

Preliminary Statement of
Annual Results

2006



Financial Performance in 2006

- EAC's consolidated revenue was DKK 3,590m, up 28 per cent in DKK compared to 2005. Operating profit from continuing operations increased by 36 per cent reaching DKK 312m based on strong performances by all three businesses.
- EAC Foods achieved revenue growth of 41 per cent in USD compared to 2005. Operating profit increased by 21 per cent in DKK to DKK 213m.
- EAC Industrial Ingredients achieved revenue growth of 23 per cent compared to 2005 in local currencies. Operating profit excluding non-recurring items increased by 29 per cent in DKK-terms to DKK 81m.
- EAC Moving & Relocation Services achieved revenue growth of 5 per cent relative to 2005 in local currencies. Operating profit grew by 36 per cent in DKK to DKK 53m.

Revenue



28%



39%



26%



5%

Dividend

The Parent Company The East Asiatic Company Ltd. A/S achieved a net profit of DKK 248m. The Supervisory Board of Directors will propose to the Annual General Meeting that a dividend of DKK 10.00 per share be paid, consisting of DKK 5.00 in accordance with the Company's policy of distributing a dividend equal to 1/3 of the net profit and DKK 5.00 as a special dividend given the strong financial position of the Company. The total dividend payment proposed is DKK 167m.

Outlook for 2007

Expectations for the Group in 2007 are based on an average DKK/USD exchange rate of 570.00, while the actual results for 2007 will be consolidated using the average exchange rates for the year. This could potentially cause variances depending on movements in exchange rates.

The Group expects single-digit revenue growth both in local currencies and in DKK to around DKK 3.8bn (DKK 3.6bn).

The Group consolidated operating profit (EBIT) excluding non-recurring items is expected to be on level with 2006 (DKK 312m).

EAC's share of net income in associates is expected to contribute slightly above 2006 (DKK 25m).

The above outlook for 2007 reflects management's expectations of future events and must be viewed in the context of the business environments and currency markets, which may cause actual results to deviate materially from those projected by EAC.

Presentation of financial results

The 2006 financial results will be presented by President & CEO Niels Henrik Jensen and Group CFO Michael Østerlund Madsen on 21 February 2007 at 15:00 (Danish time) at the Copenhagen Stock Exchange (CSE), 6 Nikolaj Plads, Copenhagen. The presentation will be streamed live on the web sites of the Co-

penhagen Stock Exchange (www.cse.dk) and EAC (www.eac.dk).

For further information, contact:

President & CEO Niels Henrik Jensen,
+45 35 25 43 00,
+45 20 23 21 88 (mobile),
nhj@eac.dk

Group CFO Michael Østerlund Madsen,
+45 35 25 43 00,
+45 20 41 09 57 (mobile),
mom@eac.dk

Further information on the EAC Group is available on the Group's web site: www.eac.dk

Note that comparative figures for the previous year are stated in brackets. All currency effects refer to translation effects from reporting currencies unless otherwise stated.

Financial Highlights and Key ratios

DKK million	2006	2005
INCOME STATEMENT		
Revenue	3,590	2,805
Operating profit (EBIT)	312	229
Net financials	52	-16
Revaluation of fixed assets investments		2
Share of profit in associates	25	25
Profit before income tax expenses	389	240
Income tax expense	100	94
Profit from continuing operations	289	146
Profit/(loss) from discontinued operations	-19	8,035
Net profit	270	8,181
Minority interests	30	27
Equity holders of the parent EAC	240	8,154
Earnings per share from continuing operations	14.5	6.3
Earnings per share (diluted) from continuing operations	14.5	6.2
	31.12	31.12
DKK million	2006	2005
BALANCE SHEET		
Total assets	2,760	11,628
Working capital employed	589	562
Net interest bearing debt, end of period	-752	-291
Net interest bearing debt, average	-521	-805
Invested capital	1,021	10,213
Minority interests	104	150
Equity	1,797	10,463
Cash, cash equivalents and restricted cash	1,004	613
Cash flow from:		
- Operating activities	297	348
- Investing activities	8,631	-803
- Financing activities	-8,970	-283
RATIOS		
Operating margin (%)	8.7	8.2
Solvency ratio (%)	65.1	90.0
Return on invested capital (%), annualised	5.6	4.1
Return on equity (%), annualised	3.9	127.5
Equity per share (diluted), annualised	106.6	555.4
Market price per share	316.0	593.9
Own shares	1,670,020	216,237
Number of employees end of period	4,331	3,922
Exchange rate DKK/USD end of period	566.14	632.41
Exchange rate DKK/USD average	594.35	598.22

The effects of the discontinuation of EAC Nutrition are stated in a separate line item in the income statement (Profit from discontinued operations).

For the detailed income statement, balance sheet, statement of changes in equity and cash flow statement refer to pages 14-18.

The ratios have been calculated in accordance with the guidelines of the Danish Association of Financial Analysts (Finansanalytikerforeningen).

Growth and continued value creation in EAC

Strategic focus and growth

In the annual report for 2005, EAC announced its strategy to continue the value creation of its three remaining businesses, EAC Foods, EAC Industrial Ingredients and EAC Moving & Relocation Services, while constantly assessing when time and market conditions were suitable for their divestment. Following this agenda in 2006, EAC completed a thorough analysis of its three businesses in order to achieve a detailed and updated overview of their current values and to identify further growth and value creation opportunities.

During 2006, all three businesses have continued their strong performance and, once again achieved record-high results beyond expectations. EAC expects that this positive development will continue, and that the longer-term growth potential and opportunities for further value creation are achievable, given the right amount of investments and a targeted growth strategy. In other words, although there are no product synergies between the three businesses, they each meet EAC's targets for growth and value creation and have the potential to continue to do so. Based on these considerations, EAC has revised its overall strategy and reached the conclusion that continued ownership and further development of the three businesses is likely to generate more value to the shareholders than divesting them in the short to medium term.

