to the hedged levels.

The Company's effective tax rate was 18 percent, which reflects the activation of tax assets on the basis of the positive development in the Group.

Pre-tax profit comprises DKK 180 million, as against DKK 131 million last year.

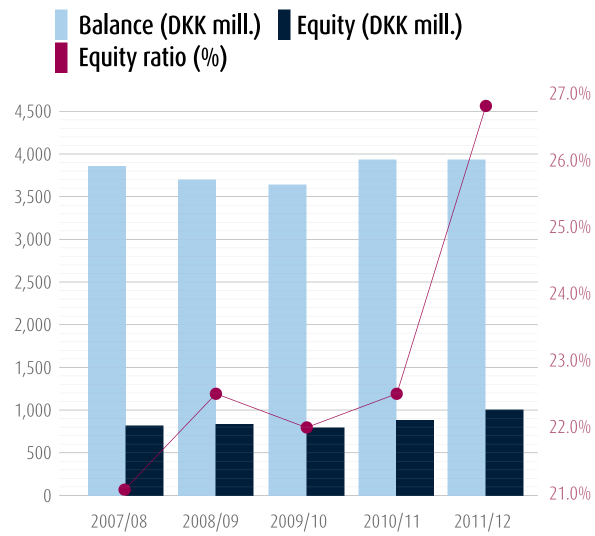


Interest-bearing debt has been reduced by DKK 174 million, and comprises a factor of 3.9 in relation to EBITDA, as against 4.9 last year. In 2008/09, interest-bearing debt was 18.8 times EBITDA.

The development has been driven by a positive cash flow from operations and investments of DKK 203 million. The total cash flow for the year is DKK (198) million, as loans worth a total of DKK 399 million have been redeemed or repaid without new loans being taken out. The instalments included the fixed instalment of DKK 50 million on the subordinated loan from the Government of Greenland, and the sub-ordinated loan thereafter amounts to DKK 150 million.

Interest-bearing debt amounted to DKK 1.6 billion at the end of the financial year.

Working capital has unexpectedly risen by DKK 64 million, as a consequence of rising inventories. The developments in inventories have primarily been driven by good fishing in North Atlantic products in recent months. On top of this comes growing stocks, due to rising raw materials prices, of DKK 62 million. Working capital remains high, and work is being done with a number of initiatives to reduce it.



Equity capital grew from DKK 882 million to DKK 1,009 million. The Company's equity ratio is 26.8 percent, against 22.4 percent last year. Including the subordinated loan from its owner, the Company's equity ratio is 30.1 percent.

Sales and market

In this financial year 2011/2012, Royal Greenland has maintained the positive revenue trend which began last year. Revenue in the financial year amounted to DKK 5.0 billion, against DKK 4.7 billion in the previous year.

The Company has continued to focus on developing the Asian part of its business, thereby placing as much turnover as possible in emerging markets. The limitation of this development is lower fishing and smaller prawn quotas, but this is offset by higher sales prices, so that the value of exports is rising.

Overall, the year was satisfactory with a result that reflects the sales targets.

To secure an even stronger market position, a strengthening of the category organisation has been implemented in the course of the year. The goal is to become better at prioritising and implementing the agreed tactical and strategic decisions.

Asia

Sales in Asia consist of two main areas: sales of processed products for the sushi market in Japan, and sales of raw materials and semi-processed raw materials to China and Taiwan. Sales are concentrated on halibut and shell-on prawns.

From the Exhibitions - Intercool & Conxemar

Royal Greenland is focusing on developing sales in the Chinese market in order to maintain the value increase of recent years in halibut and prawns. This focus has also meant that it has proved possible to sell new species, such as lumpfish and flounder.

The future development of the Chinese market is expected to be positive, and it is also expected that the degree of processing will rise and thereby provide a more stable market.

The Japanese business has been stable this year. Royal Greenland has a strong market position in halibut, prawns and snow crabs. This position has been defended, and Japan has thus maintained its considerable importance in the overall earnings of Royal Greenland.

Europe

The European market consists of a number of key markets such as Germany, France, the UK, Italy, Russia, Poland and Spain.

Russia and the UK are the main markets for prawn, but these have been under volume pressure due to reduced quotas and smaller catches. On the other hand, it has been possible to obtain substantial price increases in both markets.

In Germany and France, the main products are fish fingers. Earnings on these types of products have shown a negative trend during the year. There is considerable spare capacity in the market, in which everyone has been struggling to achieve satisfactory capacity utilisation. The consequence has been declining sales prices, and thereby unsatisfactory earnings.

Royal Greenland has a strong focus on improving the economy of both markets through various initiatives, for example by focusing on achieving a greater proportion of sales in other product categories, working with innovation, and being as efficient as possible in the ranges under pressure.

The Italian market has been dominated by the financial crisis, which has hit the market hard. Royal Greenland has not therefore been able to generate growth in the market, but has retained stable sales. It has been difficult to obtain price increases in a market under pressure, and earnings have therefore declined. The outlook for the New Year is that there will once again be growth in the Italian market, as at the end of the year it proved possible to land new orders for processed products.

Poland has continued the positive development and growth seen in recent years.

Scandinavia

The positive developments in the Scandinavian market have continued this year.

The Danish market has shown growth, especially in breaded products from the factory in Poland, and has developed a strong position in smoked salmon.

In Sweden, growth has occurred in processed products from the factories in Poland and Germany. The Swedish market in particular has built up a comprehensive portfolio of a wide range of Royal Greenland's categories, which means that the market is significantly less sensitive to fluctuations in individual products.

The market in Norway is still dependent on supplies of shell-on prawns, and is therefore just barely on budget in terms of amounts. Earnings goals have on the other hand been realised. The future goal for the Norwegian market is to expand sales to include more categories than just shell-on prawns.


Royal Greenland
Räkor med skal
Shell-on prawns
Crevettes entieres
Garnelen in Schale


Royal Greenland
Hellefiskefilet
Hälleflundra-filé


TOSCANA
Royal Greenland
Filet dzikiego łososia Toscana


Royal Greenland
FISH BITES
Fiskenuggets med ketchup
Fisknuggets med ketchup

Cuxhaven lab

Product development

Product development and innovation in Royal Greenland must underpin the adopted strategy with respect to growth, value creation and the optimisation of business activities.

The vision is for Royal Greenland to be perceived as a strong supplier that is able to interpret and create trends in the market and develop saleable products that are in demand among consumers.

There has been a high level of activity, including both the Company's own projects and collaborations with customers.

In the course of the year, revenue of DKK 360 million has been achieved in new products, corresponding to seven percent of overall revenue. The goal is for at least five percent of revenue each year to derive from new products.

There has been a particular focus on supporting growth in the European activities, which has generated significant additional revenues.

The product development costs incurred during the financial year derive mainly from new products and flavours in the existing product range. These costs have been recognised in the profit and loss account, as it is not possible to attribute them to individual products, and they have a short lifetime.

Operations

Raw materials

Access to raw materials is crucial for Royal Greenland.

In 2011/12, the Group's vessels caught 39,700 tons. This is a decrease of two percent compared to last year, but while the decline in prawn accounts for seven percent, there were increased catches of Greenland halibut, cod and other species. The decline in prawn catches is attributable to reduced quotas and poor fishing. The volume of shell-on prawns alone has fallen by 19 percent. In 2012, the prawn quota in West Greenland was reduced from 124,000 tons to 105,000 tons.

39,700 tons were purchased for Royal Greenland's factories in Greenland – a fall of two percent compared to 2010/11. The lower purchases relate to prawns and lumpfish roe.

Species (tons)	2011/12	2010/11	2009/10
Prawn	24,963	27,008	23,359
Halibut	7,824	7,172	9,535
Crab	1,327	1,354	1,733
Lumpfish roe	801	1,061	777
Cod	3,763	3,329	3,867
Other	1,086	824	1,169
	39,764	**40,748**	**40,440**

First sales prices have however been considerably higher than in the previous year.

The price trend is being driven both by positive developments on the world market for Greenlandic species and by local conditions in Greenland. The latter can mean higher first sales prices without these being justified by demand on the world market.

Overall, first sales prices rose by DKK 1.56 per kg or 20 percent compared to last year, with the largest rises in cod at 54 percent, crabs at 48 percent and halibut at 31 percent.

Over two years, average first sale prices have increased by DKK 2.88 per kg, corresponding to 43 percent.

First sales prices for halibut and prawn have thus increased by 89 percent and 21 percent, respectively, over two years.

The increases for the various species, in conjunction with the changed product mix in the fishing, have given the coastal fishermen an increased income of more than DKK 50 million, and over two years, total payment has increased by DKK 110 million.

Raw materials such as Alaska pollock, salmon, flatfish, hake and to some extent cod are sourced on the world market.

Purchases of Alaska pollock, at DKK 660 million, constitute the largest single item in the total procurement portfolio of DKK 2.1 billion. Alaska pollock is the main raw material for the factory in Wilhelmshaven. The annual purchasing volume of 50,000 tons per year is evenly distributed between MSC-certified products from the US and non-MSC products from Russia. The Russian fish is processed by subcontractors in China, while the MSC products are typically processed on board the American trawlers.

It is expected that Russia will achieve MSC certification of its 'A' season in early 2013.

Salmon is the second-largest raw material for Royal Greenland, with bulk purchases worth DKK 520 million, corresponding to 20,000 tons. The salmon is used in smoked products, portions and spiced salmon sides.

Plaice and flounder comprise the principal flatfish in Royal Greenland's product range.

6,600 tons of flatfish were purchased for the factory in Koszalin, or six percent more than last year, in line with the increased sales volumes. The majority consists of flounder and plaice, where flounder is primarily used in breaded fish fillets for the Scandinavian market, while plaice is more often sold as natural fillets.

