

CBR 29 63 11 23

# ANNUAL REPORT 2009/10

What if you  
could access  
TSM as easily  
as Facebook?

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## COMPANY DETAILS

### ADDRESS AND CONTACT INFORMATION

Front-safe A/S  
 Søndervangs Allé 20  
 DK-8260 Viby J  
 Central Business Registration No: 29 63 11 23  
 Registered in: Århus, Denmark

T: +45 8743 4090  
 F: +45 8743 0490  
 E: info@front-safe.dk  
 W: front-safe.dk

### SUPERVISORY BOARD

Jens Søgaard Jørgensen (Chairman)  
 Bjarne Søballe  
 Thomas Bak  
 Claus Munch


### EXECUTIVE BOARD

Peter M. Nielsen  
 Thomas Bak

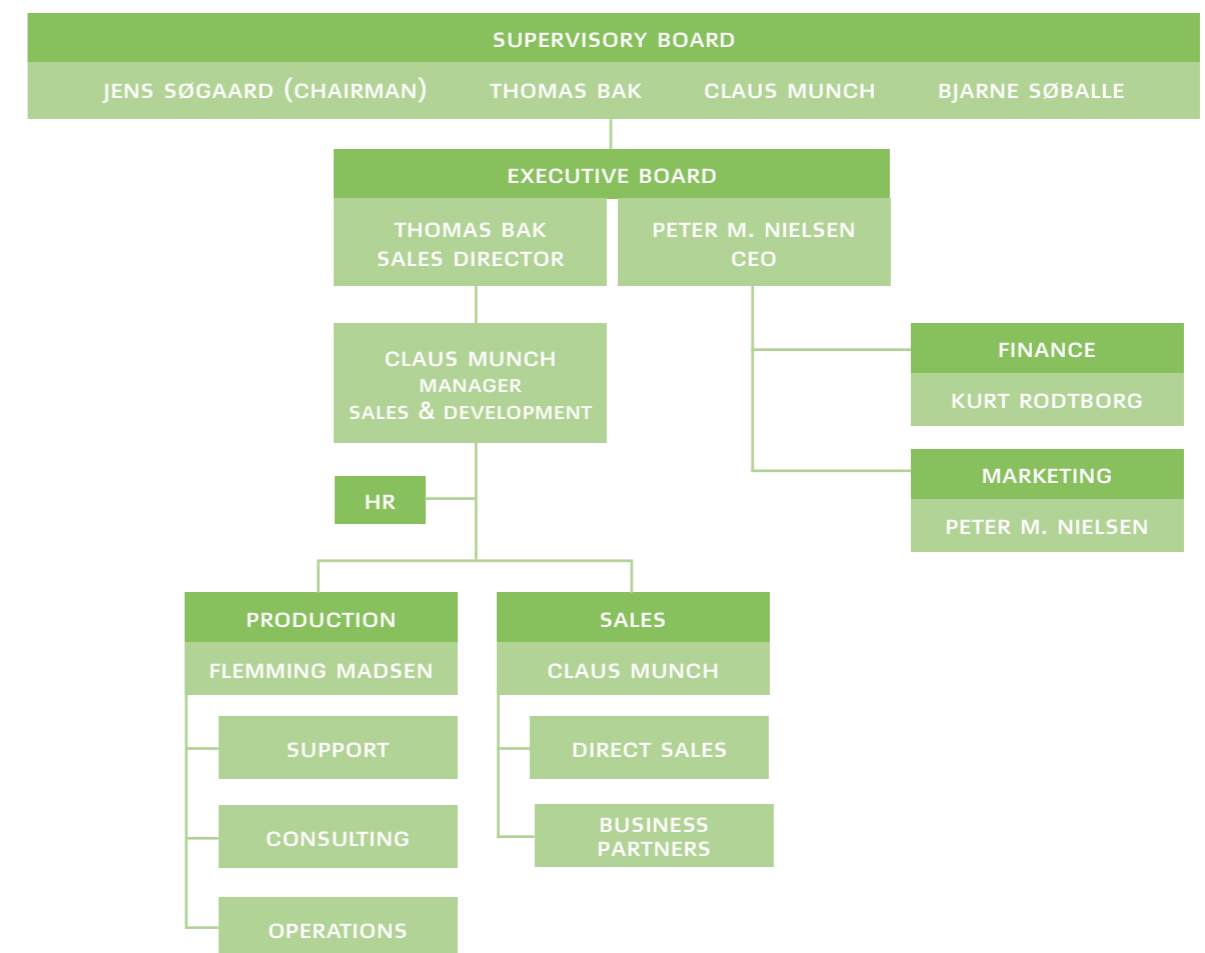
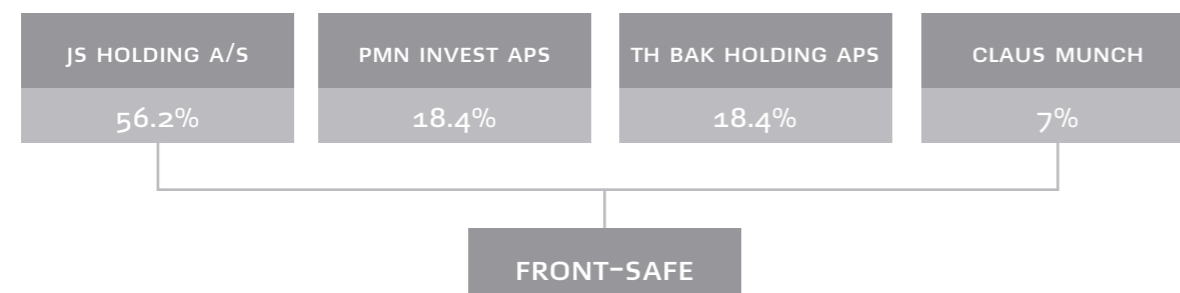
### COMPANY AUDITORS