Following this conclusion, EAC has formulated new targets towards 2011 based on growth strategies for each of the businesses, including organic growth initiatives, such as product and service innovation, capacity upgrades and geographical expansion. In addition, EAC will proactively seek acquisition opportunities, which are meaningful in terms of value creation and fit the existing businesses' products, services and geographical coverage. Growth initiatives will be aimed at leveraging the existing business models and gaining further momentum, but attractive opportunities in close adjacencies where existing skills can add value may also be considered. EAC will take a broad approach to the expansion of the businesses and the possible implications are specified below under each business.

Consequently, EAC will not actively pursue divestment opportunities, nor encourage any such offers.

In view of the new long-term and acquisitive growth scenario, the organisation will be strengthened with competencies within M&A and treasury/finance and a new share option programme will be introduced.

Group capital structure and targets

The EAC Group operates in the relatively volatile developing markets of Asia and South America where unexpected currency and interest movements have been experienced from time to time. Hence, it is the view of the Supervisory Board that the EAC Group should maintain a ratio between debt and equity that allows management to take measures necessary to abate or eliminate the effects of such unforeseen events, when appropriate. EAC will continuously strive to achieve an efficient debt to equity ratio in the operating subsidiaries, while maintaining a cautious solvency ratio and cash position in the Parent Company.

In line with its commitment to shareholder value, EAC will continue to return excess capital to the shareholders, which is not needed to fund acquisitions and/or investments. EAC expects yearly to distribute one third of the year's net profit as dividends and EAC also expects to carry out share buy-back programmes in the most appropriate way and timing.

Throughout the period, the EAC Group will strive for average double-digit organic revenue growth in local currencies. Results are targeted at generating an annual average return on the invested capital around 30%.

As acquisitions may lead to the changes in the composition of the Group, these objectives are not static and may be revised.

Foods

Strategic focus and growth

The further market development of EAC Foods will take place within the existing geography in Venezuela. Though concern has been voiced in the international press over the effects on private business of the Venezuelan Government's social reform programme, it is EAC's assessment that EAC Foods has an attractive growth potential backed by continued GDP growth, increasing living standards, and high fiscal spending. The businesses targeted for increased government ownership do not include food processing.

Through a very successful strategy of product and packaging innovation and a fully integrated value chain, EAC Foods has been able to achieve consistently strong growth and high profit margins over the past years. This strategy will be continued with further expansion into related product segments, which may offer synergies in relation to especially distribution and sales. Activities could include acquisitions of new brands or products, which continue to be produced by third party, but integrated into EAC Foods' efficient marketing and distribution systems. Also the food service unit, providing food products to the hotels, restaurants and catering segment, will be further developed.

The key growth-restraining factor to EAC Foods today, is the business' capacity limitations. In order to solve these, EAC is considering establishing a satellite, state-of-the-art factory with three new production lines for premium hams and sausages. If the final project is approved by the Venezuelan authorities and the Supervisory Board, the new factory could be in operation by 2010 and could, based on initial estimates, represent a strategic in-

vestment of up to USD 100m. It is expected that the realisation of this project medium to long term would result in savings in capital expenditure to improve and maintain the existing facility and enhance food safety, worker safety and productivity.

Meanwhile, EAC will constantly be monitoring the development and opportunities within the Mercosur trading community with a view to finding possible additional lower-cost sourcing solutions. Such solutions aiming to supply the business in Venezuela could include joint ventures or acquisitions in other Mercosur countries.

Efficiencies are expected as the new production unit starts operation and volumes improve. Until then, EAC Foods will focus on utilising its existing production facilities for high-margin branded quality products rather than volume products.

Financial targets towards 2011

It is expected that the organic revenue growth will be somewhat lower than in the past until 2010 when the new plant extension is expected to be operational and provide sufficient capacity to ensure double-digit growth rates in average over the forecast period. It is expected that existing EBIT margins of 9-10 per cent can be maintained throughout the period. However, acquisitions of lower margin products in order to derive synergies in distribution may affect the overall margin while increasing profitability in absolute terms.

The expansion will be funded out of revenues from the existing operation combined with debt raised locally, which will affect financing expenditure medium to long term.

Industrial Ingredients

Strategic focus and growth

There is a significant potential for further development of EAC Industrial Ingredients through further leveraging of its positions in exiting markets combined with expansion into new geographical markets and industry sectors.

Over the past years, EAC Industrial Ingredients has successfully been building a regional business in South-East Asia based on the profitable and well-proven business concept developed in the original key market in Thailand. Today, 46 per cent of the business' revenue is generated in the region outside Thailand, and EAC intends to significantly raise that percentage over the next 5 years while still capturing growth opportunities in Thailand. The industrial development in the Asian markets, especially the markets on the Indian sub-continent, is progressing rapidly exhibiting strong growth rates and there is an increasing interest for these emerging markets among international manufacturers of industrial ingredients.

In the existing markets, EAC Industrial Ingredients will continue its focus on becoming industry specialist by expanding the product portfolio and increasing the relative percentage of specialty ingredients as each market achieves critical mass. This includes the high growth markets in Vietnam, Indonesia, The Philippines, the new markets in Singapore and Malaysia, and not least the recently acquired business in India.

In addition, the business will actively pursue market opportunities in a broader Asian geography, including China, Pakistan, Sri Lanka, and Bangladesh. Opportunities will be pursued both organically and via attractive, value-adding acquisi-

Moving & Relocation Services

tions. The growth strategy also includes a general evaluation of opportunities to add related industry sectors to the focus by building or acquiring new specialist competencies. In order to further strengthen the ability to service principals and customers a comprehensive new IT platform will be rolled out during 2007 and 2008.

Financial targets towards 2011

EAC expects continued strong double-digit growth. As the relatively higher growth of the regional businesses and new start-ups accelerates, the EBIT margins may reduce slightly from the present level of around 8 per cent. It is the aim to double the revenues of EAC Industrial Ingredients through organic growth combined with acquisitions within 3 years. Opportunities to introduce debt on operating level will be pursued as they arise, not least in the context of acquisitions.

Strategic focus and growth

EAC Moving & Relocation Services will continue its successful expansion in both existing and new growth markets in Asia with the ambition to provide a truly Pan-Asian coverage.