In addition to Greenland cod, 10,000 tons of cod are purchased, which is sent for further processing in China and for finishing to the European factories.

In Greenland cod, investments have been made in greater capacity in the Greenland factories, and volumes have increased by 13 percent.

Trawlers

Royal Greenland's fleet consists of three ocean-going prawn trawlers, two ocean-going trawlers for halibut, cod, etc., two coastal prawn trawlers and a number of smaller vessels for coastal fishing. The Company also participates in other trawlers via co-ownership.

The trawler M/Tr. Labrador Storm, which had been chartered for prawn fishing in Canada, was sold during the financial year.

It has been possible during the financial year to buy licence shares in the coastal fishing for halibut. A continued increase in license shares in coastal fishing for prawn and halibut is strategically important to secure the raw material supply.

A shipyard visit was carried out in 2011/12, representing an investment of DKK 18 million.

Royal Greenland paid out DKK 14 million in prawn and quota charges, against DKK 6 million last year. The higher sales prices have resulted in higher taxes on a lower amount.

Production

Greenland

Royal Greenland operates 20 plants in Greenland. Five of the plants continue to be operated under a service agreement with the Government of Greenland. The plant in Arsuk has been sold to a group of private investors.

The factory in Narsaq has been sold to KNI. In connection with the sale a lease was signed for part of the factory, so that first sales and production can still be carried on in Narsaq.

The prawn factories in Ilulissat and Sisimiut have both been converted to state-of-the-art prawn factories, and have been in full operation throughout the year. The operational improvements amount to more than DKK 30 million. With the continued decline in the prawn quota, there is considerable spare capacity at Greenland's land-based prawn processing plants.

The factory in Qasigiannguit has been further expanded. Around fifty percent of all halibut purchased go through Qasigiannguit to be processed for retail sales in Europe, as well as for intermediate products for sushi production for the Japanese market.

In the Uummannaq area, the factories in Nuugaatsiaq and Ukkusissat have been expanded with new freezing equipment of higher capacity.

Against the background of the increasing activity in cod, a number of investments have been made in the area during the year. In the primary cod factory in Paamiut a filleting line has been established along with rapid freezing, while freezing capacity in Nuuk and Qeqertarsuatsiaat has been significantly increased. .

Denmark

Activities in prawns in brine and MAP products rose during 2011/12, but unfortunately it did not prove possible to improve earnings. The area is characterised by over capacity and strong competition. After several years of efforts to improve the activity, it has been decided to merge production activities in Aalborg and Glyngøre, and thereby close the factory in Glyngøre. The amalgamation will be carried out in the spring of 2013.

As part of the amalgamation project, smoked products activities are being transferred from Aalborg to Hirtshals, where an expansion and merging of all smoked products activities is taking place at the Danish subcontractor

Canada
Activity in Matane was at the same level as the previous year. Investments have been undertaken during the year in efficiency and profits, and operations have shown a substantial improvement.

Cuxhaven Germany
Royal Greenland is self-sufficient in lumpfish roe through the roe factory in Cuxhaven, and is involved in the entire value chain to the consumer.

Activities have been at the same level as 2010/11, but at a lower level of earnings due to falling demand. However, the earnings remain at an interesting level.

Wilhemshaven Germany
The factory in Wilhemshaven produced 60,000 tons of finished goods, which is on a par with last year. This does not meet the growth ambitions.

Significant alterations have occurred in the industry structure. Pacific Andes has acquired Pickenpack GmbH and Gelmer Sas, while Nissui (Nippon Suisan Kaisha Ltd) has acquired a majority stake in the start-up factory TSP (The Seafood Processor GmbH) in Riebe, Germany. Overall, with the new factory, there is significant overcapacity in the market and an intense battle for sales volumes. This is having a negative effect on sales prices, and explains the unsatisfactory economy in the European business area.

The planned production efficiency improvements have been carried out.

Koszalin Polen
The factory in Koszalin remains in growth.

Volume has increased by 13 percent to 11,600 tons. This should be seen in conjunction with the fact that production of Greenland halibut has been significantly reduced, as it has partly been moved to Qasigiannguit.

Flatfish, cod, haddock and salmon are the most important species in Koszalin. Activity in flatfish has risen by more than 30 percent. Flatfish is the most important product group in Koszalin. White fish has increased by 60 percent, reflecting the efforts to make cod one of the most important species in the future.

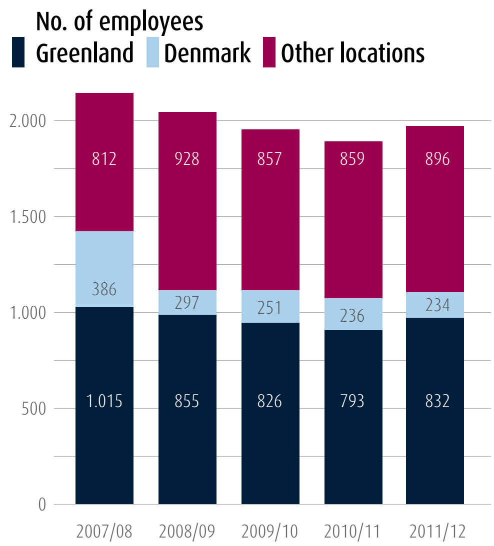
China and Vietnam
The activities in China are based on processing of the Company's own raw materials and the production of intermediate products for further processing at the factories in Germany and Poland. Alaska pollock and cod are the principal species.

Greenlandic raw materials are also finished for sushi products for the Japanese market. Parts of this activity are being transferred on an ongoing basis to Vietnam.

The financial crisis has also affected China, and the challenge of attracting employees to the factories is diminishing. Wage growth has been correspondingly subdued, for which reason China remains an attractive production country for Royal Greenland.

HR

In parallel with the rise in activity, staff numbers have risen by four percent, with a rise of five percent in Greenland. In addition, there has been a general upgrading of skills in production, logistics, procurement and staff functions.



The Group's geographical spread, its diversity in levels of skills, and cultural differences mean that HR efforts must be adapted and prioritised to suit local conditions. Common to the entire effort, however, is a focus on strengthening management in order to create better results.

Skills enhancement efforts are partly based on centrally-decided activities, and partly on performance and staff development conversations between managers and employees.

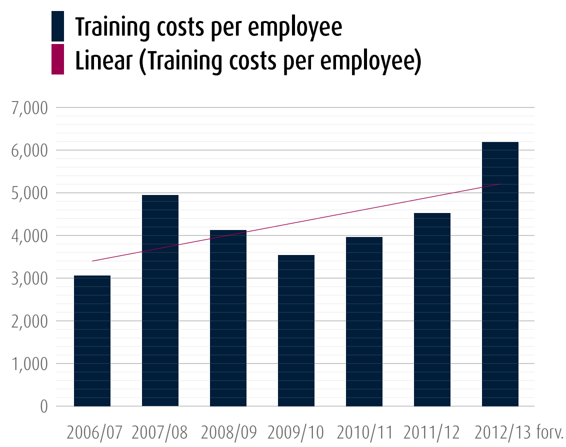
In Greenland, the HR area has a special focus. As Greenland's largest business, the Group sees it as a very important task to develop the skills of all employees in Greenland. This is done through professional courses, management training and personal development.

The ambition is to make Royal Greenland the most attractive employer in Greenland.

The Royal Greenland Academy has made a good start and has completed three activities: personal development, family finances and a children's summit meeting. The Royal Greenland Academy is aimed at employees, and, on a voluntary basis, at the employee's spouse/partner and children. The activities of the Academy provide important knowledge and learning to the factory workers. From autumn 2012 to spring 2013, around 350 factory workers and partners and 160 children will participate in the courses.

Factory workers and their partners learn about family finances, personality development and diet through the activities of the Royal Greenland Academy. Here are some of the factory workers' children, Royal Kids, at one of the meetings.

The total cost of education and training per employee in Greenland has increased by 16 percent to DKK 4,600. This amount is expected to rise in 2012/13 to DKK 6,000.



In connection with the growth in North Atlantic seafood products and the desire for a clearer profile, the number of recruitments in Greenland has been increased by 32 percent.

A significant part of the recruitment in Greenland is met by upgrading the skills of our own employees. Most recently a development programme, International Management Trainee, has been instituted for Greenlanders studying in higher education.

Talented and ambitious young people who would like to have a career in Royal Greenland will now have an opportunity to participate in an eighteen-month international management trainee course. Through this development programme, Royal Greenland aims to meet the Company's needs for well-educated staff in managerial and specialist functions in Greenland and throughout our global organisation. The development programme will give young people a chance to undergo training in the Company's branches around the world, with the possibility of permanent employment with the Company afterwards.

This year, we have also made an effort to strengthen the recruitment of trainees in Greenland. Last year we had five trainees, and this year we have systematically identified the need for traineeship opportunities in the Company, with the result that we have received a total of twelve trainees. Next year we intend to recruit more trainees in various professional areas, and we hope to take on up to 20-25 trainees in Greenland.

Royal Greenland and the Greenland community

As the international market leader in sales of prawns, halibut and roe, Royal Greenland has a very good image around the world.

In Greenland, a recently-completed image analysis of the leading companies reveals that Royal Greenland's image has improved in many ways compared to a previous image analysis conducted in 2010. The analysis was undertaken by Royal Greenland in the autumn among citizens across Greenland and the Company's own employees.

The Company's image was formerly among the very worst compared to other companies in Greenland, but Royal Greenland is the company that has improved its image most over the past two years. The focus of public awareness has turned from losses, severance payments and scandals to commercial issues such as competitiveness, jobs, first sales prices, exports and skills.

However, the image analysis also shows that there is still much work to be done. We still have a great deal to do in terms of improving visibility in the community, communication and training, so that Royal Greenland can be perceived in Greenland as the positive and important player it is in Greenlandic society.