Deloitte Statsautoriseret Revisionsaktieselskab

The Annual General Meeting adopted the annual report on

*3/6-2010*  
  
 Chairman of the General Meeting

### OWNERSHIP





## SUPERVISORY BOARD AND EXECUTIVE BOARD

### SUPERVISORY BOARD

#### **Jens Søgaard Jørgensen (1960), Chairman**

Founding manager of JS Holding A/S  
Founder of Front-data Danmark A/S, 1990  
Acquisition of DSI DATA, INOPI and Web Frames  
Founder of Next Innovation, 2005  
Founder and Chairman of Supervisory Board, Front-safe A/S, 2006  
Acquisition of the ESDH Division of EDB-Gruppen by INOPI, 2009  
Sale of INOPI - MBO by CEO Claus Due, 2010  
Chairman of Supervisory Board and majority shareholder in all JS Holding companies

#### **Bjarne Søballe (1966)**

Founded Naviteam in 1995 (sold in 1999 to the Aston Group)  
CEO, Aston Naviteam, 1999-2002  
CEO, Aston UK, London, 2002  
Sales Director, Munk IT, 2003-2004  
CEO, Munk IT, 2004-2007  
Acquisition of Munk IT, 2005  
Sale of Munk IT to Norriq, 2007  
CEO, Norriq Danmark A/S, 2007-2008  
CEO, Dynateam A/S, since 2009

#### **Claus Munch (1971)**

Study for international marketing qualification at Århus Business College  
Account Manager, EuroTrust Netvaulting, 2002-2003  
Account Manager, DMSave, 2003-2004  
Department Manager, Online Backup, KMD 2004-2009  
Manager Sales and Development, Front-safe A/S, since 2009  
Member of Supervisory Board, Front-safe A/S, since 2009

#### **Thomas Bak (1971)**

Cand. Merc. Dat. degree, 2002, Århus School of Business, University of Århus  
Programmer, project manager, Sales Manager, Image Monitor, 2001-2002  
Channel Manager, EuroTrust Netvaulting, 2002-2003  
Channel Manager, Munk IT/Munk Hosting, 2003-2006  
Founder and Sales Director, Front-safe A/S, since 2006  
Member of Supervisory Board, Front-safe A/S, since 2006