Organically focus will be on further development of the records management concept offering corporate clients a series of storage and administrative services. As the cost of office space continues to increase in the business centres throughout Asia the demand for efficient solutions follows, and which offers continued attractive growth opportunities.

Likewise, EAC Moving & Relocation Services will continue to expand its offering of value-added relocation services. A continued strong inflow of foreign investments into Asia drives the international moving activity and continues to boost demand for relocation services from international accounts requesting Pan-Asian service solutions. This service concept will be further strengthened and expanded into new markets.

In 2006, the geographical expansion included the establishment of a new records management unit in Macao and the launch of green-field operations in Korea. In addition, preparations are made to establish offices in Taiwan, India and Vietnam.

The ongoing growth initiatives will be supported by hiring of new qualified staff and further development of the business' IT-solutions. Moreover, the organic development of the records management business may involve investments in dedicated storage facilities.

Parallel to the organic growth initiatives, EAC will continuously scan the market for possible value-adding acquisitions to add critical mass or bring the business into new attractive markets within the region.

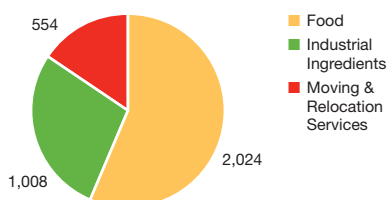
Financial targets towards 2011

Revenue growth is not an appropriate measure of success for EAC Moving & Relocation Services as revenues are affected by volatility in underlying costs elements, primarily ocean freight rates, which have no effect on profits. However, it is expected that the business will continue to grow at a sound pace and that EBIT margins will continue to strengthen as the higher value services increase in relative share of total revenues.

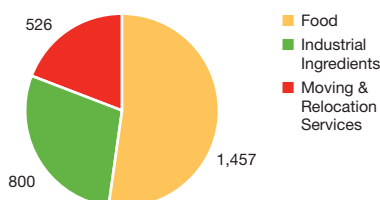
Acquisition opportunities are expected to be modest in size and geographical growth will primarily take place as green-field start-ups requiring modest capital investment. Acquisition of dedicated storage facilities may take place where strategically required and debt financing will be used where tax efficient locally.

Management's Financial Review 2006

Revenue by businesses 2006
DKK million



Revenue by businesses 2005
DKK million



Financial Performance

Consolidated income statement

Consolidated revenue was DKK 3,590m (DKK 2,805m), an increase of 28 per cent in DKK and in local currencies.

EAC Foods and EAC Moving & Relocation Services exceeded both initial expectations and the outlook announced on 8 November 2006 (Q3, 2006), the latter due to a strong Q4 performance. EAC Industrial Ingredients completed the year in accordance with the outlook of 8 November 2006, but exceeded expectations from early 2006.

EAC Foods and EAC Industrial Ingredients both recorded double-digit revenue growth in DKK and local currencies. EAC Foods in Venezuela grew by 39 per cent in DKK and 41 per cent in USD. EAC Industrial Ingredients was up 26 per cent in DKK, with growth of 22 per cent in local currency in the Thai Distribution business, and growth in the regional distribution businesses of 24 per cent in local currencies.

EAC Moving & Relocation Services recorded a revenue growth of 5 per cent in both DKK and local currencies.

Administrative expenses for 2006 are reduced by 14 per cent to DKK 183m, primarily due to a reduction of corporate

overhead costs following the consolidation of all corporate functions in Copenhagen.

Operating profit (EBIT) for 2006 was DKK 312m (DKK 229m), equalling a growth of 36 per cent. Overall results exceeded expectations.

Financial expenses and income, net was an income of DKK 52m, or DKK 68m better than in 2005. The improved financial result was primarily caused by a very high cash holding in the Parent Company following the divestment of EAC Nutrition as at 31 December 2005 and before repurchase of shares and dividend distribution.

The **share of profit in associates** in Thailand declined 19 per cent to DKK 22m, as ICI Paints faced another challenging year. Part of the decline was offset by a better performance in Thai Poly

Acrylic due to increased sales of value added items to both the domestic and overseas markets. The overall share of profit in associates for the Group came out as expected at DKK 25m (DKK 25m).

Income tax expenses of DKK 100m (DKK 94m), of which DKK 14m (DKK 3m) was withholding tax, resulted in an effective tax rate, net of withholding tax of 22 per cent (38 per cent). The effective tax rate for 2006 is positively affected by financial income in the Parent Company offset by carry forward losses and tax exempt income in the pig farms in EAC Foods and negatively affected by the reversal of a previously recognised deferred tax asset in the Parent Company, for which the timing of utilisation is uncertain. Income taxes for 2005 were negatively affected in EAC Foods due to the reversal of a previously recognised deferred tax asset, which was not expected to be utilised.

Operating profit (EBIT)

– Continuing Operations before corporate expenses and non-recurring items

DKK million	2006	2005	Change
Foods	213	176	21%
Industrial Ingredients	81	63 ¹⁾	29%
Moving & Relocation Services	53	39	36%
Total	347	278	25%

¹⁾ Excluding non-recurring items of DKK 28m mainly from the sale of properties

Profit from continuing operations was DKK 289m (DKK 146m), an increase of 98 per cent.

Profit from discontinued operations came out at a loss of DKK 19m, representing the settlement of closing accounts following the divestment of EAC Nutrition.

Net profit

Net profit was DKK 270m compared to DKK 8.2bn in 2005.

Minority interests was DKK 30m or an increase of DKK 3m, which is attributable to the high profitability in the Procer pig farm in Venezuela in 2006, which benefited the minority shareholder.

Equity holders of the parent EAC's share of the net profit was DKK 240m (DKK 8.2bn).

Exchange rates

Exchange rate effects for 2006 versus 2005 were limited on the income statement as the average USD exchange rates decreased by merely 0.6 per cent relative to DKK.

Exchange rate effects on the balance sheet were, however, sizeable as the USD depreciated by 10.5 per cent from 632.41 to 566.14 versus DKK.

