




Investor presentation

Annual report 2007/08

29. august 2008

GLUNZ & JENSEN 

Forward-looking statements



Statements regarding future conditions, especially the revenue and operating income are precarious and connected with risks.

Many factors are not controllable by Glunz & Jensen and the realised figures might deviate considerably from the described expectations. These factors will amongst others be major changes in the market conditions, such as the technological development, the customer portfolio, the exchange rates, and the acquisition or divestment of companies.

For further information please see the section on Risk Factors in the Annual Report.

Agenda

- 2007/08 highlights
- Business report
- 2008/09 objectives and outlook
- 2007/08 financials



2007/08 Business objectives



■ Competitive cost position

- Complete transfer of last remaining CtP processor production from Denmark to Slovakia
- Optimize supplier network, logistics, planning and efficiency surrounding Slovakian production

Achievements in brief

The last platform, Interplater HDX, was transferred during Q3 of FY08

Difficulties in H1 – much improvement across the board in H2

■ Compete in CtP processor market

- Manage CtP processor sales through competitive, market and technological challenges
- Establish office in China to improve support of distribution partners and end users in Asia
- Prepare for Drupa 2008

Increased Revenue by 3% in declining market

Representative office open in Shenzhen November 2007

Successful Drupa with strong interest from OEMs and end users

■ New Business Development

- Successful development of iCtP and "Punch & Bend" activities
- Further steps towards New Business Development

Break-through in iCtP
Improvements in Punch & Bend

Limited progress. The primary focus has been on iCtP and Punch & Bend

Highlights & Ratios



DKKm	2006/07	2007/08	Change
Revenue	450	433	-4%
Gross profit	95	94	-1%
Gross margin, %	21.1	21.6	0.5pp
Operating profit before special items (EBITA)	-3	4	N.A.
Operating margin (EBITA), %	-0.7	0.8	1.5pp
Special items	5	-	N.A.
Write-down of goodwill	-	-13.5	N.A.
Net profit	2.8	-12.7	N.A.
Cash flow from operations	-11	15	N.A.
Cash flow from investments	11	-11	N.A.
Net interest bearing debt	68	62	-9%
Employees (average)	362	360	-1%