### EXECUTIVE BOARD

#### **Peter M. Nielsen (1974), CEO and partner**

Buyer, Aktieselskabet Carl Christensen  
WiseHouse Denmark  
EuroTrust Netvaulting  
Department Manager and shareholder, Munk IT  
Department Manager, Munk Hosting  
Founder and CEO, Front-safe A/S, since 2006

#### **Thomas Bak (1971), Sales Director**

Cand. Merc. Dat. degree, 2002, Århus School of Business, University of Århus  
Programmer, project manager, Sales Manager, Image Monitor, 2001-2002  
Channel Manager, EuroTrust Netvaulting, 2002-2003  
Channel Manager, Munk IT/Munk Hosting, 2003-2006  
Founder and Sales Director, Front-safe A/S, since 2006  
Member of Supervisory Board, Front-safe A/S, since 2006

## EXECUTIVE BOARD INTRODUCTION

### FINANCIAL CRISIS LEAVES FRONT-SAFE UNSCATHED

Thanks to our strong back-up concept and partnership strategy and our team of very capable employees, the company has completed another year of growth and increased market share, including in the public-sector segment, in spite of the unprecedented impacts left by the financial crisis during this same period across a wide range of industries and sectors.

Entirely against cyclical trends, Front-safe has experienced the financial crisis as a positive "push factor" in its core business of remote backup. Capital expenditure budgets and increasing data volumes have been a source of concern for many business managers, along with the ever-increasing security requirements for data storage.

"Zero capital expenditure" has been a key element of Front-safe's business concept for new business partners and end-user customers alike, to the extent that we have put more than 1800 new servers into back-up production within less than 12 months, bringing the total close to 5000 servers.

During the 2009/10 year Front-safe expanded one of our two funding sources to support future business growth. This extra funding is designed to provide the capital base needed for ongoing investment, particularly in software and hardware, via a close strategic cooperation partner.

### THE MARKET

The market for remote back-up is in a phase of rapid growth, with the new concept of "cloud computing". IT suppliers are seeing a rising demand for cloud services, including remote back-up, from their end-user customers, which is a positive development for Front-safe. Our unique OEM partner concept enables Front-safe to support these IT suppliers' aspirations to be part of this positive trend. More than 80 IT dealers now use the Front-safe concept to provide remote back-up services, and the number of servers backed up with the Front-safe cloud concept rises with each passing day.

IDC describes the cloud computing concept as "the new business concept for the support of tomorrow's IT solutions, which is here to stay". The three key parameters of cloud computing are:

1. Pay only for what you use
2. Quick and easy to implement
3. Monthly fee instead of major capital investments

*Source: IDC Enterprise Panel, 3Q09, September 2009*

Front-safe's solution delivers on all three of these parameters.

### CONTINUED FOCUS ON PARTNERSHIP STRATEGY

Front-safe was established in 2006 as the only provider on the Danish market committed to a strategy based on OEM partnerships, and we are now the leading supplier in this sector. The partnership concept imbues every aspect of Front-safe's approach, and management is determined to keep the ongoing development of Front-safe moving in a direction that will strengthen this strategy and our market positioning. All our decisions, both large and small, are made with a view to the continuous improvement of Front-safe's service level, flexibility and reliability in our relationships with the partner distribution channel and its end-user customers.

A significant sum has been earmarked in the 2010/11 financial year for marketing assistance to our business partners and the further development of Front-safe's TSM Portal, which our business partners can use for managing and monitoring their customer portfolios and for invoicing requirements.

Front-safe's partnership programme is characterised by its flexibility. Our business partners can decide how active they want the collaboration to be, including the option for them to handle all interactions with the end-user customer, including sales, monitoring, support and invoicing. They can also decide whether Front-safe is to be identified as the solution provider, or if the solution will be presented under the partner's own name and brand (OEM).

Irrespective of the scenario chosen, Front-safe's collaboration options offer high earnings potential for our business partners, and the possibility for the partner to add state-of-the-art remote back-up to the service it provides to the customer – without any extra capital investment.