Balance sheet

Total assets decreased from DKK 11,628m end of 2005 to DKK 2,760m of which DKK 9.3bn at year-end 2005 was a receivable from Numico associated with the divestment of EAC Nutrition.

Investment in intangible assets during the year amounted to DKK 3m. Investment in property, plant & equipment was DKK 93m with main investments in EAC Foods of DKK 79m, of which DKK 31m was invested in the pig farms and the feed mill and the remaining DKK 48m, was invested in production and distribution facilities. Depreciation and amortisation amounted to DKK 71m for the year.

Current assets

Current assets declined by DKK 8.7bn from year-end 2005. The 2005 balance sheet included a receivable from Numico of DKK 9.3bn associated with the divestment of EAC Nutrition, which outstanding was settled in early January 2006.

Equity

The approval by the Extraordinary General Meeting held on 6 December 2005 to cancel 241,737 treasury shares, equivalent to a reduction of the share capital by DKK 17m, was executed on 17 March 2006, following a three-month notice to creditors in the Danish Official Gazette.

In March 2006, EAC completed a safe harbour share buy-back programme consistent with the commitment to return approximately DKK 8bn of the proceeds from the Numico divestment to EAC shareholders during 2006. Shares representing a market value of DKK 599m were bought back under this programme. In addition, a Dutch Auction for a buy-back of shares amounting to DKK 588m was completed.

Further, the approval by the Annual General Meeting held on 30 March 2006 to cancel 1,855,381 treasury shares, equivalent to a reduction of the share capital by DKK 130m, was executed on 25 July 2006, following a three-month notice to creditors in the Danish Official Gazette. Accordingly, EAC's share capital was reduced to DKK 1,169,014,630.

In December 2006, a total of 1,670,020 shares were repurchased by EAC following completion of a Dutch Auction equivalent to 10% of the share capital, equaling the current holding of treasury shares. The total proceeds to the shareholders were approximately DKK 559m.

The Group equity was reduced as a result of share repurchases, settlement of the share option incentive programmes and payment of dividends.



Invested Capital – Continuing Operations

	31.12. 2006	31.12. 2005	Change
DKK million			
Foods	627	622	5
Industrial Ingredients	252	247	5
Moving & Relocation Services	89	92	-3
Total	968	961	7

Dividend

A dividend of DKK 415.00 per share, or 14.3 per cent on the nominal capital relating to the 2005 result was approved by the Annual General Meeting held on 30 March 2006 and subsequently paid to shareholders listed in the share register.

Minority interests

The purchase of minority shareholders' interest in the AFI pig farm in EAC Foods in early January 2006 reduced the minority interests in the EAC Group.

Working capital employed at DKK 592m for the three businesses was 13 per cent above the level prevailing at the end of 2005 when adjusted for currency developments.

Inventories show an increase of 19 per cent and trade accounts receivable show an increase of 11 per cent versus a growth in revenue of 29 per cent, correspondingly adjusted for currency developments.

Invested capital for the continuing operations decreased by DKK 9.2bn as the receivable of DKK 9.3bn from Numico was settled in early January 2006. The return on invested capital (ROIC) was 5.6 per cent (4.1 per cent). Adjusted for the above-mentioned receivable, ROIC was 32.3 per cent.

Invested capital in the three businesses increased to DKK 968m compared to DKK 961m at the beginning of the year. ROIC in aggregate for the three businesses was 36 per cent compared to 35 per cent last year.

Cash Flow

Cash flows from **operating activities** were positive at DKK 297m, although the change in working capital was negative at DKK 41m primarily as a consequence of the high level of activity in EAC Foods, which increased inventories and trade receivables.

Net cash inflow from **investing activities** was DKK 8.7bn primarily due to cash received from Numico related to the divestment of EAC Nutrition, reversal of the investment in Unza, dividends received from associates of DKK 43m and investments of DKK 96m in intangible assets and property, plant & equipment as previously mentioned.

The net cash outflow from **financing activities** of DKK 9.0bn primarily relates to the payment of dividends of DKK 6,935m and to the repurchase of own shares and share option incentive programmes for an aggregate of DKK 1,928m.

Foods

Highlights

- Revenue grew by 39 per cent in DKK and 41 per cent in USD, driven by sales of premium products.
- Operating profit increased by 21 per cent in DKK. Operating margin was 10.5 per cent, down from 12.1 per cent in 2005 mainly due to higher labour and raw materials costs.
- Strong focus on premium product drives results and market shares.
- Outlook for 2007: Around 10 per cent growth in revenue and a sustained operating margin of 10 per cent.

Market Developments

In 2006, results were driven by high product quality and innovation. A strong focus on premium products and more profitable sales channels, adequate pricing and continued strong advertising and promotion support also drove results. Improving market shares confirm EAC Foods' overall No. 1 market position and strong brand equity.

Processed meat product sales ended the year at a new volume high of 61,625 tons. Product demand was not fully satisfied, among others due to production slow down during negotiations of the new 3-year labour contract for plant workers and capacity shortages in certain product lines.

The premium deviled ham which was re-launched in late 2005 in a new innovative packaging grew strongly in 2006. According to A.C. Nielsen's November survey the Plumrose share of the deviled-ham category exceeded 32 per cent up from 23 per cent and 20 per cent in 2005 and 2004, respectively. The results were driven by intensive A&P campaigns which according to A.C. Nielsen also boosted

the general growth in the category which grew by 38 per cent.

The overall market share for hams declined due to production limitations, but strong focus on high-margin products ensured 17 per cent volume growth in premium hams thereby strengthening EAC's market share in this segment from 47.0 per cent to 50.0 per cent.

Premium priced sausages grew by 28 per cent supported by packaging innovation and continued advertising and a successful pricing policy under the Oscar Mayer and Plumrose brands.

The Food Service unit introduced in 2004, addressing the catering sector, reported an excellent performance in 2006. New products were included in the product offering among others frozen french fries resulting in 64 per cent growth in USD-terms.