2007/08 Comparison with guidance



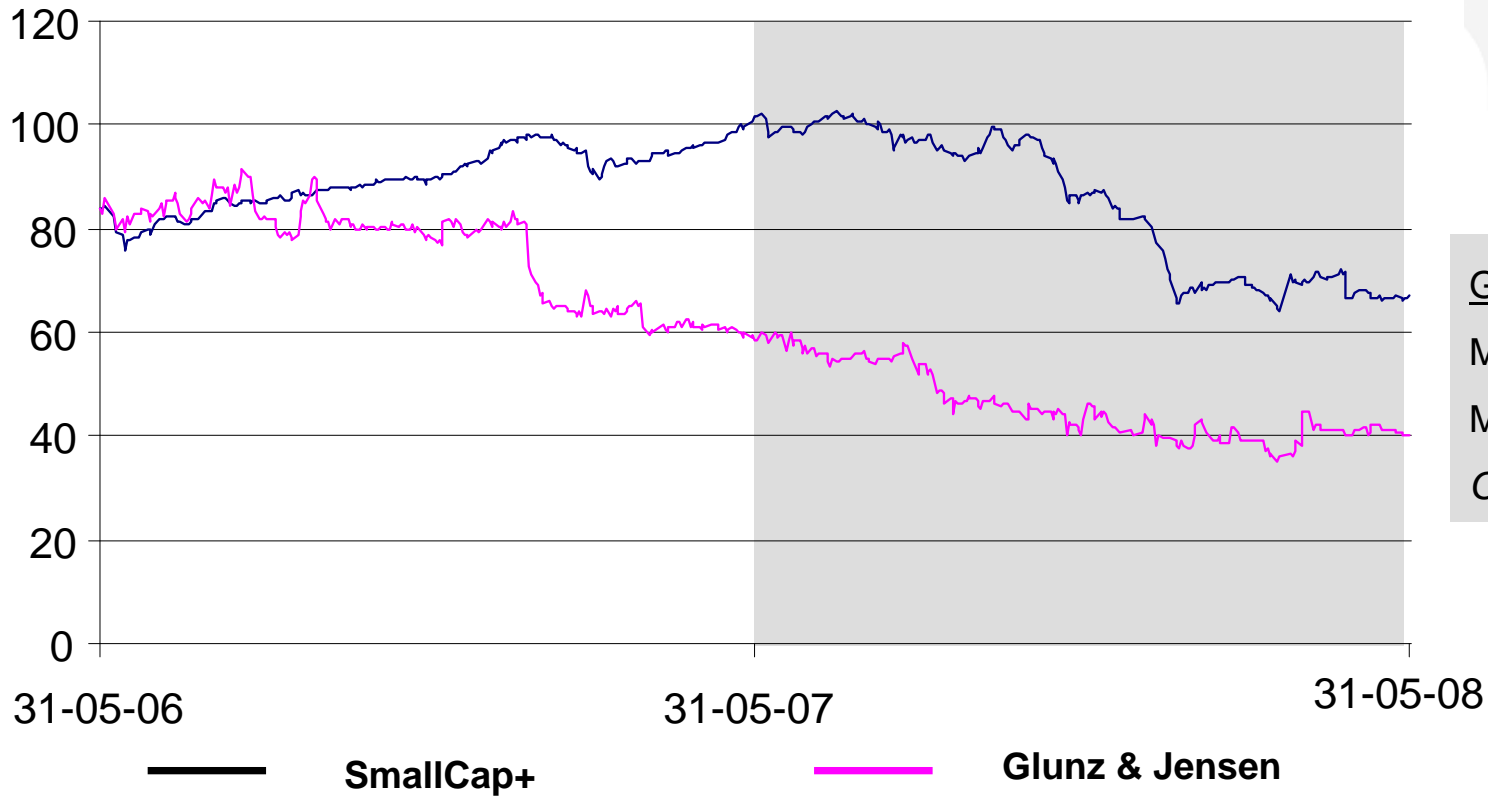
■ August 2007 guidance

- Revenue in excess of DKK 400 million
- Operating profit (EBITA) at DKK 0-5 million
- Special items at DKK 0 million

■ Actual 2007/08 results

- Revenue of DKK 433 million
- Operating profit (EBITA) of DKK 3.5 million
- Goodwill write off of DKK 13.5 million
 - Estimate of Punch & Bend growth and profitability reduced

Share price 2006-2008



G&J share price:
May 07: DKK 59
May 08: DKK 40
Change: (32)%

Business Report



Business environment



■ Market development

- Macro economic indicators lead to reduced expectations throughout the printing industry
- CtP conversion
 - CtP conversion virtually completed in most Western markets
 - Growth areas remain in
 - developing economies
 - within special niches
 - small to medium sized North American Newspapers