## REFERENCES

*"MPLS networks and fibre Internet are our core service. These systems enable our customers to communicate across departments located all over the country, as if they were sitting side by side in the same building. Remote back-up provides the perfect complement to a fibre service, by enabling customers to get value from their fibre connections 24 hours a day. Most back-up processes run overnight, when the level of other communications on the network is minimal. Our relationship with Front-safe allows us to offer back-up to our customers to a quality and competence level matching our network service."*

Sales Director, fibre provider

*"When working with architects' practices, which is our core market, we often find huge fluctuations in the volume of data we are asked to back up. Using Front-safe as a back-up sub-contractor gives us 100% scalability for our back-up system. However large the volumes on our customers' servers get, Front-safe is always able to receive the data. That saves our customers from needless investments in back-up hardware due to inaccurate projections of future data volumes."*

*Security is key for us and our customers. For major architecture tenders or assignments for international firms the customer often asks for a description and documentation of data security arrangements, including back-up. Front-safe's audit statement is invaluable in this situation."*

*And finally I should mention the high level of flexibility that Front-safe's online self-service solution provides. We can set up and manage new customers and servers as we choose – and that's very important when you are still in the office late at night and there's still the little matter of connecting a newly installed server up to back-up!"*

CEO, IT full service provider

*"We are totally focused on delivering high value for our customers, i.e. the availability and optimal operation of their business-critical applications. Security is a top priority for us, so for back-up services we decided to take some of our own medicine and rely on an outsourced solution. In spite of the high quality in our own operating centre, which is backed up according to all the standard rules, we opted for the extra security provided by having our back-up data located in the operation of a technical sub-contractor specifically focused on back-up services. This frees us up to focus on our customers and day-to-day server operation."*

General Manager, hosting firm

## TSM PORTAL

Could IBM's highly successful TSM software be made as readily available on the market for SMEs as Skype and Facebook are for the general public? This was the question that lay behind the establishment of Front-safe in 2006.

Availability, clarity and access to self-service were some of the key success factors defined when the company founders, right from the outset, decided on a sales strategy focused on selling via a network of business partners. Two central points, right from day one, were to offer a model based on software-as-a-service, and to pack the entire business concept into the TSM Portal developed in-house by Front-safe. The TSM Portal is an online Internet-based tool that is made available to Front-safe dealers and their end-user customers.

The portal gives dealers access to benefits such as the following:

- ability to set up and manage their own end-user customers and servers
- ability to monitor and support their own end-user customers and servers
- graphs, reports and statistics on end-user customers and servers
- read-out of monthly invoice data as the basis for automatic onward billings
- allocation of rights to end-user customers for monitoring and administration of their own servers

Accordingly, the TSM Portal is more than just a tool. It contains the entire business concept centred on a remote back-up service, giving Front-safe global potential in the software-as-a-service and portal-as-a-service segments.



## STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

### IT SECURITY AND AUDIT STATEMENT

Front-safe puts an extremely high priority on security, and as in previous years, we have obtained an auditor's statement (RS3411 type B) without qualifications. This statement is confirmation for our partners and customers of our compliance with the IT security guidelines set by management. The statement covers general IT controls in relation to the operation of remote back-up services.

Front-safe uses the Danish and international standards on IT security – DS 484 and ISO 27002 – as the primary reference framework for IT security. The work process with regard to IT security is ongoing and dynamic, to ensure that Front-safe continues at all times to operate in accordance with our customers' requirements.

As an extension of the above-mentioned business strategy, last year Front-safe presented partners and customers a new and enhanced service level agreement (SLA). One of the key enhancements is the new 2-centre solution, whereby all back-up data, including historical information, is stored on disk in data centre 1 and on tape in data centre 2. All the data is available online from both centres, allowing restoration from both locations. The two centres are linked by fibre. This solution provides a much higher level of protection, through faster restoration of back-up operations in the event of a major breakdown or disaster.

### EMPLOYEES

Front-safe's team of employees are characterised by a high level of specialist know-how and a strong focus on continuing professional and personal development. They are a young and dynamic team, with an average age in the mid-30s. We believe that people should want to come to work each day, and we should be able to talk to one another, understand one another and acknowledge our distinctive differences. All of our employees, in the support group, consulting group and operations group, have had many years' experience in their respective fields before joining us. All technical employees of Front-safe are set the target of certification in TSM, and expected to achieve this qualification.