The price of the average Venezuelan oil export basket increased 23 per cent and the high oil prices allowed for continued strong fiscal spending resulting in GDP growth of 10.3 per cent.

Financial Results

Revenue increased by 41 per cent over 2005 in USD and 39 per cent in DKK. The most significant revenue growth was in the premium product segment such as hams, sausages, and deviled ham as mentioned above.

In terms of volume the total tonnage sold during 2006 increased by 26 per cent over 2005.

Operating profit increased by 21 per cent in DKK-terms. The operating margin was 10.5 per cent in 2006, down from 12.1 per cent in 2005, and mainly due to higher labour costs and higher raw materials costs.

Outlook for 2007

EAC Foods expects revenue growth of around 10 per cent in USD-terms and a sustained operating margin of around 10 per cent under the following assumptions:

- GDP growth of about 5-6 per cent
- The VEB/USD exchange rate will remain at 2,150 and the current foreign exchange control regulations will remain in force
- Inflation will be 10-12 per cent mainly fuelled by fiscal spending
- Corporate lending rates will be at an average rate of 10 per cent per annum.

The new 3-year labour contracts and the effect of new labour and safety laws imposed in 2006 will increase production costs and impact the operating margin. A new labour contract with the truck drivers and warehouse workers is to be negotiated in 2007.



DKK million	2006	2005
Revenue	2,024	1,457
Operating profit	213	176
Operating margin (%)	10.5	12.1

Industrial Ingredients

Highlights

- Revenue grew by 26%, surpassing the DKK 1 billion mark.
- The operating margin was on level with 2005 (adjusted for non-recurring items)
- The strong growth was driven by new business development in Thailand, continued expansion in South East Asia, and the recently acquired business in India.
- Outlook for 2007: Revenue growth of approximately 11 per cent in local currencies with an operating margin equivalent to that of 2006 (8.0 per cent).

Market Development

EAC Industrial Ingredients distributes a portfolio of industrial chemicals, which is skewed towards specialties. Customers buy specialty ingredients in quantities as low as one kilo at high unit prices offering good margins. Value drivers for these products are primarily product quality and value added services. In this market segment EAC Industrial Ingredients enjoys a significant position as a regional market leader.

EAC Industrial Ingredients is positioning itself as the regional industry specialist with focus on two distinct strategies.

One is the expansion of the market position outside Thailand, where the business is the market leader. EAC Industrial Ingredients is already operating in Vietnam, Cambodia, the Philippines, Indonesia, Malaysia and Singapore. With its recent acquisition of a platform in India, the business is now looking to expand within India and to penetrate into other South Asian markets. This strategy enables EAC Industrial Ingredients to differentiate itself from local competitors by offering international suppliers market coverage on a regional basis, benefiting from economies

of scale and transfer of knowledge across borders.

The other strategy is the drive to build product portfolios which complement each other for distinct industries. This strategy enables the business to be a one-stop application service and shopping centre for its customers thereby differentiating itself from the host of competitors offering a few products from a limited number of suppliers. EAC Industrial Ingredients expects to continue pursuing these strategies with the objective of obtaining the dominant regional market position within the distribution of specialty ingredients in South and South East Asia.

Financial Results

EAC Industrial Ingredients achieved 26 per cent growth in revenue in DKK (equivalent to 23 per cent in local currencies).

In Thailand, where revenues increased by 22 per cent in local terms, a significant contribution was made by the supply-chain services initiated in the last quarter of 2005. Other business activities were ahead of expectations and influenced by strong demand and favourable pricing.

Sales in markets outside Thailand grew by 24 per cent in local currencies, with all major markets reporting strong performances. Continued robust growth was achieved in Indonesia as the benefits of earlier investments in establishment of countrywide distribution coverage, including warehouses, are being acknowledged by principals. Vietnam returned to growth following a challenging year and sales in the relatively new markets of Malaysia and India exceeded expectations.

The operating profit for 2005 included DKK 28m in non-recurring items. When adjusted for this amount year-on-year growth in operating profit was 29 per cent. The operating margin rose by 0.1pp to reach 8.0 per cent attributed to the relatively stable pricing experienced throughout 2006.

Outlook for 2007

In 2007 EAC Industrial Ingredients expects growth in revenue of around 11 per cent.

GDP growth in Thailand about 3-4 per cent is expected.

It is expected that the operating profit will grow at a similar level resulting in an operating margin unchanged from 2006 (8.0 per cent). In making this outlook it is expected that the distribution business will develop along the lines seen in earlier years.



DKK million	2006	2005
Revenue	1,008	800
Operating profit	81	63 ^{*)}
Operating margin (%)	8.0	7.9

^{*)} Excluding non-recurring items of DKK 28m mainly from sale of properties

Moving & Relocation Services

Highlights

- Revenue grew by 5 per cent to DKK 554m.
- Operating profit increased by 36 per cent to DKK 53m corresponding to an operating margin of 9.6 per cent.
- The results are based on continued strong growth in inbound relocations, strong sales of value-added relocation services and double-digit growth in the records management business.
- Outlook for 2007: Around 8.5 per cent growth in revenue in local currencies and an operating margin of around 8.5 per cent.

Market Development

Continually improving economic conditions in Asia resulted in double-digit growth in inbound relocations whereas outbound relocations grew at a slower pace.

The value added relocation services product line achieved solid growth both in terms of revenue and contribution. Various factors facilitated the growth. The general increase in relocations to and within Asia resulted in a larger customer portfolio with new strategically important contracts signed with international corporate accounts. Growth was also driven by new business from a number of overseas relocation companies which used EAC Moving & Relocation Services as a local destination services provider as well as continued growing demand from existing customers.

In order to meet the continuously increasing demand for the complete Pan-Asian relocation services from large international corporate clients, an office was established in Korea. The process of setting up operations in Taiwan, Vietnam, and India has been initiated in cooperation with local partners and these locations are expected to be operational in the first half of 2007.

The records management business exceeded expectations sustaining double-digit growth. High growth was particularly achieved in developing markets such as China and Indonesia. In 2006 a new records management unit was established in Macau and the coverage will be expanded to Singapore and Malaysia in 2007.