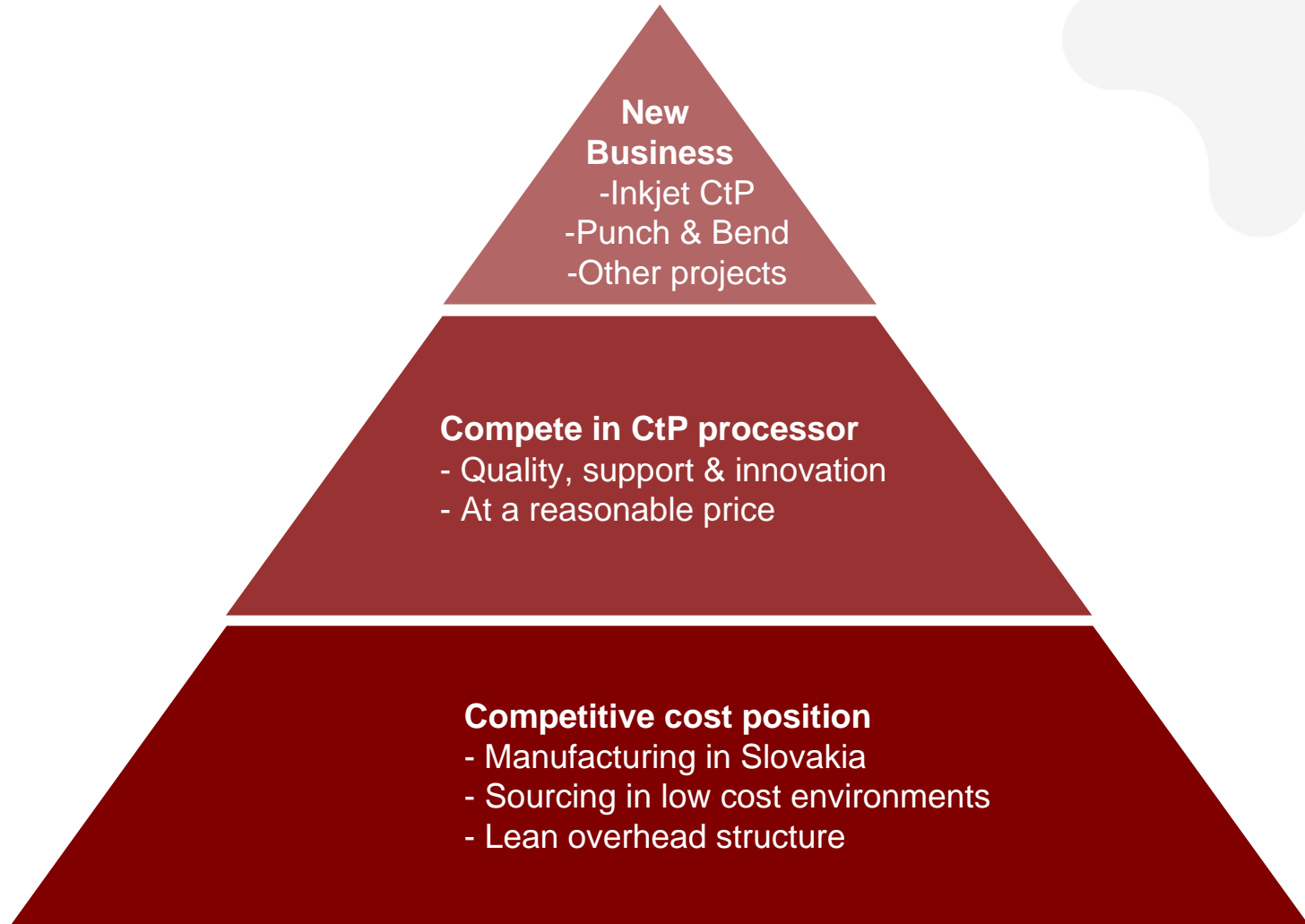
■ Technology development

- CtP plate development trends are leading to more offerings of chemical free and processless plates
- CtP setter development expands from mainstream towards extremes
 - Higher productivity
 - Very small or very large formats

■ Competition

- Number of European competitors unchanged
- Increasing number of Asian manufactures
- There continue to be no North American processor manufacturers