We have today presented the annual report of Front-safe A/S for the financial year 1 May 2009 to 30 April 2010.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's net assets, financial position and results. Also, we believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Viby, 23 June 2010

#### Executive Board

Peter M. Nielsen  
Adm. direktør

Thomas Bak

#### Supervisory Board

Jens Søgaard Jørgensen  
Formand

Bjarne Søballe

Thomas Bak

Claus Munch

## INDEPENDENT AUDITOR'S REPORT

To the shareholders of Front-safe A/S

### REPORT ON THE ANNUAL FINANCIAL STATEMENTS

We have audited the annual financial statements of Front-safe A/S for the financial year 1 May 2009 to 30 April 2010, which comprise the accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and presentation of financial statements providing a true and fair view in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and presentation of financial statements that provide a true and fair view, 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.

### AUDITOR'S RESPONSIBILITY AND BASIS OF OPINION

Our responsibility is to express an opinion on these financial statements 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 a high level of assurance that the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. Our audit has not resulted in any qualification.

### OPINION

In our opinion, the financial statements give a true and fair view of the Company's net assets and financial position at 30 April 2010 and of its financial performance for the financial year 1 May 2009 to 30 April 2010 in accordance with the Danish Financial Statements Act.

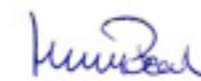
### STATEMENT ON THE MANAGEMENT COMMENTARY

Management is responsible for preparing a management commentary that contains a fair review in accordance with the Danish Financial Statements Act.

Our audit did not include the management commentary, but we have read it pursuant to the Danish Financial Statements Act. We did not perform any procedures other than those performed during the audit of the financial statements. Based on this, we believe that the disclosures in the management commentary are consistent with the financial statements.

Århus, 23 June 2010

Deloitte  
Statsautoriseret Revisionsaktieselskab



Michael Bach  
Statsautoriseret revisor



Thorsten Jørgensen  
Statsautoriseret revisor

## MANAGEMENT COMMENTARY

### THE YEAR IN REVIEW

2009/10 year has been an exciting and positive year for Front-safe. Given our market share increases, recruitment of new customers, an increase in the staff establishment and positive financial results, management sees the past year as a satisfactory one for our company. Front-safe has established itself as an important player in the Danish remote back-up market.

### BUSINESS AND FINANCIAL TRENDS

Front-safe experienced a positive trend in 2009/10, with growth of 26 percent in gross profit. In spite of the financial crisis during the period, the results are those of a company on a growth path, entirely in accordance with management's expectations. A huge increase in the level of business activity during the financial year led to investments of 5,157,325 DKK, and an increase of 1,454,473 in capital employed in assets. The total capital requirement of 6,611,798 DKK was funded with 3,531,397 DKK from operating cash flows and 3,080,401 of increase in debt. Front-safe investments included expenditure on our "PaaS" (portal-as-a-service) software, developed in-house, and new infrastructure in general. These investments were necessary in order to meet the demand for our core concept of "OEM" remote data back-up, with new functions at the level of both infrastructure and software for the benefit of our partners and customers.

The company achieved growth of 1800 servers during 2009/10. This is the strongest growth in server numbers we have ever recorded in a single financial year. One of the reasons for this remarkable increase lies in our close collaboration with the leading Danish IT business in the public-sector segment.

The year ended with a profit before tax of 2.2 million DKK, which is regarded as satisfactory.

### EXPECTATIONS FOR 2010/11

The company expects ongoing growth and positive results in 2010/11, with exciting prospects in the pipeline.

## ACCOUNTING POLICIES

### ACCOUNTING POLICIES

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises. The financial statements have been presented applying the accounting policies consistently with those applied last year.

### RECOGNITION AND MEASUREMENT

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event and when it is probable that future economic benefits will flow out of the Company and the value of the liability 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 financial statement 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 this financial year.

### 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 EXTERNAL EXPENSES

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, etc.

### STAFF COSTS

Staff costs comprise salaries and wages, social security costs, pension contributions, etc for the Company's staff.

### FINANCIAL INCOME AND EXPENSES

Financial income and expenses comprise interest income and interest expenses.