The essential prerequisite for an improved image, however, is a continued positive trend in earnings.

In 2012, a further twelve employees were hired at the Company's headquarters in Nuuk.

As part of our social responsibility we have radically revised our sponsorship policy, where previously we provided broad support within the fields of culture, education and sports.

We now wish to further concentrate our efforts, and have therefore formulated a sponsorship policy which will in particular contribute to boosting the educational level in Greenland. We wish to follow up on the government's Regional Development Strategy, which amongst other things reveals that a large proportion of schoolchildren, students and trainees face an uncertain future, particularly because too many schoolchildren have problems with the language subjects Danish and English, as well as in mathematics and science.

We take our social responsibility seriously, and intend to help children and young people who need support in their education and training.

We still sponsor a number of sports activities via sponsorship agreements with the Sports Confederation of Greenland, through which we provide support for sports activities for children and young people, as well as for the Arctic Circle Race, said to be the world's toughest cross-country ski race, and for elite athletes, including a number of young people who hope to represent Greenland in the 2014 Olympic Games.

Martin Møller, an elite athlete in Greenland, has a blog at www.royalgreenland.gl

Sustainability, the environment and quality

Corporate Social Responsibility, CSR

During 2012, work has been done to start up and plan a systematic approach to Royal Greenland's commitment to CSR. Theme and focus areas have been selected and prioritised in collaboration with CSR Greenland.

A steering committee has been established with representatives from senior management and relevant corporate functions to handle initiatives within the themes. The selected themes are:

- Sustainability in the fishing industry
- Environment and climate
- Working conditions and human rights
- Local commitment, with a special focus on Greenland
- Good business ethics

Sustainable fishing

The prawn fishing in West Greenland will be MSC-certified in early 2013. Sustainable Fisheries Greenland, which is an association of players in the industry, has made great efforts to achieve this certification. There has been good collaboration with all of the parties involved, including the Ministry of Fisheries and Hunting and the Greenland Institute of Natural Resources.

With certification, prawns from West Greenland can be documented as sustainable, and the products can be labelled with the MSC logo, thereby increasing the commercial value of Greenland prawns. Certification is accompanied by rules for the determination of quotas in accordance with the biological advice, in order to guard against over-fishing, as well as requirements for increased efforts to improve our knowledge of the impact of fishing on the sea bed.

Sustainability is the most important theme and focus point in the CSR work. It is Royal Greenland's view that, as purchasers of natural resources, we have a duty to work to promote sustainability in the broadest sense, and specifically within the fishing industry. Besides prawns, work has been done in this area with several species during the year.

One of the projects was a halibut seminar organised in Ilulissat together with KNAPK (the organisation for fishermen and hunters), focusing on fishing in Disko Bay. The aim was to work to ensure that the size of the halibut is increased through the use of certain types of fishing gear. In addition to fishermen, organisations and industries, the Greenland Institute of Natural Resources was also present as an important source of knowledge about the biological conditions.

The halibut in Disko Bay belong to a healthy stock, but to improve the economic sustainability of both the fishing and the industry, there is a wish to increase the average size of the fish. The outcome of the seminar was a joint declaration of intent from KNAPK and Royal Greenland to work to increase the fish size.

During the summer, negotiations were completed between Iceland and Greenland concerning the halibut fishing in the waters between the two countries. Royal Greenland welcomes the new agreement, as it means a realistic quota can now be established.

Ilulissat

The agreement also includes an administration plan which will lead to the TAC gradually being reduced in accordance with the biological advice. The stock is under pressure, and these measures will help to improve its sustainability status.

Not all fish species in West Greenland have been sufficiently analysed and documented, as the largest species, naturally enough, have had the highest priority. Knowledge of the lumpfish species is for example limited, but it is an important species for Royal Greenland, with fishing in Greenland and final processing in Germany. Royal Greenland is therefore taking part in a Nordic project to create better documentation of the lumpfish's biological properties, which can be applied in connection with the management of the species.

Another kind of work with sustainability involves the use of residual products. During the year there has been a focus on improving powder production from prawn shells in Ilulissat, both in order to achieve the best possible quality, and to optimise production. This work continues, as it is Royal Greenland's position that residual products should as far as possible be used in sustainable production.

Environment and climate

The Saligaatsoq environmental project has been initiated under the auspices of CSR Greenland. As part of the project, environmental ambassadors have been appointed at six factories: Ilulissat, Uummannaq, Sisimiut, Nuuk, Qasigiannguit and Paamiut. All of these staff members have attended an environmental course, and environmental analyses are currently being carried out at most of the factories.

The project aims to improve knowledge and strengthen the management of environmental work by focusing on inbound and outbound substances which are environmentally important, including energy, water and waste.

Royal Greenland's energy consumption (water, electricity and oil)	m3 water/t finished goods	KWh/t finished goods	L oil/t finished goods
2009/10	9,7	402	143
2010/11	8,6	377	125
2011/12	8,0	362	118

Measured in all three energy sources, energy consumption is decreasing. Over a two-year period water consumption has fallen by 17 percent, while consumption of electricity and oil has fallen by 10 percent and 17 percent, respectively.

The most important savings have occurred in the factories in Greenland and Germany.

The major investments in the optimisation of the prawn factories in Greenland have also brought about a more efficient use of energy sources, including the establishment of a recycling system for waste heat from boiling, and conversion of the compressors to electric operation. The factory optimisations have also brought about lower water consumption.

Condenser control in the halibut factory in Qasigiannguit has been optimised, resulting in lower power consumption.

In Wilhelmshaven, economizers have been introduced in a newly-installed air conditioning system, which has contributed to an overall reduction in electrical consumption of six percent, while optimisation of the cooling system in Cuxhaven has given a reduction of eight percent.

Social conditions

Royal Greenland must comply with the ILO (International Labour Organisation) conventions on the environment, and the BSCI (Business Social Compliance Initiative) and ETI (Ethical Trading Initiative) principles, for which reason the Company imposes the same demands on its suppliers at least one link back in the chain. The current procedure has been expanded during the year to include risk assessment of suppliers by country of origin. Work has also been done to adapt the evaluation system, focusing on suppliers in countries where the risks are greater.

Quality

All of Royal Greenland's factories and the smoked products factory in Hirtshals have a quality control system which ensures that quality, food safety and regulatory requirements are adhered to, so that consumers can feel confident about eating our products.

The following factories have been certified by the external agency Bureau Veritas, according to the following standards: IFS (International Food Standard), BRC (British Retail Consortium) and MSC (Marine Stewardship Council):

IFS Higher Level
6 Sites (Wilhelmshaven, Koszalin, Glyngøre, Aalborg, Cuxhaven og Hirthals)

BRC, Grade A
6 Sites (Wilhelmshaven, Koszalin, Ilulissat, Aalborg, Matane og Cuxhaven)

BRC, Grade B
1 Site (Sisimiut)

MSC COC
7 Sites (Wilhelmshaven, Koszalin, Glyngøre, Sisimiut, Ilulissat, Aalborg og Matane)

Our other factories adhere to the same quality concept, in accordance with the internal quality control system.

Corporate Governance

Royal Greenland is led by a supervisory board and a executive board. The supervisory board has nine members, three of whom are employee representatives elected for a period of four years, while the six others stand for election every two years on a rotation basis. Three shareholder-elected board members thus stand for election each year at the annual general meeting. The six board members elected by the general meeting are independent (according to the definition contained in the recommendation of the "Committee for Good Corporate Governance").

The supervisory board is led by the chairman, Niels de Coninck-Smith. The chairman is appointed for a two years at a time. The board members encompass a spectrum of experience from Greenlandic, Danish and international businesses and Greenlandic society.

The board has established two committees:

- The audit committee
- The recruitment committee

The executive board consists of two members: CEO Mikael Thinghuus and CFO Nils Duus Kinnerup. The management team also includes Bruno Olesen, Group Sales Director, and Lars Nielsen, Group Production Director. For other positions of the members of the supervisory and executive board, see note 28. There is no age limit for board members.

Remuneration

The remuneration of board members is subject to the approval of the annual general meeting, and is specified in note 3. The fee consists entirely of a basic fee. The remuneration of the executive board is negotiated with the supervisory board and consists of a fixed basic salary, a performance bonus and other customary non-monetary benefits, such as a company car, etc. The remuneration of the executive board is specified in note 3. There are no unusual severance agreements in the employment contracts of the members of the executive board.

Evaluation

An annual board evaluation is undertaken on the basis of an external evaluation process.

Activities

Six meetings of the supervisory board were held in 2011/12. The board meetings were held in Nuuk/Aarhus, Nuuk (twice), Ilulissat, Aalborg/Glyngøre/Hirtshals and Copenhagen. The audit committee held three meetings. In addition to the annual accounts and audit minutes, the audit committee also considers financial policy, risk and insurance policies, internal audits, financial factors and the evaluation of the audit.

Ilulissat


Royal Greenland
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BY APPOINTMENT TO THE ROYAL DANISH COURT
Royal Greenland

Events following the conclusion of the financial year

After the conclusion of the financial year, it was decided to discontinue production of prawns in brine in Glyngøre and to transfer this production to the factory in Aalborg, with a view to improving future earnings. The financial statements therefore include an accounting write-down of DKK 40 million.

Risks

Raw materials

Trends in the access to and prices of raw materials comprise a significant operating risk for Royal Greenland. The risk in relation to access to raw materials mainly relates to the living resources in the waters around Greenland. These comprise 25-30 percent of Royal Greenland's total raw materials base, and have in recent years shown a declining trend, particularly in prawns. The prawn quota for Greenlandic fishing was reduced by 11 percent in 2012, and is expected to be further cut by 14 percent in 2013. Continued optimisation and a higher degree of processing are important in order to maintain earnings on these resources.