Glunz & Jensen strategy



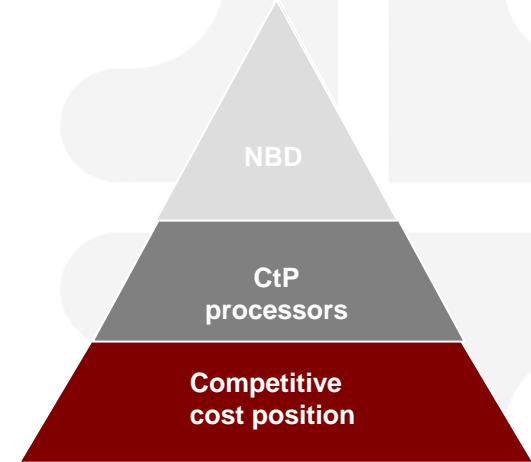
Focus on optimization

■ Optimization in Slovakia

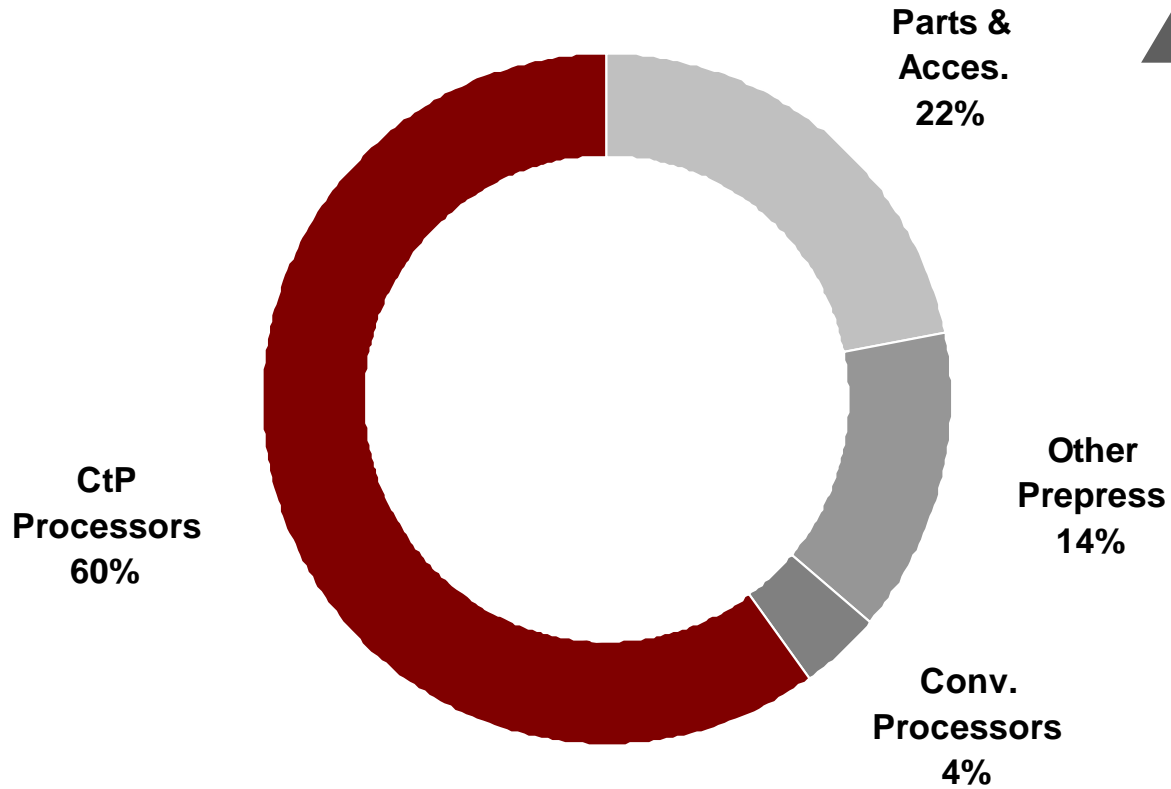
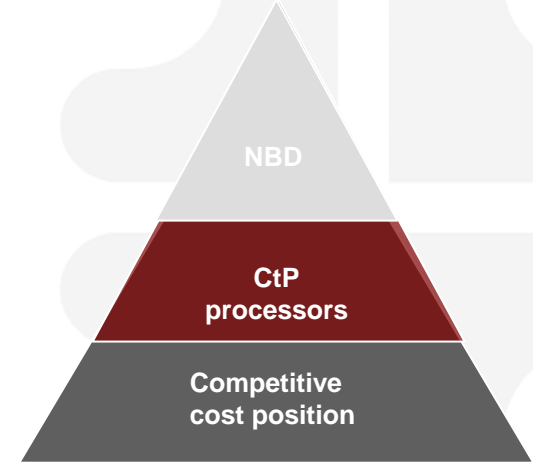
- All CtP processor manufacturing is now transferred
- Planning and logistics functions strengthened
 - Training and improved cooperation
 - Improved systems and data accuracy
- Efficiency improved
 - Improved forecasting process
 - Improved KPIs and closer follow up on labor vs. demand
- Global sourcing initiative continues
 - Utilization of Eastern European suppliers continue to increase
 - Internal transports reduced 75%

■ Optimization in Indiana

- Rapid Profit Improvement Program focusing on most aspects of the Punch & Bend business area
- Changed from vertically integrated manufacturing to focus on assembly
- Value Engineering of key products to reduce cost
- Improved business processes and IT support systems
- Number of employees reduced from 58 to 47 during 2007/08
 - And to 40 employees during Q1 of 2008/09