### 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 for the portion attributable to the profit/(loss) for the year and taken directly to equity for the portion attributable to direct postings to equity.

## INCOME STATEMENT FOR 2009/10

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 on all temporary differences between the carrying amount and tax-based value of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carryforwards, 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.

The Company is jointly taxed with the Parent and all the Parent's other Danish subsidiaries. The current income tax is allocated among the jointly taxed enterprises proportionally to their taxable income (full allocation with a refund concerning tax losses).

### BALANCE SHEET

#### INTANGIBLE ASSETS

Development costs comprise costs and salaries that are directly and indirectly attributable to the Company's development activities.

Development costs recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses. The amortisation period for development costs is 5-10 years, which is expected to correspond to the useful life of the developed units.

The amortisation period for computer software is 10 years. Updates are amortised during operations on a current basis.

#### PROPERTY, PLANT AND EQUIPMENT

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. 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.

The basis of depreciation is cost plus revaluation and minus estimated residual value after the end of useful life. Depreciation is provided on a straight-line basis from the following assessment of the assets' expected useful lives:

Other fixtures and fittings, tools and equipment (3-5 years)

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

#### RECEIVABLES

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

#### PREPAYMENTS

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

#### OTHER FINANCIAL LIABILITIES

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

	Note	2009/10 (DKK)	2008/09 (DKK'000)
Gross profit		9.178.221	7.295
Staff costs	1	(5.595.315)	(3.445)
Depreciation, amortisation and impairment losses	2	(1.273.453)	(737)
<b>Operating profit</b>		<b>2.309.453</b>	<b>3.113</b>
Financial income	3	106	3
Financial expenses	4	(86.871)	(93)
<b>Profit before tax</b>		<b>2.222.688</b>	<b>3.023</b>
Tax on profit for the year	5	(557.420)	(767)
<b>Profit for the year</b>		<b>1.665.268</b>	<b>2.256</b>
<b>Proposed distribution of profit</b>			
Ordinary dividends for the financial year		0	
Retained earnings		1.665.268	
		<b>1.665.268</b>	

## BALANCE SHEET AT 30 APRIL 2010

	Note	2009/10 (DKK)	2008/09 (DKK'000)
Development costs		1.444.811	689
Software		7.399.423	4.829
<b>Intangible assets</b>	<b>6</b>	<b>8.844.234</b>	<b>5.518</b>
Other fixtures and fittings, tools and equipment	7	810.223	252
<b>Property, plant and equipment</b>		<b>810.223</b>	<b>252</b>
<b>Fixed assets</b>		<b>9.654.457</b>	<b>5.771</b>
Trade receivables		2.295.967	1.621
Income tax receivable		35.260	0
Prepayments		1.640.945	896
<b>Receivables</b>		<b>3.972.172</b>	<b>2.517</b>
<b>Current assets</b>		<b>3.972.172</b>	<b>2.517</b>
<b>Assets</b>		<b>13.626.629</b>	<b>8.288</b>

## BALANCE SHEET AT 30 APRIL 2010

	Note	2009/10 (DKK)	2008/09 (DKK'000)
Share capital	8	544.086	544
Retained earnings		2.641.367	976
<b>Equity</b>		<b>3.185.453</b>	<b>1.520</b>
Deferred tax liabilities		2.030.872	1.438
<b>Provisions</b>		<b>2.030.872</b>	<b>1.438</b>
Payables to group enterprises		303.341	0
Trade payables	9	1.445.080	0
<b>Long-term liabilities other than provisions</b>		<b>1.748.421</b>	<b>0</b>
Bank debt		1.412.737	184
Trade payables		3.345.908	2.943
Payables to group enterprises		258.022	827
Other payables		1.553.216	1.288
Deferred income		92.000	88
<b>Current liabilities</b>		<b>6.661.883</b>	<b>5.330</b>
<b>Liabilities other than provisions</b>		<b>8.410.304</b>	<b>5.330</b>
<b>Equity and liabilities</b>		<b>13.626.629</b>	<b>8.288</b>

