



**SCION DTU a/s  
ANNUAL REPORT 2009**

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## Reflections and Visions from the CEO

### **But there is a way...**

'To make predictions about economy is just like driving a car with a blindfold on whilst being guided by a passenger who is facing backwards'. *Jes Asmussen, Handelsbanken.*

Will we experience a quick upturn, a slow recovery, or will we see another break down? We do not know yet. There is, supposedly, light at the end of the tunnel, but the starting point of the upturn is extremely low this time.

Several industries are suffering: This concerns production companies in Jutland as well as biotech companies in particular. We knew that 2009 would be challenging for many of our clients, and that proved to be the case. 2010 has opened well for biotech industry leaders, but we fear that 2010 will be a demanding year. The main focus is obviously concentrated on the struggle for prolongation capital. This situation might also manifest itself way into 2011. Scion DTU must and will adapt the course and pace of the science park accordingly.

Responsible players describe the way forward as increasing the focus on knowledge production, green conduct and green technologies. Scion DTU's situation should be seen in that light.

The world learnt its lesson: 20-25 years of debt and credit crisis have resulted in a couple of years of recession. Therefore the answer must be that we will see a slow and much needed slow recovery: A process with debt reduction, with subdued activity, with new ground rules for banks, where we will see the economic imbalance shift from the private to the public sector, with sustained rigid credits etc. This is, however, a better scenario than a quick upturn (we have seen it before!) or another break down that sets a new all-time low.

When it comes to the economic situation, much depends on factors that are beyond our influence. Nevertheless, we do see a way forward. It may not be straightforward and without any bumps, but there is a way.

### **New format**

This annual report, released in a completely new web-based format, will take you on a journey, allowing you to choose your line of interest, alight at different stations and read about the year that went by, our financial status, and how we, our clients and the world see the way forward in 2010.

There is no doubt that the way forward for Scion DTU itself is closely related to our vision: The fact that our clients' value increases the minute they announce their partnership with us commits Scion DTU to ensure a sustainable, commercially sound and innovative science park; a science park with strength and a brand acknowledged in the market, and a science park that helps support our clients in their work. And how are we going to obtain that?

This is done by ensuring our clients, the knowledge-intensive companies, optimal framework for growth – all the way from research to business.

Scion DTU will succeed in this mission, because

- we engage in close, continuous dialogue with our risk-classified clients and, therefore, are able to adjust the conditions in favour of the parties if necessary.
- we reduce the collective biotech footprint in the science park by accommodating new non-biotech clients.

- we are able to open up for new markets and collaborators by means of deep involvement in large cluster projects such as Copenhagen Cleantech Cluster and Medico Innovation.
- we actually make it possible to uphold the core of our business foundation, i.e. to erect new buildings, by generating massive awareness of the expansion possibilities at the science park towards relevant and potential clients.

### **The bright spots**

Despite the difficult times and the economic situation, 2009 also presented some bright spots such as the opening of COBIS in Copenhagen and our commitment in the plans to establish a science park in Jutland. Both projects are a step in the right direction, but they will definitely pose challenges.

In 2009 the first tenants moved in at COBIS, which will now face difficult years trying to establish itself. The market is under pressure, the terms for financing are strict, the construction of the building is not completed – challenges to success that we, in collaboration with Symbion, simply have to overcome. Despite all that, we have had a good beginning, and it encourages us, it validates the vision behind COBIS, and we will utilise all the strength needed to ensure a solid future for this strategically well-placed science park.

Our focus in 2010 will remain on expanding the Science Park to include strategically important locations in Denmark other than Northern Zealand. The idea is to enable our nationwide owner, DTU, to provide science park facilities in other parts of the country. Many of the conditions are met, but not all. Nevertheless, Scion DTU is actively involved in clarifying the prospect of establishing science and development parks in Kolding and Roskilde.

These commitments are the way forward for Scion DTU and reveal a strong belief in the future, but also that we have to create it ourselves!

# Management's Report

## Status

### Focus on cash flow

As we entered 2009 the sails were reefed at Scion DTU. Building projects were abandoned, the investment level for new acquisitions was lowered and other projects were either suspended or terminated. For a business like Scion DTU, whose most fundamental financial activities include buildings and facilities, it is essential to ensure a solid cash flow readiness in times of decline, because buildings and facilities cannot be reduced if the companies in the science park downgrade or close.