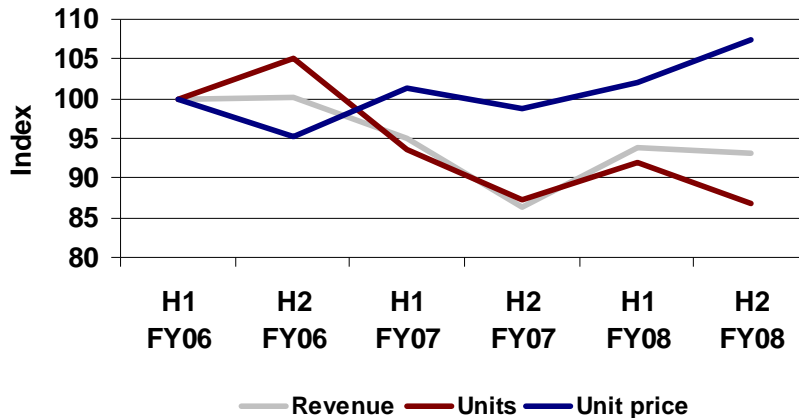


2007/08 Revenue distribution

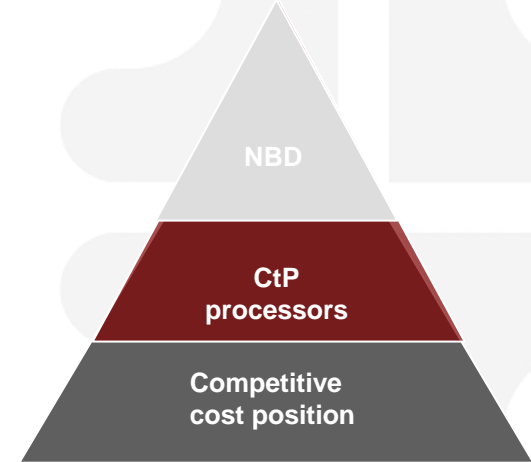


2007/08 Revenue development

- CtP processor sales in 2007/08 relative to previous year
 - Revenue up 3%
 - Unit sales down 1%
 - Prices up 5%



- Indexed development over past three years illustrate strengthened position in high end CtP



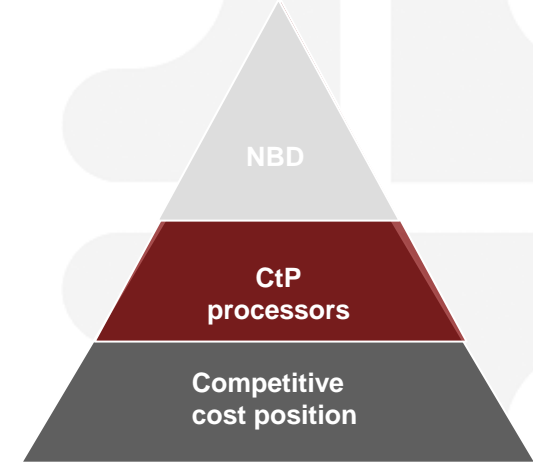
2007/08 Main activities

■ Sales & Marketing

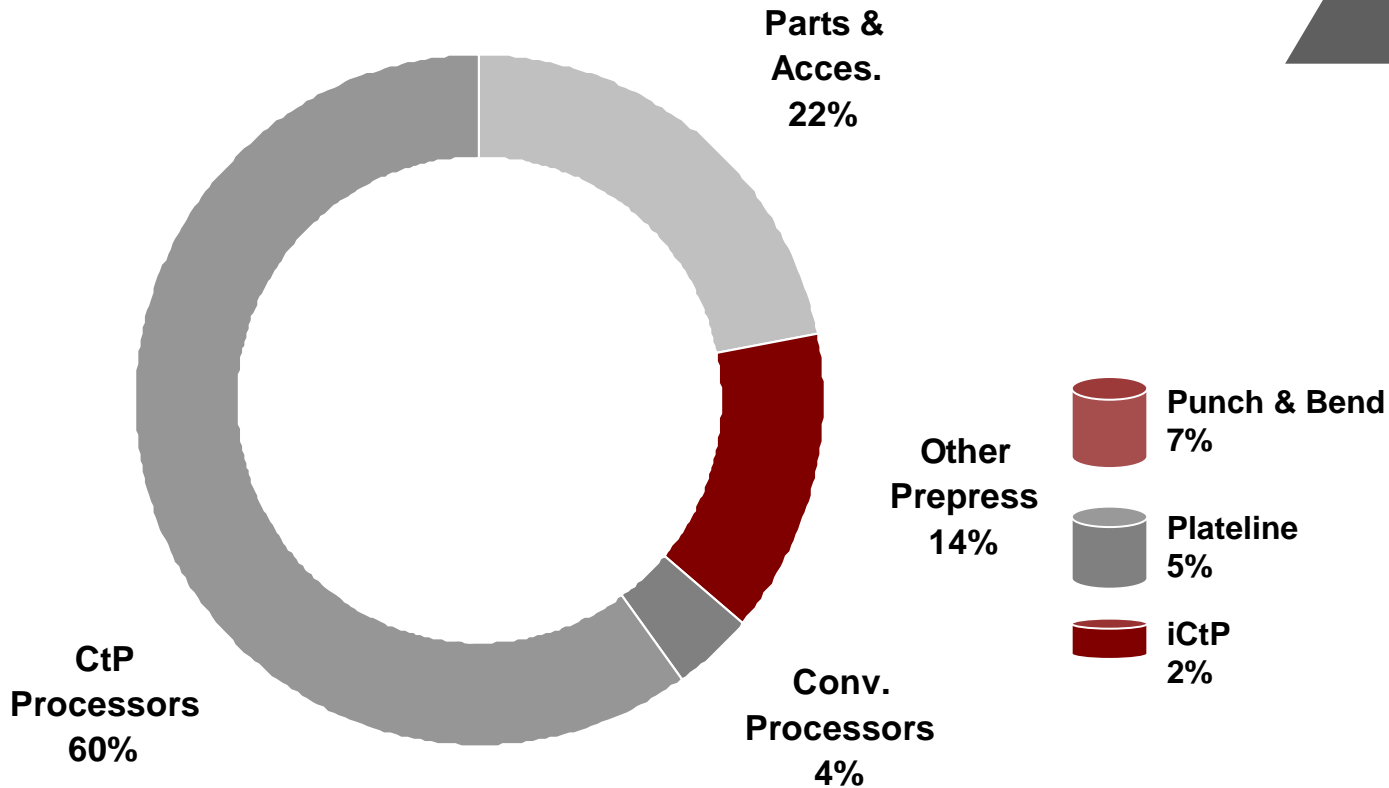
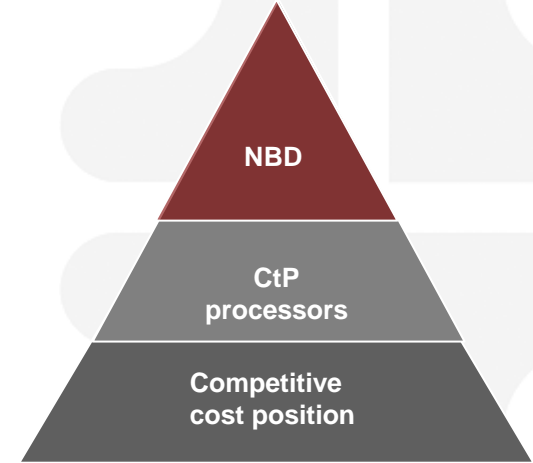
- Representative office opened in China
 - Local sales & service personnel
 - Ongoing training of OEM personnel
- Drupa
 - The largest trade exhibition in the printing industry
 - Every 4 years, 1000+ exhibitors, more than 400,000 visitors
 - G&J exhibited over 25 pieces of equipment with 8 OEMs
- Global market share: More than 50%