General freight forwarding activities achieved results in line with expectations, but below the level of 2005.

The operations in Hong Kong, China, Singapore, Malaysia, Japan, Thailand, and the Philippines performed well ahead of last year whereas the operation in Indonesia performed below the level of 2005, but ahead of expectations.

Financial Results

Revenue was DKK 554m, a 5 per cent increase on 2005 in both DKK and in local currencies.

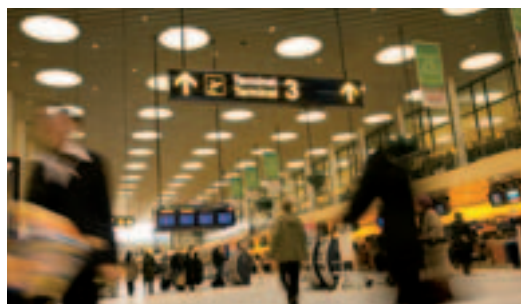
The operating profit improved by 36 per cent to DKK 53m corresponding to an operating margin of 9.6 per cent. The improvement is primarily due to a higher level of activity in the household goods sector and continued growth in the high-margin relocation services.

Outlook for 2007

Revenue in DKK is expected to grow by around 5 per cent and by 8.5 per cent in local currencies.

The operating margin is expected to be around 8.5 per cent.

It is expected that the growth in the high-margin value added relocation services product line experienced in 2006 will continue in 2007, but the positive margin effect from this development will be partly offset by expenditure and start-up costs incurred in connection with the geographical expansion of the business.



DKK million	2006	2005
Revenue	554	526
Operating profit	53	39
Operating margin (%)	9.6	7.4

Management's Statement

The 2006 Preliminary Statement includes forward-looking statements, including forecasts of future revenue and future operating profit. Such statements are subject to risks and uncertainties of various factors, many of which are beyond the control of the EAC Group and may cause actual results and performance to differ materially from the forecasts made in the interim report. Factors that might affect expectations include, among others, overall economic and business conditions, fluctuations in currencies, demand and competitive factors.

The 2006 Preliminary Statements is published in Danish and English. The Danish text shall be the governing text for all purposes and in case of any discrepancy the Danish wording shall be applicable.

Management's statement on the Preliminary Statement

The Executive and Supervisory Board have today considered and adopted the 2006 Preliminary Statements of The East Asiatic Company Ltd. A/S.

The Consolidated Financial Statement is prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the Parent Company Financial Statement is prepared in accordance with the Danish Financial Statements Act. Further, the Preliminary Statements are prepared in accordance with additional Danish disclosure requirements for annual reports of listed companies. We consider the accounting policies applied appropriate so that the Preliminary

Statement gives a true and fair view of the financial position at 31 December 2006 of the Group, the results of the Group and consolidated cash flows for the financial year 2006.

Copenhagen, 21 February 2007

The East Asiatic Company Ltd. A/S

Executive Board

Niels Henrik Jensen

Supervisory Board

Jan Erlund, Chairman

Torsten Erik Rasmussen,

Deputy Chairman

Mats Lönnqvist

Henning Kruse Petersen

Kaare Vagner

FINANCIAL CALENDAR 2007

27.03.07	Annual General Meeting
03.05.07	Q1 Report 2007
16.08.07	Interim Report – six months – 2007
08.11.07	Q3 Report 2007

Income Statement

DKK million	2006	2005
Continuing operations		
Revenue	3,590	2,805
Cost of sales	2,658	2,066
Gross profit	932	739
Selling and distribution expenses	454	342
Administrative expenses	183	212
Other operating expenses	9	10
Other operating income	26	54
Operating profit	312	229
Financing expenses and income, net	52	-16
Revaluation of financial fixed assets investments		2
Share of profit in associates	25	25
Profit before income tax	389	240
Income tax expense	100	94
Profit from continuing operations	289	146
Discontinued operations		
Operating profit	-19	8,085
Financing expenses and income, net		6
Share of profit in associates		4
Profit before income tax	-19	8,095
Income tax expense		51
Minority interests		9
Profit from discontinued operations	-19	8,035
Net profit	270	8,181
Attributable to:		
Minority interests	30	27
Equity holders of the parent EAC	240	8,154
Earnings per share (DKK)		
from continuing operations	14.5	6.3
from discontinuing operations		425.1
Earnings per share diluted (DKK)		
from continuing operations	14.5	6.2
from discontinuing operations		420.5

Balance Sheet – Assets

DKK million	31.12 2006	31.12 2005
Non-current assets		
Intangible assets	62	72
Property, plant and equipment	492	518
Livestock	9	6
Investment in associates	90	68
Other investments	32	26
Deferred tax	12	36
Bonds and other securities		91
Trade and other receivables		1
Total non-current assets	697	818
Current assets		
Inventories	392	353
Trade receivables	540	521
Other receivables	127	9,414
Bonds and other securities		100
Cash and cash equivalents	554	422
Restricted cash	450	
Total current assets	2,063	10,810
Total assets	2,760	11,628

Balance Sheet – Equity & Liabilities

DKK million	31.12 2006	31.12 2005
Equity		
Share capital	1,169	1,316
Other reserves	-14	-86
Retained earnings	642	9,233
Share of equity	1,797	10,463
Minority interests	104	150
Total equity	1,901	10,613
Liabilities		
Non-current liabilities		
Borrowings	70	57
Deferred tax	1	5
Other long-term liabilities		1
Provisions for other liabilities and charges	13	12
Total non-current liabilities	84	75
Current liabilities		
Trade payables	343	376
Other payables	216	254
Current tax payable	35	42
Borrowings	181	265
Provisions for other liabilities and charges		3
Total current liabilities	775	940
Total liabilities	859	1,015
Total equity and liabilities	2,760	11,628