The challenge in relation to the prices of raw materials also applies to Royal Greenland's raw materials purchases, which amounted to DKK 2.1 billion. The task is to continually maintain relative earnings irrespective of trends in raw materials prices. The risk is hedged through adjustments in sales prices, close monitoring and back-to-back currency hedging in relation to major purchase and sales agreements.

Financial risks

As a consequence of its operations, investments and financing, Royal Greenland is vulnerable towards alterations in exchange rates and interest levels. The parent company centrally manages the Group's financial risks and coordinates its liquidity control, including capital generation and the investment of surplus liquidity. The Group pursues a financial policy which operates with a low risk profile, so that currency exposure, interest rate exposure and credit risks arise only in connection with commercial matters.

The Group's use of derivatives is regulated by a written policy adopted by the supervisory board and by internal working procedures, which, amongst other things, lay down limits and specify which derivative financial instruments may be applied.

Currency risks

The Group's activities are influenced by exchange rate fluctuations, as sales are primarily invoiced in foreign currency, while costs, including salaries, are incurred in DKK, EUR, PLN and USD.

The Group will thus be exposed in net positions in a number of currencies. 91 percent of the Group's turnover derives from countries other than Greenland and Denmark, primarily countries in the euro zone, along with Japan, China, the UK and Sweden. Revenues in EUR and DKK comprise approximately 73 percent of Royal Greenland's total revenues, and are thus not assessed to represent a serious exchange rate risk. The Group is also influenced by alterations in the exchange rates, as a consequence of the fact that the profit and equity of a number of subsidiaries is translated into Danish kroner at yearend on the basis of average exchange rates and balance sheet date rates, respectively.

Royal Greenland's currency exposure is mainly covered by matching incoming and outgoing payments in the same currency, and through forward contracts. The Group's currency policy is to hedge at least 75 percent of the expected exchange rate exposure within the first six months, and thereafter at least 50 percent of the exchange rate exposure in the remaining six-month period, together with larger contracts which are covered individually. The exchange rate exposure in relation to EUR is not hedged.

Interest rate risks

The interest-bearing debt is mainly denominated in DKK and EUR. Divided between variable and fixed-interest debt, the variable part comprised 53 percent at the close of the financial year, and a rise of one percentage point in the general rate of interest would induce a rise in the Group's annual interest expenses of approximately DKK 8 million.

Royal Greenland's large burden of interest-bearing debt exacerbates the financial risks, for which reason a further reduction in this is a strategically important focus area for the Company.

Outlook

The outlook for the coming year 2012/13 is in line with the ambitions set out in the Naleraq strategy, and reflects continued positive developments, with revenue growth of from three to five percent, and an EBIT margin of over five percent.

Royal Greenland expects a profit after tax of more than DKK 135 million. Interest-bearing debt is expected to be reduced by at least DKK 0.25 billion to approximately DKK 1.3 billion.

This development is however challenged by an uncertain situation in relation to raw materials in Greenland, due to falling prawn quotas and tough price competition in raw materials.

The competitive situation for the European factories has also been sharpened.

Over the past financial year, however, Royal Greenland has demonstrated an ability to handle challenges, including the general uncertainty in the world economy.

Uummannaq

Accounting policies

Accounting policies

Basic of accounts
The annual report of Royal Greenland A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act governing state-owned limited companies in reporting class D enterprises and Danish accounting standards.

Recognition and measurement
Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Group and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Group, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to the financial year. Value adjustments of financial assets and liabilities are recorded in the income statement as financial income or financial expenses.

Consolidation
The consolidated financial statements include Royal Greenland A/S (Parent) and the group enterprises (subsidiaries) in which the Parent directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling interest. Enterprises in which the Group has significant, but not controlling influence, are regarded as associates. The Group structure is shown in the Management’s Review.

The consolidated financial statements consolidate the financial statements of the Parent and of the individual subsidiaries which have all been prepared applying group accounting policies. Intragroup receivables and payables, income and expenses, dividends, unrealised internal profits and losses are eliminated along with intragroup shareholdings.

Business combinations
Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the consolidated income statement up to the time of their divestment or winding-up.

The purchase method is applied in the acquisition of new enterprises where the Parent obtains a controlling interest. Under this method, identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of the restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years. Negative differences in amount (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet as deferred income, and they are recognised in the income statement as such adverse development is realised.

At intra-group restructurings the consolidation method is applied.

Profits or losses from divestment or winding-up of subsidiaries are calculated as the difference between selling price or settlement price and carrying amount of the net assets at the time of divestment or winding-up, inclusive of non-amortised goodwill, former price adjustments and estimated divestment or winding-up expenses. Profits and losses are recognised in the income statement.

Minority interests
Group profit/loss and group equity includes a separate item, which specifies the proportionate share of the subsidiaries' profit/loss and equity attributable to minority interests.

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

The income statements of foreign subsidiaries and associates are translated into Danish kroner using the annual average rate of exchange and the balance sheets are translated using the rate of exchange in effect on the balance sheet date. Differences in the exchange rate, which arise when translating the foreign subsidiaries' equity at the beginning of the year at the rates of exchange ruling at the balance sheet date are recognised directly on equity. This also applies to exchange rate differences arising out of the translation of the income statement from annual average rates of exchange to the exchange rates ruling at the balance sheet date.

Derivative financial instruments
On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under financial fixed assets and long-term liabilities respectively.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging of the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly on equity. When the hedged transactions are realised, the changes are recognised in the relevant items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Revenue
Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts.

Other operating income and expenses
Other operating income and expenses comprise income and expenses of a secondary nature to the Group's primary activities.

Research and development costs
Research and development costs comprise costs, including wages and salaries, attributable to the research and development activities carried out by the Group.

Research costs are recognised in the income statement in the year in which they are paid.

Development costs paid in relation to maintenance and optimisation of existing products or production processes are expensed. Costs related to the development of new products are recognised in the income statement unless the criteria for recognition in the balance sheet have been met for the individual development project.

Financial income and expenses
These items comprise interest income and expenses, the interest portion of finance lease payments, realised and unrealised capital gains and losses on securities, payables and transactions in foreign cur-rencies, mortgage amortisation premium relating to mortgage debt, cash discounts etc as well as tax surcharge and repayment under the Danish Tax Prepayment Scheme.

Income taxes
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year and recognised directly on equity by the portion attributable to entries directly on equity. The portion of the tax taken to the income statement, which relates to extraordinary profit/loss for the year, is allocated to this entry whereas the remaining portion is taken to the year's profit/loss from ordinary activities.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognised and measured applying the liability method on all temporary differences between the carrying amount and tax-based value of assets and liabilities, where the tax-based value of assets is calculated based on the planned use of each asset. Deferred tax is not allocated on stocks in subsidiaries according to the planned use. Deferred tax is measured based on the tax regulations and tax rates of the relevant countries that will be in effect, using the laws at the balance sheet date, when the deferred tax is estimated to be triggered as current tax. Changes in deferred tax resulting from changed tax rates are recognised in the income statement.

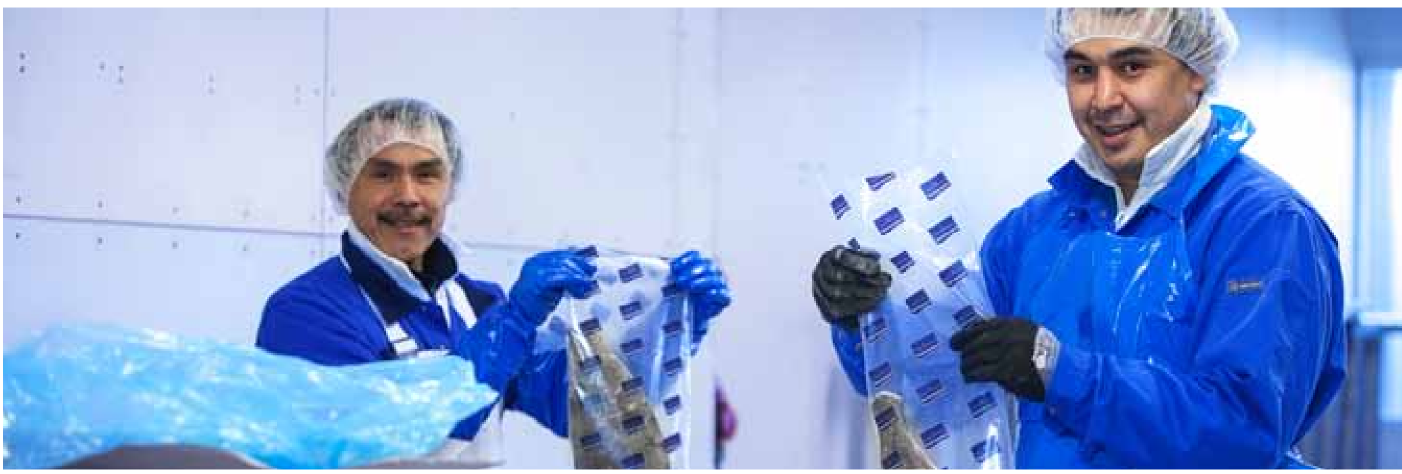
Deferred tax assets, including the tax base of tax loss carryforward, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Balance sheet

Intangible assets
Goodwill and goodwill on consolidation
Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. The amortisation period is usually 5 years, however, it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to give a better reflection of the Group's benefit from the relevant resources.

The carrying amount of goodwill is assessed currently and written down to recoverable amount if the carrying amount exceeds the estimated future net income from the enterprise or activity to which the goodwill is related.

Quotas, IT and licences
Acquired intangible rights in the form of quotas, IT and licences are measured at cost less accumulated amortisation. Amortisation is carried out on a straight-line basis over a period of 3-10 years. Intangible rights acquired are written down to the lower of recoverable amount and carrying amount.