■ Research & Development

- Interplater HDX completed and released to all OEMs
 - The de facto standard for Newspaper CtP processing
- Interplater HDX 150
 - Released at Drupa
 - Indicative of trend towards CtP in Very Large Formats
- Chemical Free CtP processors
 - Projects with several plate suppliers



2007/08 Revenue distribution



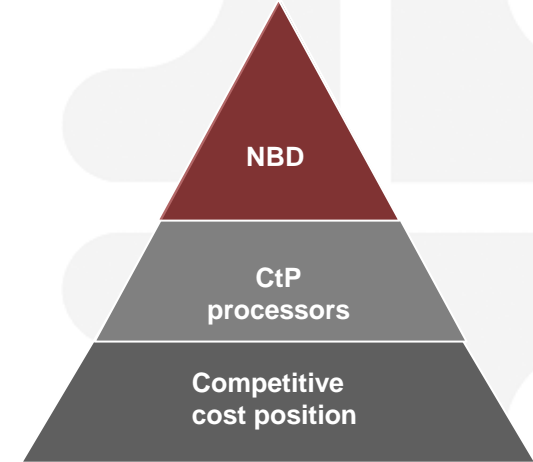
Punch & Bend – main activities

■ Sales & Marketing

- US direct sales force reorganized
 - More internal and less external sales
 - Improved Sales & Marketing tools
- Asian sales activities increased
- European presence strengthened
 - Service & support center in Denmark
 - Sales office to open in Q2 2008/09
- Global Market share: Less than 10%

■ Research & Development

- Punch & Bend product line adjustments
 - Design alignment with Interplater HDX
 - Cost reductions through value engineering
- Press locks
 - A new patented lock design successfully released



iCtP – main activities

■ Sales & Marketing

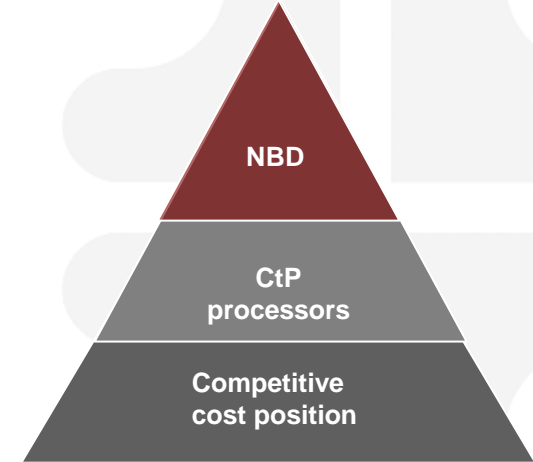
- Distribution
 - European distribution initiated in 2nd half of 2007/08
 - US distribution structure maintained throughout the year
 - Other regions will be addressed in 2008/09
 - First OEM distribution opportunity identified
- Marketing
 - Drupa provided very good exposure and generated much interest
- Sales
 - Steady growth in 2nd half of 2007/08, which was 85% of full year revenue
 - Consumables sales is 25% of total revenue