Consolidated Statement of Changes in Equity

DKK million	Share capital	Hedging reserve	Translation reserves	Fair value adjustment	Retained earnings	EAC's Share of equity	Minority interest	Total equity
Balance at 1 January 2006	1,316	30	-116		9,233	10,463	150	10,613
Foreign currency translation adjustments			-63			-63	-12	-75
Reclassified to retained earnings		-25	142		-117			
Value adjustment, other investments				11		11		11
Value adjustment, bonds				-1		-1		-1
Bonds, transferred to income statement				1		1		1
Adjustments to unrealized exchange gain/losses, on non-current items hedging net investments		9				9		9
Realised exchange gains/losses on non-current items, where hedging has ceased		-2				-2		-2
Net income recognised directly in equity		-18	79	11	-117	-45	-12	-57
Profit for the year					240	240	30	270
Total recognised income and expense for the period		-18	79	11	123	195	18	213
Dividends paid to shareholders					-6,935	-6,935	-19	-6,954
Share options					-165	-165		-165
Purchase/sales of own shares, net					-1,763	-1,763		-1,763
Reduction of share capital	-147				147			
Purchase of minority interests					2	2	-45	-43
Other movements in shareholders' equity	-147				-8,714	-8,861	-64	-8,925
Balance at 31 December 2006	1,169	12	-37	11	642	1,797	104	1,901

At the end of the year proposed dividends of DKK 167m (DKK 5.00 per share in accordance with the Company's policy of distributing a dividend equal to 1/3 of the net profit and DKK 5.00 per share as an extraordinary dividend) are included in retained earnings. No dividend is declared on treasury shares.

Balance at 1 January 2005	1,417	94	-226		1,047	2,332	202	2,534
Foreign currency translation adjustments			110			110	-51	59
Adjustments to unrealized exchange gain/losses, net tax on non-current items hedging net investments		-34				-34		-34
Realised exchange gains/losses on non-current items, net tax where hedging has ceased		-30				-30		-30
Net income recognised directly in equity		-64	110			46	-51	-5
Profit for the year					8,154	8,154	27	8,181
Total recognised income and expense for the period		-64	110		8,154	8,200	-24	8,176
Dividends paid to shareholders					-74	-74	-32	-106
Share options					12	12		12
Purchase/sales of own shares, net					6	6		6
Reduction of share capital	-101				101			
Other changes to minority interests					-13	-13	4	-9
Other movements in shareholders' equity	-101				32	-69	-28	-97
Balance at 31 December 2005	1,316	30	-116		9,233	10,463	150	10,613

At the end of the year proposed dividends of DKK 7.7bn (DKK 415 per share) are included in retained earnings. No dividend is declared on treasury shares.

Consolidated Cash Flow Statement

DKK million	31.12 2006	31.12 2005
Cash flows from operating activities		
Net profit	270	8,181
Adjustment for:		
Depreciation	71	75
Other non-cash items	-71	-7,974
Change in working capital	-28	85
Interest paid	-40	-44
Interest received	95	25
Net cash provided in operating activities	297	348
Cash flows from investing activities		
Dividends received from associates	43	34
Investments in intangible assets and property, plant and equipment	-96	-261
Proceeds from sale of non-current assets	9	76
Acquisition of activities		-34
Acquisition of associates	-27	
Proceeds from sale of discontinued operations	9,154	-618
Restricted cash	-450	
Proceed from non-current assets investments	-2	
Net cash provided/used in investing activities	8,631	-803
Net cash provided/used in operating and investing activities	8,928	-455
Cash flows from financing activities		
Proceeds from borrowing		24
Repayment of borrowing	-45	-27
Dividend paid out to minority shareholders in subsidiaries	-19	-37
Purchase of minority shares in subsidiaries	-43	-175
Purchase of own shares	-1,763	
Sale of own shares, net	5	6
Settlement of share option incentive programmes	-170	
Dividend paid out	-6,935	-74
Net cash used in financing activities	-8,970	-283
Changes in cash and cash equivalents	-42	-738
Cash and cash equivalents at beginning of year	613	1,278
Translation adjustments of cash and cash equivalents	-17	73
Cash and cash equivalents at end of period	554	613
Cash	1,004	422
Restricted Cash	-450	
Bonds		191
Cash and cash equivalents at end of period	554	613

Quarterly Summary

(Unaudited)

DKK million	2005					2006				
	1	2	Quarter 3	4	Full year	1	2	Quarter 3	4	Full year
EAC Foods										
Revenue	288	310	385	474	1,457	443	485	525	571	2,024
- Growth vs. same qtr. prev. year (%)	-1.7	11.5	14.6	38.2	16.6	53.8	56.5	36.4	20.5	38.9
Operating profit	30	21	64	61	176	33	35	63	82	213
- Operating margin (%)	10.4	6.8	16.6	12.9	12.1	7.4	7.2	12.0	14.4	10.5
EAC Industrial Ingredients										
Revenue	173	200	208	219	800	238	254	259	257	1,008
- Growth vs. same qtr. prev. year (%)	-1.7	4.7	7.2	15.9	6.7	37.6	27.0	24.5	17.4	26.0
Operating profit	14	16	16	45	91*)	18	22	22	19	81
- Operating margin (%)	8.1	8.0	7.7	20.5	11.4	7.6	8.7	8.5	7.4	8.0
EAC Moving & Relocation Services										
Revenue	95	135	165	131	526	119	137	160	138	554
- Growth vs. same qtr. prev. year (%)	2.2	9.8	16.2	19.1	12.4	25.3	1.5	-3.0	5.3	5.3
Operating profit	0	11	19	9	39	5	13	22	13	53
- Operating margin (%)	-	8.1	11.5	6.9	7.4	4.2	9.5	13.8	9.4	9.6
EAC Main Activities										
Revenue	556	645	758	824	2,783	800	876	944	966	3,586
- Growth vs. same qtr. prev. year (%)	-1.1	9.0	12.8	28.3	12.8	43.9	35.8	24.5	17.2	28.9
Operating profit	44	48	99	115	306	56	70	107	114	347
- Operating margin (%)	7.9	7.4	13.1	14.0	11.0	7.0	8.0	11.3	11.8	9.7
EAC Group - Continued Operations										
Revenue	570	649	759	827	2,805	802	877	943	968	3,590
- Growth vs. same qtr. prev. year (%)	-1.9	5.9	8.7	23.1	9.4	40.7	35.1	24.2	17.0	28.0
Operating profit	27	24	82	96	229	42	58	100	112	312
- Operating margin (%)	4.7	3.7	10.8	11.6	8.2	5.2	6.6	10.6	11.6	8.7