### Tough conditions for development companies

The focus on cash flow has proven necessary as 2009 presented many challenges to the companies at Scion DTU. This resulted in 19 companies having to downsize their lease, and 29 companies had to terminate or move their activities. Thus, Scion DTU's business reflects the tough conditions under which science-based companies currently suffer. Most affected is the type of company still in the development phase and thus depending on venture capital to finance the phase. This is particularly true for biotech companies with extensive periods of developing. Scion DTU houses a relatively large amount of these companies. At the same time, biotech companies are characterised as being tenants of some of the most capital-intensive facilities at Scion DTU.

By the end of 2009, 177 companies and organisations reside in Scion DTU's buildings in Hørsholm and Lyngby.

Companies moving in	<b>32</b>
Companies moving out	<b>29</b>
Companies total	<b>177</b>

### Increased international approach

In the midst of this development, it is positive to note that Scion DTU's focus on internationalisation has caused 11 foreign companies to move into the science park in 2009.

The total number of foreign companies thus amounts to 22. The sales promotion of Scion DTU will continue to focus on increasing this share, and the work will be intensified in collaboration with DTU, as the professional core competences of DTU make a substantial selling point.

### Søhuset Conference Centre

Søhuset constitutes Scion DTU's business in conferences and meetings, and the last six months of 2009 showed a rapid slowing down in the business. Consequently, Scion DTU was affected at a level equal to the conference industry in general.

### Positive bottom line

Despite the halt in Danish economy, and the tough conditions for development companies in particular, Scion DTU achieved a minor progress in its turnover of 6 %, which brought the total turnover to DKK 169,7 million. Due to the investment decrease, among other things, it was possible to make a small profit of DKK 8 million.

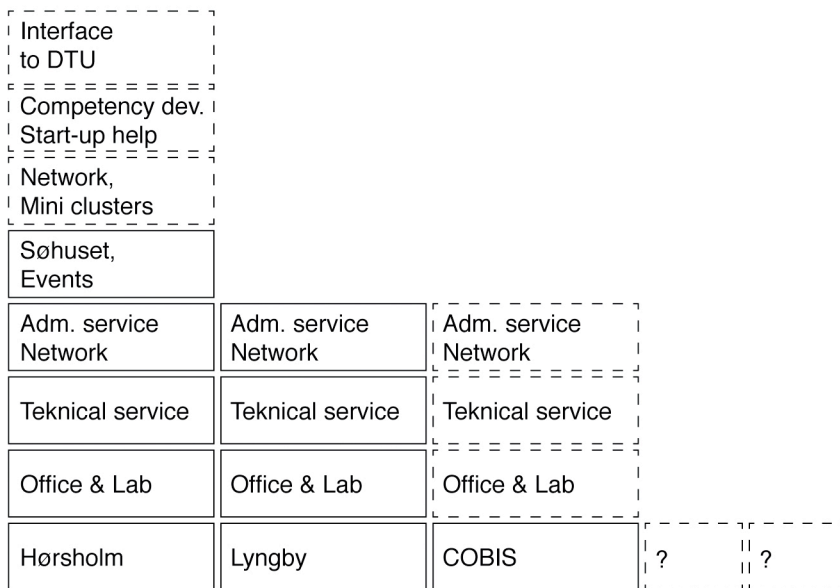
## Strategy

By following a clear and dedicated line, Scion DTU wishes to contribute to the foundation of the future. The model below illustrates the ranking of the prioritised activities:

**The ambitions on the vertical axis** convey the company's effort in providing services higher and higher in the clients' value chains. More colloquially: 'From snow clearing to consultancy'. Scion DTU has asserted itself as a central business promoter, typically in association with other players, including Symbion, Copenhagen Capacity, DTU, the University of Copenhagen, the Regions and Delta. This teamwork should be developed further because it is in these transverse environments that innovation thrives. Similarly, it is assumed that Scion DTU will continue to develop its partnership with Symbion in relation to the consultancy and training of small and medium-sized companies through programmes like the so-called AcceleRace programme.