Development costs
Development costs comprise costs, wages and salaries and amortisation directly and indirectly attributable to the Company's development activities and which comply with the criteria for recognition in the balance sheet.

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

Capitalised development projects are amortised straight-line on the basis of the completion ratio of the development project over the estimated economic life of the project. The period of amortisation is usually 3-10 years.

Property, plant and equipment

Land and buildings, vessels, plant and machinery as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation. For company-manufactured assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs.

Interest expenses on loans for financing the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other financing costs are recognised in the income statement.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Buildings	10 - 50 år
Vessels	7 - 16 år
Plant included in the item "vessels"	5 - 10 år
Plant and machinery	5 - 10 år
Other fixtures and fittings, tools and equipment	3 - 5 år

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price minus selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement with depreciation and impairment losses.

Fixed asset investments

Investments in subsidiaries and associates
Investments in subsidiaries and associates are recognised and measured under the equity method. This means that in the balance sheet investments are measured at the pro rata share of the enterprises' equity, cf. description above under consolidated annual report, plus or less unamortised goodwill or negative goodwill on consolidation and plus or minus unrealised intragroup profits and losses.

The Parent's share of the enterprises' profits or losses after elimination of unrealised intra-group profits and losses and minus or plus amortisation of positive, or negative, goodwill on consolidation is recognised in the income statement.

Subsidiaries and associates with a negative equity value are measured at zero value, and receivables from these enterprises are written down by the Parent's share of such negative equity value if it is deemed irrecoverable. If the negative equity exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Net revaluation of investments in subsidiaries and associates is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost.

Other fixed asset investments
Other fixed asset investments primarily include long-term receivables and unlisted investments.

Investments and receivables not held to maturity are measured at cost on acquisition and subsequently at fair value. If the fair value cannot be fixed reliably, the measurement is made at cost.

Receivables held to maturity are measured at cost on acquisition and are subsequently measured at amortised cost.

In the event that fixed asset investments are written down to a lower value, such writedown takes into account the risk of loss associated with each individual asset.

Inventories
Stock of raw materials is measured at the lower of cost using weighted average prices or net realisable value.

Stock of consumables comprises for instance packaging, operating goods and fish boxes.

Stock of fish boxes is measured at a fixed amount. Supplementary acquisition of gear is expensed on a current basis.

All other stocks of consumables are measured at the lower of cost using the FIFO method and net realisable value.

Goods in progress and finished goods, including finished goods produced on board own trawlers, are measured at the lower of cost using weighted average prices or net realisable value. Cost of manufactured goods consists of costs of raw materials, consumables and direct labour costs as well as indirect production overheads. Indirect production overheads are allocated on the basis of the normal capacity of the individual production entities. Indirect production overheads comprise indirect materials and labour costs, costs of maintenance of and depreciation and impairment losses on trawlers, factory buildings, machinery and equipment applied for the manufacturing process as well as costs of factory administration and management.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at amortised cost, which usually corresponds to the nominal value.

Equity
Dividends are recognised as a liability at the time of adoption at the general meeting. The proposed dividends for the financial year are disclosed as a separate item under equity.

Provisions
Provisions are recognised when the Group has a legal and constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company to meet the obligation.

Provisions that are estimated to mature more than one year after the balance sheet date are discounted at the average bond yield.

Liabilities other than provisions
Financial liabilities
Liabilities are measured at cost at the time of borrowing corresponding to the proceeds received less transaction costs incurred. The liability is subsequently measured at amortised cost, which corresponds to the capitalised value when using the effective interest method so that the difference between the proceeds and the nominal value is included in the income statement over the borrowing period.

If a financial liability has been sufficiently hedged by a derivative financial instrument, the financial liability is measured at fair value and any changes in the fair value are recognised in the income statement under other financial items along with changes in the fair value of the derivative financial instrument.

Other financial liabilitiesr
Other financial liabilities are recognised at amortised cost which usually corresponds to nominal value.

Prepayments
Deferred income comprises received income for recognition in subsequent financial years. Prepayments are measured at amortised cost which usually corresponds to the nominal value.

Cash flow statement

The cash flow statement of the Group is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Group's cash and cash equivalents at the beginning and the end of the financial year. No separate cash flow statement has been prepared for the Parent because it is included in the consolidated cash flow statement.

Cash flows from acquisition and divestment of enterprises are shown separately under cash flows from investing activities. Cash flows from acquired enterprises are recognised in the cash flow statement from the time of their acquisition, and cash flows from divested enterprises are recognised up to the time of sale.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises and activities as well as purchase and sale of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, instalments on interest-bearing debt, and payment of dividends to shareholders.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank debt.

Segment information

The primary segment of the Group is the business segment. The geographical markets comprise the secondary segment.

Management is of the impression that the Group solely operates with one individual business segment why the business segment information required in respect net revenue, profit/loss before financial items, value of fixed assets and value of liabilities appears from the consolidated income statement and balance sheet.

The geographical markets are split into European countries and other markets.

Financial highlights

The financial highlights and ratios have been compiled as shown below:

The key figure 'net interest-bearing debt' is derived offsetting derivatives recognised as financial fixed assets. Calculating equity ratio and net interest-bearing debt/EBITDA derivatives recognised as financial fixed assets are offset in balancesheet total as well as in net interest-bearing debt.

EBIT-margin	=	$\frac{\text{EBIT x 100}}{\text{Revenue}}$
EBT-margin	=	$\frac{\text{EBT x 100}}{\text{Revenue}}$
ROIC including goodwill	=	$\frac{\text{EBITA x 100}}{\text{Average invested capital including goodwill}}$
Return on equity (ROE)	=	$\frac{\text{Net profit/loss for the year x 100}}{\text{Average equity}}$
Equity ratio	=	$\frac{\text{Equity x 100}}{\text{Balance sheet total}}$
Net interest-bearing debt / EBITDA	=	$\frac{\text{Net interest-bearing debt}}{\text{EBITDA}}$

INCOME STATEMENT

	Note	Group		Parent	
		2011/12 DKK 1,000	2010/11 DKK 1,000	2011/12 DKK 1,000	2010/11 DKK 1,000
Revenue	1	4,975,511	4,723,987	1,657,393	1,665,775
Change in inventories of finished goods		343,379	(105,151)	215,962	(17,523)
Other operating income	2	29,479	27,733	22,574	19,419
		5,348,369	**4,646,569**	**1,895,929**	**1,667,671**
Costs of raw materials and consumables		(3,482,766)	(2,905,718)	(873,986)	(693,625)
Other external expenses		(769,885)	(737,550)	(361,443)	(354,479)
Staff costs	3	(683,542)	(643,446)	(379,097)	(368,592)
Depreciation, amortisation and impairment losses	4	(171,378)	(188,357)	(83,147)	(91,885)
Operating profit		**240,798**	**171,498**	**198,256**	**159,090**
Profit/loss from investments in group enterprises	5	0	0	17,717	(9,949)
Profit/loss from investments in associates	6	35,767	24,879	10,183	1,771
Financial income	7	7,660	53,253	20,442	58,830
Financial expenses	8	(103,910)	(118,279)	(65,265)	(89,914)
Profit before tax		**180,315**	**131,351**	**181,333**	**119,828**
Tax on profit	9	(32,181)	(45,535)	(44,933)	(40,389)
Profit after tax		**148,134**	**85,816**	**136,400**	**79,439**
Minority interests' share of profit/loss after tax of group enterprises		(11,734)	(6,377)	-	-
PROFIT FOR THE YEAR		**136,400**	**79,439**	**136,400**	**79,439**
Proposed distribution of profit					
Reserve for net revaluation according to the equity method				0	11,264
Proposed dividend				3,600	0
Retained earnings				132,800	68,175
				136,400	**79,439**

ASSETS AT SEPTEMBER 30th

		Group		Parent	
	Note	2012 DKK 1,000	2011 DKK 1,000	2012 DKK 1,000	2011 DKK 1,000
Intangible assets	**10**	**59,929**	**66,060**	**14,796**	**22,864**
Buildings		277,516	329,465	118,781	138,009
Plant and machinery		265,816	321,579	98,985	113,953
Vessels		288,125	328,622	220,571	210,856
Other fixtures and fittings, tools and equipment		14,874	15,439	9,188	8,572
Fixed assets in progress		37,278	13,945	16,740	7,473
Property, plant and equipment	**11**	**883,609**	**1,009,050**	**464,265**	**478,863**
Investments in group enterprises	12	0	0	1,730,511	1,689,507
Receivables from group enterprises	13	0	0	0	42,049
Investments in associates	12	126,131	101,716	72,699	63,387
Receivables from associates	13	48,018	66,261	39,018	57,261
Derivatives		80,644	131,829	80,644	131,829
Other fixed asset investments	14	39,401	19,414	23,917	11,812
Deferred tax asset	19	76,539	40,783	0	0
Fixed asset investments		**370,733**	**360,003**	**1,946,789**	**1,995,845**
FIXED ASSETS		**1,314,271**	**1,435,113**	**2,425,850**	**2,497,572**
Inventories	15	**1,721,327**	**1,617,386**	**542,669**	**319,850**
Trade receivables		484,298	517,271	7,752	9,338
Receivables from group enterprises		0	0	82,565	295,224
Receivables from associates		2,599	3,133	2,599	3,125
Other receivables	16	61,950	62,921	3,636	6,817
Prepayments	17	8,657	14,386	3,109	1,821
Receivables		**557,504**	**597,711**	**99,661**	**316,325**
Cash		**259,636**	**415,707**	**167,971**	**129,828**
CURRENT ASSETS		**2,538,467**	**2,630,804**	**810,301**	**766,003**
ASSETS		**3,852,738**	**4,065,917**	**3,236,151**	**3,263,575**