■ Research & Development

- Second generation technology released with Platewriter 2000
 - Launched November 2007
 - Steady growth in sales through 2nd half of 2007/08
- Product line expanded with Platewriter 2400 at Drupa

■ Supply chain

- Plate production optimized and yield improved
- Ink stability improved and outsourcing initiated



2008/09 Objectives and Outlook



Business environment outlook (1)



■ CtP processor market

- Overall market decline of approximately 10% p.a. expected over the next three years
 - CtP conversion from Conventional plate making is slowing down
 - Penetration of Processless plates will erode CtP processor market opportunities
 - Penetration of Chemical Free plates will reduce average value processing equipment
- Competitive landscape and distribution channels are not expected to change

■ Conventional processor market

- The historic decline will continue as printers turn away from film based print making
- For G&J, we expect to phase out Conventional processors in 24-36 months

■ Plateline equipment market

- Plate technology developments reduces the need for baking systems
- Declining CtP processor sales and general price erosion reduce the available stacker market by 15-20% p.a.
- Competition expected to increase as technology content is low

Business environment outlook (2)



■ Punch & Bend market

- North American market decline will be off set by growth in developing economies, while the European market remains relatively flat
- Competition is fierce and consolidation is expected within the next three years

■ iCtP market

- Number of small printers requiring to convert from conventional plate making is huge (over 100,000 worldwide)
- Some will be consolidated into larger printers instead of converting their plate making technology
- Many alternate technologies compete for the opportunity to upgrade plate making methods for the small printer
- Within Inkjet based plate making, G&J will have many competitors offering similar technology, but we believe the G&J technology to be superior to current alternatives

2008/09 Business objectives



■ **Competitive cost position**

- Improve productivity and efficiency in Slovakian manufacturing facility
- Reduce working capital and improve competitiveness through reduced lead-times in Slovakian manufacturing facility
- Continue value engineering projects to reduce cost from select product platforms

■ **Compete in CtP processor market**

- Increase market share in declining market through close cooperation with major OEMs and focus on developing markets in Asia and Latin America

■ **New Business Development**

- Successful development of iCtP, creating significant revenue towards the end of 2008/09
- Continue turnaround of Punch & Bend activities

2007/08 Guidance



- **Revenue: Approx. DKK 400 million**
(2007/08: DKK 433 million)
 - Revenue from CtP processors expected to decline – overall market declining due to new process-less plate technologies
 - Revenue from Other Prepress to increase
 - Revenue from iCtP to increase
 - Revenue from Plateline equipment to fall
 - Conventional processors continue to decline
 - Spare parts & accessories expected to decline
 - Sale of accessories decline with reduced processor sales

- **EBITA: DKK 5-10 million**
(2007/08: DKK 3.5 million)
 - A negative effect of lower revenue
 - A positive effect from lower variable cost due to optimization
 - The contribution from iCtP and Punch & Bend is improved, but remain negative

2007/08 Financials



Profit & Loss statement



DKKm	2006/07	2007/08	Change
Revenue	449.8	433.4	-16.4
Operating profit before special items (EBITA)	-3.2	3.5	6.7
Special items	5.1	-	-5.1
Write-down of goodwill	-	-13.5	-13.5
Net profit	2.8	-12.7	-15.5

Revenue



DKKm	2006/07	2007/08	Change
Revenue	449.8	433.4	-16.4
CtP processors	251.4	266.1	14.7
Other Prepress	72.2	71.9	-0.3
Conventional processors	24.7	16.6	-8.1
Spare parts etc.	101.5	95.3	-6.2
USD effect *		-16.5	-16.5

*USD Average exchange rate 2007/08 510 (2006/07 574)

EBITA development



DKKm	2006/07	2007/08	Change
Operating profit before special items	-3.2	3.5	6.7
Gross profit	94.9	105.0	10.1
Fixed expenses	-98.1	-92.6	5.5
USD effect *		-8.9	-8.9

*USD Average exchange rate 2007/08 510 (2006/07 574)