## STATEMENT OF CHANGES IN EQUITY FOR 2009/10

	Share capital (DKK)	Retained earnings (DKK)	Proposed dividends for the financial year (DKK)	Total (DKK)
Equity at 1 May 2009	544.086	976.099	0	1.520.185
Profit for the year	0	1.665.268	0	1.665.268
<b>Equity at 30 April 2010</b>	<b>544.086</b>	<b>2.641.367</b>	<b>0</b>	<b>3.185.453</b>

## NOTES

	2009/10 (DKK)	2008/09 (DKK'000)
<b>1. Staff costs</b>		
Salaries and wages	5.002.037	3.016
Pension contributions	301.592	195
Other staff costs	291.686	234
	<b>5.595.315</b>	<b>3.445</b>
Average number of employees	7	5
<b>2. Depreciation, amortisation and impairment losses</b>		
Development costs	224.472	66
Software	729.651	423
Other fixtures and fittings, tools and equipment	319.330	250
Profit on sale of property, plant and equipment	0	(2)
	<b>1.273.453</b>	<b>737</b>
<b>3. Financial income</b>		
Interest from group enterprises	0	3
Other financial income	106	0
	<b>106</b>	<b>3</b>
<b>4. Financial expenses</b>		
Financial expenses from group enterprises	10.636	0
Other financial expenses	76.235	93
	<b>86.871</b>	<b>93</b>

## NOTES

### 5. Tax on profit for the year

Current tax	0	0
Change in deferred tax	592.680	767
Refund of tax from jointly taxed companies	(35.260)	0
	<b>557.420</b>	<b>767</b>

	Development costs (DKK)	Software (DKK)
<b>6. Intangible assets</b>		
Cost at 1 May 2009	823.497	5.623.286
Additions	979.981	3.300.000
Disposals	0	0
<b>Cost at 30 April 2010</b>	<b>1.803.478</b>	<b>8.923.286</b>
Amortisation and impairment losses at 1 May 2009	(134.195)	(794.212)
Amortisation for the year	(224.472)	(729.651)
Reversal relating to disposals	0	0
<b>Amortisation and impairment losses at 30 April 2010</b>	<b>(358.667)</b>	<b>(1.523.863)</b>
<b>Carrying amount at 30 April 2010</b>	<b>1.444.811</b>	<b>7.399.423</b>

## NOTES

### 7. Property, plant and equipment

Cost at 1 May 2009	822.392
Additions	877.344
Disposals	0
<b>Cost at 30 April 2010</b>	<b>1.699.736</b>
Depreciation and impairment losses at 1 May 2009	(570.183)
Depreciation for the year	(319.330)
Reversal relating to disposals	0
<b>Depreciation and impairment losses at 30 April 2010</b>	<b>(889.513)</b>
<b>Carrying amount at 30 April 2010</b>	<b>810.223</b>

2010 (DKK)

### 8. Share capital

The share capital consists of A and B shares of a nominal value of DKK 506,000 and DKK 38,086.

Changes in share capital in the past five financial years:	
Share capital at 18 August 2006	500.000
Capital increase on 3 October 2007	6.000
Capital increase on 28 March 2009	38.086
<b>Aktiekapital 30.04.2010</b>	<b>544.086</b>

2010 (DKK)      2009 (DKK'000)

### 9. Long-term liabilities other than provisions

Total payables falling due after more than five years	0	0
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## NOTES

### 10. Lease commitments

For the years 2010-2013, operating leases have been concluded for lease of cars.  
The annual lease amounts to DKK 434k

For the years 2010-2013, operating leases have been concluded for lease of operating equipment.  
The annual lease amounts to DKK 3,231k.

### 11. Assets charged and guarantees

Non

### 12. Ownership

The Company has registered the following shareholders with more than 5% of the voting rights or nominal value of the share capital:

JS Holding A/S, Tjørnevej 12, DK-8240 Risskov

Th Bak Holding ApS, Dronningensvej 28, DK-2000 Frederiksberg

PMN Invest ApS, Solkrogen 3, DK-8250 Egå

Claus Munch, Skejbytoften 43, DK-8200 Århus N

### 13. Consolidation

Front-safe A/S and subsidiaries are included in the consolidated financial statements of JS Holding A/S, Central Business Registration no 17 63 99 43.