EQUITY AND LIABILITIES AT SEPTEMBER 30th

		Group		Parent	
	Note	2012 DKK 1,000	2011 DKK 1,000	2012 DKK 1,000	2011 DKK 1,000
Share capital		850,000	850,000	850,000	850,000
Reserve for net revaluation under the equity method		0	0	0	0
Proposed dividend		3,600	0	3,600	0
Retained earnings		155,304	32,057	155,304	32,057
EQUITY		**1,008,904**	**882,057**	**1,008,904**	**882,057**
Minority interests	**18**	**50,449**	**41,442**	**-**	**-**
Deferred tax	19	94,538	58,791	56,154	14,392
Other provisions	20	23,972	28,155	3,045	3,000
PROVISIONS		**118,510**	**86,946**	**59,199**	**17,392**
Subordinated loans		100,000	150,000	100,000	150,000
Mortgage debt		51,389	66,970	0	0
Payables to group enterprises		0	0	13,666	0
Other credit institutions		1,449,884	1,363,895	1,449,884	1,363,212
Derivatives		79,956	94,861	73,539	92,342
Long-term liabilities other than provisions	**21**	**1,681,229**	**1,675,726**	**1,637,089**	**1,605,554**
Short-term portion of long-term liabilities other than provisions		65,704	493,610	50,000	477,389
Credit institutions		192,789	151,042	24,752	0
Trade payables		423,138	424,089	108,597	82,641
Payables to group enterprises		0	0	178,850	62,245
Payables to associates		45,413	22,695	45,412	0
Income taxes	9	43,237	34,818	18,817	14,548
Other payables	22	180,974	198,394	102,138	112,573
Deferred income	23	42,391	55,098	2,393	9,176
Short-term liabilities other than provisions		**993,646**	**1,379,746**	**530,959**	**758,572**
LIABILITIES OTHER THAN PROVISIONS		**2,674,875**	**3,055,472**	**2,168,048**	**2,364,126**
EQUITY AND LIABILITIES		**3,852,738**	**4,065,917**	**3,236,151**	**3,263,575**
Assets charged and contingent liabilities	24				
Other notes	25-28				

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STATEMENT OF CHANGES IN EQUITY - GROUP

	Share capital DKK 1,000	Retained earnings DKK 1,000	Proposed dividend DKK 1,000	Total DKK 1,000
Equity at September 30th 2010	850,000	(47,344)	0	802,656
Exchange adjustment, foreign entities	0	(12,550)	0	(12,550)
Fair value adjustments recognised in equity	0	12,512	0	12,512
Net profit for the year	0	79,439	**0**	79,439
Equity at September 30th 2011	**850,000**	**32,057**	**0**	**882,057**
Exchange adjustment, foreign entities	0	27,673	0	27,673
Fair value adjustments recognised in equity	0	(28,961)	0	(28,961)
Tax, fair value adjustments	0	(9,410)	0	(9,410)
Tax, proposed dividend	0	1,145	0	1,145
Net profit for the year	0	132,800	3,600	136,400
Equity at September 30th 2012	**850,000**	**155,304**	**3,600**	**1,008,904**

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STATEMENT OF CHANGES IN EQUITY - PARENT

	Share capital DKK 1,000	Reserve under the equity method DKK 1,000	Retained earnings DKK 1,000	Proposed dividend DKK 1,000	Total DKK 1,000
Equity at September 30th 2010	850,000	0	(47,344)	0	802,656
Exchange adjustment, foreign entities	0	(12,063)	(487)	0	(12,550)
Fair value adjustments recognised in equity	0	799	11,713	0	12,512
Net profit for the year	0	11,264	68,175	**0**	79,439
Equity at September 30th 2011	**850,000**	**0**	**32,057**	**0**	**882,057**
Exchange adjustment, foreign entities	0	0	27,673	0	27,673
Fair value adjustments recognised in equity	0	0	(28,961)	0	(28,961)
Tax, fair value adjustments	0	0	(9,410)	0	(9,410)
Tax, proposed dividend	0	0	1,145	0	1,145
Net profit for the year	0	0	132,800	3,600	136,400
Equity at September 30th 2012	**850,000**	**0**	**155,304**	**3,600**	**1,008,904**

The companys Share Capital consists of 850,000 stocks of DKK 1,000 or multiples. The Share capital is not divided into classes.
There have been no changes in the Share capital since October 1st 2006 except for the increase in Capital of DKK 250,000k in 2008/09.

CONSOLIDATED CASH FLOW STATEMENT OCTOBER 1st 2011 TO SEPTEMBER 30th 2012

	Note	2011/12 DKK 1,000	2010/11 DKK 1,000
Net profit for the year		136,400	79,439
Adjustments relating to net profit for the year	29	268,532	278,867
Working capital changes	30	(47,356)	36,893
Cash flows from operating activities before net financials		357,576	395,199
Ingoing payments relating to financial items		33,760	35,555
Outgoing payments relating to financial items		(139,343)	(109,603)
Cash flows from ordinary activities		251,993	321,151
Paid taxes		(13,958)	(23,295)
Cash flows from operating activities		**238,035**	**297,856**
Purchase of assets connected to business acquisition		0	(34,310)
Takeover of liabilities connected to business acquisition		0	11,310
Purchase of fixed assets		(139,408)	(130,938)
Sale of fixed assets		92,656	33,565
Dividends received from associates		12,177	19,167
Cash flows from investing activities		**(34,575)**	**(101,206)**
Proceeds from obtaining/(instalments on) long-term liabilities		(398,551)	(69,206)
Dividends paid during the year to minority interests		(2,727)	(2,728)
Cash flows from financing activities		**(401,278)**	**(71,934)**
Increase/decrease in cash and cash equivalents		**(197,818)**	**124,716**
Cash and cash equivalents, beginning of year		264,665	139,949
Cash and cash equivalents, end of year	**31**	**66,847**	**264,665**

NOTES TO THE ANNUAL REPORT

			Group		Parent	
1 Net turnover - Geographical markets			2011/12 DKK 1,000	2010/11 DKK 1,000	2011/12 DKK 1,000	2010/11 DKK 1,000
Europe			4,019,760	3,863,899	1,452,076	1,478,796
Other markets			955,751	860,088	205,317	186,979
			4,975,511	**4,723,987**	**1,657,393**	**1,665,775**
2 Other operating income						
Service agreement			10,240	10,907	9,927	10,907
Management Fees			1,170	1,020	3,360	3,690
Rental income			7,819	9,220	2,551	3,048
Sale of quotas			4,689	913	5,733	913
Other operating income			5,561	5,673	1,003	861
			29,479	**27,733**	**22,574**	**19,419**
3 Staff costs						
The total amount of wages and salaries etc. is specified as follows:						
Wages and salaries			600,629	557,893	342,539	329,421
Pension contributions			42,266	46,614	18,694	17,965
Other social security costs			40,647	38,939	17,864	21,206
			683,542	**643,446**	**379,097**	**368,592**
Average number of employees			1,962	1,888	900	879
Remuneration for the Parent's Supervisory Board and Executive Board						
Remuneration for the Supervisory Board					2,100	2,100
Executive Board	Fixed salary	Bonus				
Mikael Thinghuus	3,536	1,331				
Nils Duus Kinnerup	2,513	300				
Total Executive Board	**6,049**	**1,631**	**7,680**	**7,569**		

NOTES TO THE ANNUAL REPORT

	Group		Parent	
4 Depreciation, amortisation and impairment losses	2011/12 DKK 1,000	2010/11 DKK 1,000	2011/12 DKK 1,000	2010/11 DKK 1,000
Buildings	59,867	41,215	20,239	20,506
Plant and machinery	83,863	76,768	28,088	27,879
Vessels	50,041	48,871	33,041	32,210
Other fixtures and fittings, tools and equipment	4,917	5,281	2,667	2,705
Goodwill on consolidation	3,622	3,622	-	-
Quotas	5,697	7,665	6,038	2,056
Software	968	3,582	934	3,548
Licences	265	124	0	0
Received grants	(4,999)	(5,310)	0	0
(Gain)/loss from sale of fixed assets	(32,863)	6,539	(7,860)	2,981
	171,378	**188,357**	**83,147**	**91,885**
5 Profit/loss from investments in group enterprises				
Profit	0	0	45,117	37,343
Loss	0	0	(46,500)	(17,575)
Change in intra-group profits	0	0	19,100	(29,717)
	0	**0**	**17,717**	**(9,949)**
6 Profit/loss from investments in associates				
Profit	38,588	33,953	11,554	9,395
Loss	(1,364)	(7,617)	(1,364)	(7,617)
Depreciation of differential value	(1,457)	(1,457)	(7)	(7)
	35,767	**24,879**	**10,183**	**1,771**

NOTES TO THE ANNUAL REPORT

	Group		Parent	
7 Financial income	2011/12 DKK 1,000	2010/11 DKK 1,000	2011/12 DKK 1,000	2010/11 DKK 1,000
Capital gains	0	47,326	7,382	1,512
Interest from group enterprises	-	-	9,779	52,774
Interest on bank deposit	401	3,342	281	2,670
Income from fixed asset investments	5,445	1,873	2,810	1,872
Other financial income	1,814	712	190	2
	7,660	**53,253**	**20,442**	**58,830**
8 Financial expenses				
Capital loss	31,176	26,266	0	8,372
Interest on bank and mortgage debt	66,890	88,906	58,077	80,152
Other financial expenses	5,844	363	17	3
Interest to group enterprises	0	2,744	7,171	1,387
	103,910	**118,279**	**65,265**	**89,914**
9 Tax on profit				
Current tax for the year	(34,295)	(45,545)	(11,130)	(14,548)
Other taxes for the year	(872)	(6,131)	(872)	(1,049)
Adjustment to previous years	1,162	50	0	0
Deferred tax for the year	1,824	6,091	(32,931)	(24,792)
	(32,181)	**(45,535)**	**(44,933)**	**(40,389)**
Reconciliation of tax rate				
Greenland tax rate	32%	32%	32%	32%
Other taxes	1%	5%	1%	1%
Adjustment of tax rate in foreign enterprises	(3)%	(6)%	0%	0%
Adjustment for utilization of tax losses and other adjustments concerning previous years	(12)%	4%	(8)%	1%
Tax rate expensed	**18%**	**35%**	**25%**	**34%**