Balance Sheet – Assets



DKKm

31 May 2007

31 May 2008

Total assets	307.6	282.5
Goodwill	41.0	25.7
Development projects	21.7	18.4
Property, plant & equipment	76.5	37.2
Assets held for sale	-	38.7
Inventory	76.1	70.0
Receivables	74.1	69.2
Other assets	13.8	16.7
Cash	4.4	6.6

Balance Sheet – Liabilities



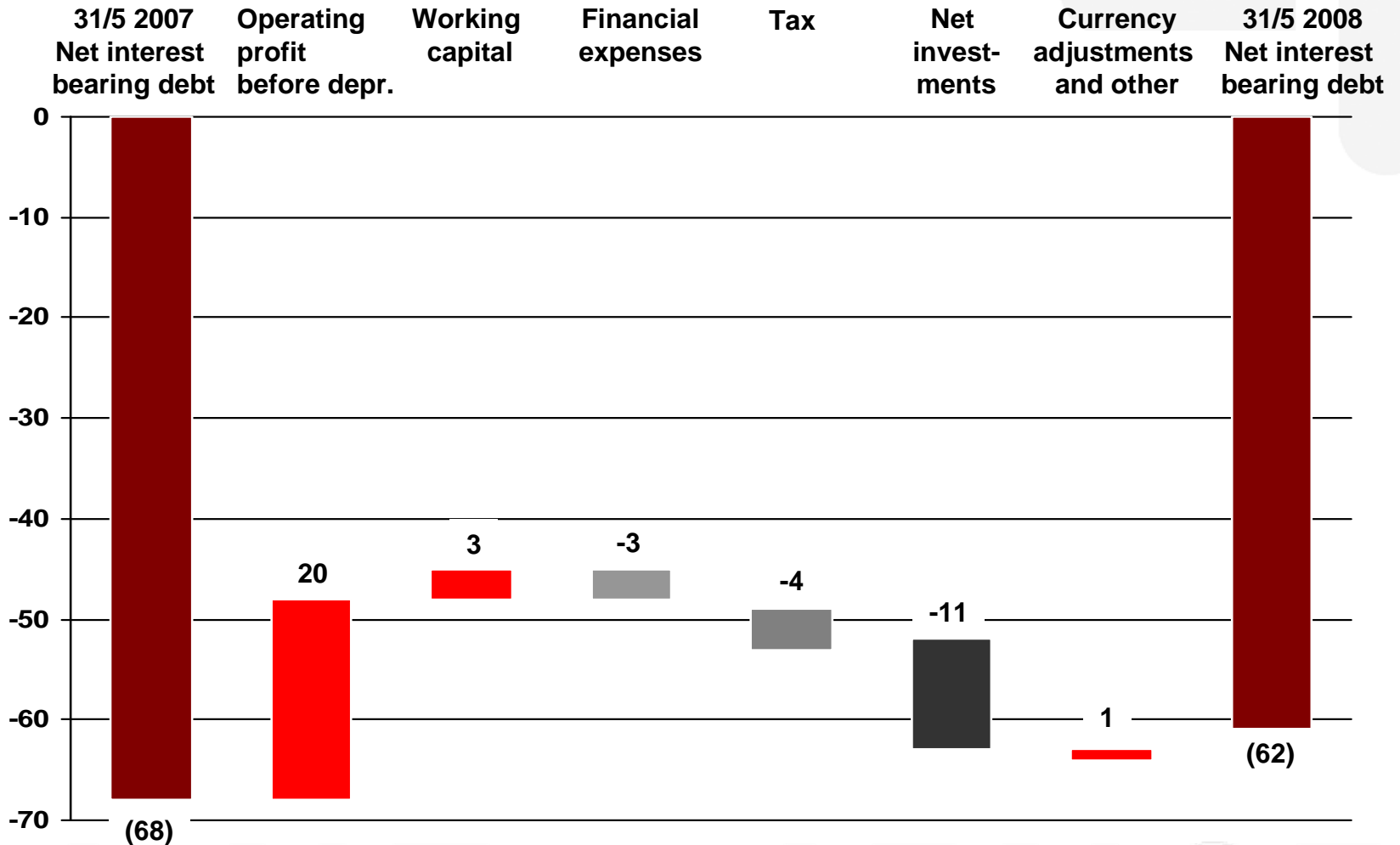
DKKm

31 May 2007

31 May 2008

Total liabilities	307.6	282.5
Equity	158.9	147.1
Interest bearing debt	72.5	69.0
Other debt	76.2	66.4
Equity ratio	51.6	52.1

2007/08 Cash flow



Q & A session





Thank You!

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