*) Including non-recurring items of DKK 28m mainly from sale of properties

Segmental information

Primary segments	Foods		Industrial Ingredients		Moving & Relocation Services		Other activities and disposed businesses		Continuing Operations/ Group		Discontinued Operations	
	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
Income statement, DKK million												
Revenue	2,335	1,710	1,008	800	588	557	4	22	3,935	3,089		3,362
Intra-group sales	311	253			34	31			345	284		921
External sales	2,024	1,457	1,008	800	554	526	4	22	3,590	2,805		2,441
Operating profit before depreciation and amortisation (EBITDA) and non-recurring items	262	226	91	69	62	50	2		417	345		294
Depreciation and amortisation	49	50	10	6	9	11	2	2	70	69		50
Impairment charges												42
Non-recurring items				28				-1		27		-27
Segment operating profit	213	176	81	91	53	39		-3	347	303		175
Unallocated operating profit before depreciation and amortisation (EBITDA)									-34	-74		
Non-recurring items										6	-19	7,910
Depreciation and amortisation									1	6		
Unallocated operating profit/(loss)									-35	-74	-19	7,910
Group operating profit									312	229	-19	8,085
Share of profit from associates			22	26	1	1	-2	-2	21	25		4
Share of profit from associates - Unallocated									4			
Share of profit from associates			22	26	1	1	-2	-2	25	25		4
Balance sheet, DKK million												
Goodwill			4	27	36	41			40	68		107
Other intangible assets	1	1	18		2	2			21	3		177
Property, plant and equipment	361	374	25	27	34	36	63	67	483	504		390
Financial fixed assets	4		29	22	3	3			36	25		11
Investment in associates			55	73	3	3	-12	-10	46	66		29
Inventories	243	232	145	116	4	4		1	392	353		287
Trade receivables	223	220	228	214	88	83	1	4	540	521		311
Other current assets	192	132	63	70	65	86	221	290	541	578		538
Sub-total	1,024	959	567	549	235	258	273	352	2,099	2,118		1,850
Unallocated corporate assets									661	9,510		
Total assets	1,024	959	567	549	235	258	273	352	2,760	11,628		1,850
Current liabilities	267	225	187	158	94	90	24	46	572	519		1,510
Non-current liabilities		4	8	7	4	2			12	13		21
Sub-total	267	229	195	165	98	92	24	46	584	532		1,531
Unallocated corporate liabilities									23	161		-1
Liabilities									607	693		1,530
Interest bearing debt									252	322		69
Minority interests									104	150		1
Equity									1,797	10,463		250
Total equity and liabilities									2,760	11,628		1,850
Invested capital	627	622	252	247	89	92	43	36	1,011	997		830
Invested capital - unallocated									10	9,216		-1,019
									1,021	10,213		-189
Working capital employed	334	322	225	208	33	33	-3		589	563		387
Cash flows, DKK million												
Cash flows from operations	141	69	-45	-2	35	39	-4	-161	127	-55		
Cash flows from investing activities	-72	-89	35	44	-9	-3			-46	-48		
Cash flows from financing activities	-35	21	4	-13	-21	-17	-16	109	-68	100		
Sub-total	34	1	-6	29	5	19	-20	-52	13	-3		
Unallocated cash flow, net									-55	-662		
Changes in cash & cash equivalents	34	1	-6	29	5	19	-20	-52	-42	-665		
Financial ratios in %												
Operating margins:												
EBITDA (excluding Unallocated items)	12.9%	15.5%	9.0%	8.6%	11.2%	9.5%	50.0%	-0.3%	11.6%	12.3%		12.0%
EBIT (excluding Unallocated items)	10.5%	12.1%	8.0%	11.4%	9.6%	7.4%	-	-14.1%	9.7%	10.8%		7.2%
EBITDA (Group)									10.7%	9.7%		
EBIT (Group)									8.7%	8.2%		
Return on average invested capital (ROIC) including goodwill	34.1%	31.3%	32.5%	41.3%	58.6%	43.9%		-9.0%	5.6%	4.1%		24.3%
Return on average invested capital (ROIC) excluding goodwill	34.1%	31.3%	34.6%	44.0%	101.9%	76.8%		-9.0%	5.6%	4.2%		29.1%

Contacts

The East Asiatic Company Ltd. A/S

(A/S Det Østasiatiske Kompagni)
East Asiatic House
20 Indiakaj
DK-2100 Copenhagen Ø
Denmark

Telephone + 45 3525 4300
Telefax + 45 3525 4313
www.eac.dk

Shareholders' Secreteriat:

Telephone + 45 3525 4300
Telefax + 45 3525 4313
investorinformation@eac.dk

Plumrose Latinoamericana C.A.

Edificio Plumrose
Urbanización Los Ruices Sur
Prolongacion Avenida Trieste Cruce con Calle Miranda
Caracas 1071
Venezuela

Mailing address:

Plumrose Latinoamericana C.A.
P.O. Box 3941
Caracas 1010-A
Venezuela

Telephone + 58 212 273 8711
Telefax + 58 212 256 0025
www.plumrose.com

The East Asiatic (Thailand) Public Company Ltd.

1168/98-100 Lumpini Tower, 33rd Floor
Rama IV Road, Kwang Thungmahamek
Khet Sathorn
Bangkok 10120
Thailand

Mailing address:

P.O. Box 228
Bangrak
Bangkok 10500
Thailand

Telephone + 66 2689 5999
Telefax + 66 2689 5888
www.eac.co.th

Santa Fe Transport International Ltd.

18 Floor, C.C. Wu Building
302-308 Hennessy Road
Wanchai
Hong Kong

Telephone + 852 2574 6204
Telefax + 852 2834 5380
www.santafe.com.hk