NOTES TO THE ANNUAL REPORT

10 Intangible assets	Group goodwill DKK 1,000	Quotas DKK 1,000	IT DKK 1,000	Licenses DKK 1,000
	Group			
Cost at October 1st 2011	50,660	134,923	19,014	1,272
Value adjustment at closing price		0	14	17
Adjustments from winding up subsidiary	(7,338)	7,338	0	0
Additions for the year	0	1,875	2,256	281
Disposals for the year	0	0	0	0
Cost at September 30th 2012	**43,322**	**144,136**	**21,284**	**1,570**
Amortisation and impairment losses at October 1st 2011	(18,789)	(102,376)	(17,882)	(762)
Value adjustment at closing price	0	0	(8)	(14)
Adjustments from winding up subsidiary	1,712	(1,712)	0	0
Amortisation for the year	(3,622)	(5,697)	(968)	(265)
Amortisation regarding disposals for the year	0	0	0	0
Amortisation and impairment losses at September 30th 2012	**(20,699)**	**(109,785)**	**(18,858)**	**(1,041)**
Carrying amount at September 30th 2012	**22,623**	**34,351**	**2,426**	**529**
Carrying amount at September 30th 2011	31,871	32,547	1,132	510

NOTES TO THE ANNUAL REPORT

	Parent	
10 Intangible assets	Quotas DKK 1,000	IT DKK 1,000
Cost at October 1st 2011	106,903	18,832
Additions from subsidiary	12,582	0
Adjustments from winding up subsidiary	(6,553)	0
Additions for the year	0	2,229
Disposals for the year	0	0
Cost at September 30th 2012	**112,932**	**21,061**
Amortisation and impairment losses at October 1st 2011	(85,068)	(17,803)
Adjustments from winding up subsidiary		0
Amortisation for the year		(934)
Amortisation regarding disposals for the year	0	0
Amortisation and impairment losses at September 30th 2012	**(100,460)**	**(18,737)**
Carrying amount at September 30th 2012	**12,472**	**2,324**
Carrying amount at September 30th 2011	21,835	1,029

NOTES TO THE ANNUAL REPORT

11 Property, plant and equipment	Group Buildings DKK 1,000	Plant and machinery DKK 1,000	Vessels DKK 1,000	Other fixtures etc. DKK 1,000	Fixed assets in progress DKK 1,000
Cost at October 1st 2011	888,604	1,143,245	706,147	64,341	13,945
Value adjustment at closing price	8,131	14,584	0	616	149
Transferred from assets in progress	253	367	6,156	0	(6,776)
Additions for the year	4,621	24,356	41,049	5,180	34,190
Disposals for the year	(36,809)	(123,676)	(122,804)	(6,542)	(4,230)
Cost at September 30th 2012	**864,800**	**1,058,876**	**630,548**	**63,595**	**37,278**
Depreciation and impairment losses at October 1st 2011	(559,139)	(821,666)	(377,525)	(48,902)	-
Value adjustment at closing price	(1,527)	(8,123)	0	(461)	-
Impairment losses for the year	(26,902)	(12,174)	0	(336)	-
Depreciation for the year	(32,965)	(71,689)	(50,041)	(4,581)	-
Depreciation regarding disposals for the year	33,249	120,592	85,143	5,559	-
Depreciation and impairment losses at September 30th 2012	**(587,284)**	**(793,060)**	**(342,423)**	**(48,721)**	**-**
Carrying amount at September 30th 2012	**277,516**	**265,816**	**288,125**	**14,874**	**37,278**
Carrying amount at September 30th 2011	329,465	321,579	328,622	15,439	13,945

Value according to public land assessment
The public land assessment relating to property in Denmark amounts to DKK 45,000k. The buildings in Denmark have a carrying amount of DKK 16,237k.

No public land assessment is made in Greenland. The carrying amount of properties in Greenland amounts to DKK 118,781k.

Financing costs have been capitalised in previous years amounting to of DKK 6,118k. Accumulated depreciation of capitalised financing costs amounts to DKK 6,118k of which DKK 0k is recognised in 2011/12.

NOTES TO THE ANNUAL REPORT

11 Property, plant and equipment	Parent Buildings DKK 1,000	Plant and machinery DKK 1,000	Vessels DKK 1,000	Other fixtures etc. DKK 1,000	Fixed assets in progress DKK 1,000
Cost at October 1st 2011	561,464	551,872	435,924	43,095	7,473
Transferred from assets in progress	131	143	6,155	0	(6,429)
Additions for the year	2,378	14,722	39,734	3,529	15,696
Disposals for the year	(34,453)	(115,124)	(13,833)	(4,747)	0
Cost at September 30th 2012	**529,520**	**451,613**	**467,980**	**41,877**	**16,740**
Depreciation and impairment losses at October 1st 2011	(423,455)	(437,919)	(225,068)	(34,523)	-
Depreciation for the year	(20,239)	(28,088)	(33,041)	(2,667)	-
Depreciation regarding disposals for the year	32,955	113,379	10,700	4,501	-
Depreciation and impairment losses at September 30th 2012	**(410,739)**	**(352,628)**	**(247,409)**	**(32,689)**	**-**
Carrying amount at September 30th 2012	**118,781**	**98,985**	**220,571**	**9,188**	**16,740**
Carrying amount at September 30th 2011	138,009	113,953	210,856	8,572	7,473

No public land assessment is made in Greenland. The carrying amount of properties in Greenland amounts to DKK 118,781k.

In previous years, financing costs have been capitalised at DKK 6,118k, Accumulated depreciation of capitalised financing costs amounts to DKK 6,118k of which DKK 0k is recognised in 2011/12.

	Group	Parent	
12 Investments in group enterprises and associates	Associates DKK 1,000	Associates DKK 1,000	Group enterprises DKK 1,000
Cost at October 1st 2011	64,732	41,107	2,058,220
Additions for the year	0	0	0
Disposals for the year	(2,605)	0	(22,991)
Cost at September 30th 2012	**62,127**	**41,107**	**2,035,229**
Value adjustments at October 1st 2011	36,046	21,342	(371,096)
Value adjustment at closing price	1,596	250	27,423
Share of profit/loss for the year	35,767	10,183	17,717
Capital adjustments for the year	0	0	822
Disposals for the year	2,605	0	25,190
Dividends	(12,177)	(350)	(4,774)
Value adjustments at September 30th 2012	**63,837**	**31,425**	**(304,718)**
Carrying amount before setoff	125,964	72,532	1,730,511
Transferred to provisions	45	45	0
Setoff of receivables	122	122	0
Carrying amount at September 30th 2012	**126,131**	**72,699**	**1,730,511**
Carrying amount at September 30th 2011	101,716	63,387	1,689,507

In the Group, the differential value on acquisition of investments in associates amounts to DKK 15,943k.
The carrying amount at September 30th 2012 amounts to DKK 1,452k.

NOTES TO THE ANNUAL REPORT

13 Receivables from group enterprises and associates

	Group	Parent	
	Associates DKK 1,000	Associates DKK 1,000	Group enterprises DKK 1,000
Cost at October 1st 2011	67,199	58,199	42,049
Value adjustment at closing price	7	7	0
Additions for the year	104	104	0
Disposals for the year	(19,170)	(19,170)	(42,049)
Cost at September 30th 2012	**48,140**	**39,140**	**0**
Impairment losses at October 1st 2011	(938)	(938)	0
Additions for the year	(39)	(39)	0
Disposals for the year	855	855	0
Impairment losses at September 30th 2012	**(122)**	**(122)**	**0**
Carrying amount at September 30th 2012	**48,018**	**39,018**	**0**
Carrying amount at September 30th 2011	66,261	57,261	42,049

14 Other fixed asset investments

	Group	Parent
	DKK 1,000	DKK 1,000
Cost at October 1st 2011	31,014	20,665
Additions for the year	25,648	15,348
Disposals for the year	(10,276)	(6,259)
Cost at September 30th 2012	**46,386**	**29,754**
Provisions for bad debts at October 1st 2011	(11,597)	(8,853)
Change in provisions for the year	4,612	3,016
Provisions for bad debts at September 30th 2012	**(6,985)**	**(5,837)**
Carrying amount at September 30th 2012	**39,401**	**23,917**
Carrying amount at September 30th 2011	19,414	11,812

NOTES TO THE ANNUAL REPORT

	Group		Parent	
15 Inventories	30.09.2012 DKK 1,000	30.09.2011 DKK 1,000	30.09.2012 DKK 1,000	30.09.2011 DKK 1,000
Raw materials	612,715	868,191	17,910	16,739
Goods in progress	45,635	36,657	934	123
Finished goods	935,768	582,573	463,287	247,325
Other goods	127,209	129,965	60,538	55,663
	1,721,327	**1,617,386**	**542,669**	**319,850**
Goods at net realisable value included in booked value of inventories	**33,489**	**24,044**	**25,578**	**15,665**

16 Other receivables				
Tax receivable	22,868	6,561	0	0
VAT and duty receivable	22,402	22,368	0	0
Other receivables	16,680	33,992	3,636	6,817
	61,950	**62,921**	**3,636**	**6,817**

17 Prepayments				
Derivative financial instruments at fair value	916	6,224	838	0
Prepaid rent and consumption taxes	1,150	799	0	88
Other prepayments	6,591	7,363	2,271	1,733
	8,657	**14,386**	**3,109**	**1,821**

18 Minority interests				
Minority interests at October 1st 2011	41,442	37,794		
Disposals in the year	0	0		
Share of profit/loss for the year	11,735	6,377		
Dividend and capital adjustments	(2,728)	(2,729)		
Minority interests at September 30th 2012	**50,449**	**41,442**		

NOTES TO THE ANNUAL REPORT

	Group		Parent	
19 Deferred tax	30.09.2012 DKK 1,000	30.09.2011 DKK 1,000	30.09.2012 DKK 1,000	30.09.2011 DKK 1,000
Deferred tax incumbent on the following items:				
Property, plant and equipment	94,636	77,341	56,252	32,942
Fixed asset investments	0	0	0	0
Other items	(98)	(18,550)	(98)	(18,550)
	94,538	**58,791**	**56,154**	**14,392**
Deferred tax assets incumbent on the following items:				
Loss carried forward	32,597	24,842	0	0
Other tax assets	43,942	15,941	0	0
	76,539	**40,783**	**0**	**0**

20 Other provisions				
Other provisions at October 1st 2011	28,155	24,119	3,000	1,542
Additions for the year	2,096	8,273	45	1,500
Disposals for the year	(6,279)	(4,237)	0	(42)
Other provisions at September 30th 2012	**23,972**	**28,155**	**3,045**	**3,000**

Other provisions are public grants to investments, pensions and contractual risks.

NOTES TO THE ANNUAL REPORT

21 Long-term liabilities other than provisions	Group 30.09.2012 DKK 1,000	Group 30.09.2011 DKK 1,000	Parent 30.09.2012 DKK 1,000	Parent 30.09.2011 DKK 1,000
The following amounts fall due for payment after five years or more:				
Bank debt	639,657	537,332	639,657	537,332
Mortgage debt	0	9,972	0	0
	639,657	**547,304**	**639,657**	**537,332**

Interest and terms to maturity of long-term liabilities (Group, translated into DKK)	Weighted term (years)	Fixed/ floating	Effective rate of interest 2011/12	Effective rate of interest 2010/11	Nominal value DKKm 2011/12	Nominal value DKKm 2010/11
Subordinated loan	3	Fixed	5.00%	5.00%	150	200
Mortgage debt	4	Fixed	7.22%	7.20%	67	83
Private Placements	4	Fixed/floating	2.77%	3.94%	1,442	1,772
					1,659	**2,055**
Weighted average effective rate of interest			**3.15%**	**4.06%**		

The subordinated loan from the Government of Greenland steps down for other creditors. The loan has yearly installments of DKKm 50.

22 Other payables	Group 30.09.2012 DKK 1,000	Group 30.09.2011 DKK 1,000	Parent 30.09.2012 DKK 1,000	Parent 30.09.2011 DKK 1,000
Wages and salaries, personal income taxes, social security costs, etc payable		45,874	24,893	23,010
Holiday pay obligation	38,148	39,171	27,188	28,186
Interest	15,439	24,972	14,509	24,490
VAT and duties	45,766	41,455	29,925	26,387
Other costs payable	33,565	46,922	5,623	10,500
	180,974	**198,394**	**102,138**	**112,573**

23 Deferred income				
Derivative financial instruments at fair value	181	5,974	0	5,974
Other deferred income	42,210	49,124	2,393	3,202
	42,391	**55,098**	**2,393**	**9,176**

NOTES TO THE ANNUAL REPORT

24 Assets charged and contingent liabilities	Group 30.09.2012 DKK 1,000	Group 30.09.2011 DKK 1,000	Parent 30.09.2012 DKK 1,000	Parent 30.09.2011 DKK 1,000
Assets charged				
Mortgage debt has been secured on property, plant and equipment as well as intangible assets at a carrying amount of	147,315	165,063	0	831
Contractual obligations				
Contracts have been made relating to delivery of fixed assets within two years at a carrying amount of	10,750	35,429	10,750	35,429
Lease commitments falling due within five years after the balance sheet date amount to	166,090	126,871	119,307	90,169
Hereof due within one year	67,237	62,838	39,315	38,785
Recourse and non-recourse guarantee commitments				
Associates	1,510	2,990	1,510	2,990
Third party	10,805	10,852	9,805	10,852
Group enterprises	-	-	570,132	569,898

Contingent liabilities
The Royal Greenland Group has some pending lawsuits, including inquiries from the tax authorities. Management believes that the outcome of these lawsuits and inquiries will not have material impact on the Group's financial position.

NOTES TO THE ANNUAL REPORT

25 Financial exposure	Group Receivables DKK 1,000	Liabilities DKK 1,000	Hedged by forward exchange contracts and options DKK 1,000	Net position DKK 1,000
Positions in the most important currencies::				
USD	70,138	(24,231)	140,913	186,820
GBP	35	(11,592)	(88,460)	(100,017)
SEK	14,382	(15,519)	(59,908)	(61,045)
JPY	11,113	(7)	(95,424)	(84,318)
	95,668	**(51,349)**	**(102,879)**	**(58,560)**

Foreign exchange contracts solely cover commercial positions.

Interest rate exposure
The agreed reassessment and repayment dates of the Group's financial assets and liabilities are specified below according to maturity date.
The effective interest rates have been determined based on the current interest level at September 30th 2012.

	Group Reassessment/maturity date Within one year DKK 1,000	Within two-five years DKK 1,000	After five years DKK 1,000	Hereof fixed-rate loan DKK 1,000	Effective rate of interest %
Mortgage and credit institutions,loans	(65,704)	(929,781)	(562,185)	(707,204)	0.9-7.4

Cash and cash equivalents amounts to DKK 259,636k and has a bearing effective rate of interest from 0.0 to 0.5%. Short-term credits amount to DKK 192,789k.
Short-term credits have a bearing effective rate of interest from 1.5% to 2.2%.

NOTES TO THE ANNUAL REPORT

	Group		Parent	
26 Fees to auditors appointed by the general meeting	2011/12 DKK 1,000	2010/11 DKK 1,000	2011/12 DKK 1,000	2010/11 DKK 1,000
KPMG				
Audit fee	2,597	2,375	1,215	1,200
Other declarations from auditor	0	0	0	0
Tax advisory services	390	175	233	75
Other services	539	339	459	183
Adjustments concerning previous years	69	0	42	0
	3,595	**2,889**	**1,949**	**1,458**
Deloitte				
Tax advisory services	-	869	-	598
Other services	-	451	-	246
Adjustments concerning previous years	-	143	-	123
	-	**1,463**	**-**	**967**

27 Related parties

Related parties of the Group are the members of the Supervisory and the Executive Boards as well as the owner, the Government of Greenland.

In the current financial year, the Group has not carried out trade with the Supervisory and Executive Boards. Management remuneration is disclosed in note 3.

28 The managerial positions held by members of the Supervisory Board and Executive Board in other Greenlandic and Danish public limited companies

The managerial positions held by members of the Supervisory Board and Executive Board in other Greenlandic and Danish public limited companies except for managerial positions in wholly owned subsidiaries.

Supervisory Board	Company	Managerial position
Niels de Coninck-Smith Formand	Orifarm Group A/S NCS 4 A/S Rambøll Gruppen A/S Nordic Aviation Capital A/S Dovista A/S	Chairman Chairman Member of the Supervisory Board Member of the Supervisory Board Member of the Supervisory Board
Svend Bang Christiansen	Fyrværkerieksperten A/S Proinvent A/S Teknologiudvikling P.G. Sørensen, Skanderborg A/S Bach Composite Industry A/S BC Group A/S Videometer A/S Proinvent Group Holding A/S Tigervej 12 A/S Valmue Holding A/S Vejle Eksportslagteri A/S IT Company A/S Skare Meat Packers K/S Skare Food A/S	Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Chairman Member of the Supervisory Board
Peder Tuborgh	Arla Foods Amba Arla Foods Holding A/S AF A/S Arla Foods International A/S	Chief Executive Officer Chairman Chairman Chairman

Executive Board	Company	Managerial position
Mikael Thinghuus, CEO	Polar Raajat A/S Upernavik Seafood A/S Ice Trawl Greenland A/S Toms Gruppen A/S	Deputy Chairman Deputy Chairman Member of the Supervisory Board Member of the Supervisory Board
Nils Duus Kinnerup, CFO	Upernavik Seafood A/S Polar Raajat A/S	Member of the Supervisory Board Member of the Supervisory Board

NOTES TO THE ANNUAL REPORT

	Group	
29 Adjustments relating to net profit for the year	2011/12 DKK 1,000	2010/11 DKK 1,000
Depreciation, amortisation and impairment losses	171,378	188,357
Minority interests	11,734	6,377
Financial items allocated to profit for the year	96,250	65,026
Income taxes expensed	32,181	45,535
Provisions	(7,244)	(1,549)
Profit from associates	(35,767)	(24,879)
	268,532	**278,867**
30 Working capital changes		
Change in receivables	58,283	164,950
Change in inventory	(103,941)	(314,013)
Change in trade payables and other payables	(1,698)	185,956
	(47,356)	**36,893**
31 Cash and cash equivalents, end of year		
Cash and cash equivalents, end of year	259,636	415,707
Credit institutions, end of year	(192,789)	(151,042)
	66,847	**264,665**

Of the cash and cash equivalents amounting to tDKK 259,636, tDKK 74,670 has been pledged as security for financial contracts.

ANNUAL REPPORT

Royal Greenland A/S - 2011/12

October 1st 2011 – September 30th 2012

BY APPOINTMENT TO THE ROYAL DANISH COURT

Royal Greenland®