**The horizontal axis** of Scion DTU's strategy is related to physical size. With locations in Hørsholm, Lyngby and Copenhagen (COBIS in association with Symbion), the foundation for expansion is made enabling us to support DTU as the Technical University of Denmark. Our focus is currently directed towards Western Denmark: Local and regional commercial ambitions are equally attractive in Region Zealand and the Region of Southern Denmark.

### Interaction in the clients' value chain



Model: Scion DTU horisontal and vertical growth.

Geography/sqm.

**The strategy is based on our vision**

Entering 2010, Scion DTU has refined its mission and vision. We should no longer merely support the high-tech industry on its difficult way from research to commercialisation, but also make sure that our clients obtain real added value from residing under our roof and provide them with optimal settings for their growth. Internationalisation is no longer a theme limited to the effort of a single year. It must permeate every consideration, every action and it should constitute a basic condition.

Therefore it is natural for Scion DTU to seek out partnerships in larger and larger contexts, for instance starting from:

- DTU's universe – collaborating with the institutes, common client activities with DTU Danchip, common consultancy with DTU Match.
- In the innovation centres of the Danish Ministry of Foreign Affairs located in Shanghai, Munich and San Francisco.
- And in the interaction with the International Association of Science Parks (IASP) where Scion DTU and Symbion will host the 2011 IASP World Conferences in Copenhagen.

## Projects

In keeping with Scion DTU's strategy to expand geographically and to offer more and increasingly specialised services to the clients, 2009 saw specific work on various projects. The projects lie end to end with Scion DTU's mission, and in different ways they all will create optimal settings for growth for the companies that reside in the science park. Additionally, the projects exemplify how Scion DTU works across a wide range of players to create the best opportunities for innovation and to retain its position as a central business promoter.

### **Copenhagen Cleantech Cluster**

Both prior to and following COP15, the need for more knowledge and action on CO<sub>2</sub> emissions is evident. This is a natural field for Scion DTU to focus on in pursuance of DTU's prioritised research areas and great expertise. There is a need for the science park to support and secure the possibilities for working with, for instance, wave power, biofuels, energy efficiency, wind power etc., also within our framework.

It takes strong collaborative relations with many players as well as physical space. In 2009, Scion DTU – in association with Copenhagen Capacity, the Confederation of Danish Industry, Risø DTU and the University of Copenhagen – initiated Denmark's largest venture in cluster development. With a five-year budget of DKK 150 million, the initiative, Copenhagen Cleantech Cluster, will realise a vast and coherent activity offer for all players in the field of cleantech. The objective of the project is to create an even greater coherence between all cleantech players in Denmark, and thus create the foundation for more companies and workplaces in this industry.

Leading cleantech companies such as Haldor Topsøe, Siemens, NovoZymes and DONG Energy have already committed to contributing to the project. Anders Eldrup, CEO of DONG Energy, is head of the project as chairman of the board of Copenhagen Cleantech Cluster. Scion DTU's activities will primarily lie in matchmaking of companies and universities, entrepreneurship training and mapping of test and demonstration equipment for cleantech companies.

[www.cphcleantech.com](http://www.cphcleantech.com)

### **Medico Innovation**

Both politicians and citizens expect the health sector to improve quality and increase efficiency. This pressure has brought focus on innovation internally within the hospital sector as well as on the partnership between university and industry.

In 2009, Scion DTU – in association with the Capital Region of Denmark, Medicoindustrien, DTU and DELTA – initiated the founding of a project in the field of project and cluster development, targeted at the medico business in Denmark, Medico Innovation.

The objective of the project is to identify potential new medico technical achievements and ideas – in association with regional health innovative players such as Medico Innovation Centre (CSI) – and compile the ideas with professional competences from the universities and commercial development experience from the industry.

The project is to create new products and services that will be integrated into existing medico companies or create the foundation for starting up new companies. Several players in the field will contribute to the development of the project, including CSI, the University of Copenhagen, Danish Technological Institute, FORCE Technology as well as the Danish Innovation Centre in Munich, which is owned jointly by the Ministry of Foreign Affairs and the Ministry of Science, Technology and Innovation.

Scion DTU acts as leading partner on the project, which is expected to commence in 2010 with an independent secretariat at Scion DTU's department in Lyngby.

### **BaSIC – Baltic Sea Innovation Network Centres**

The Baltic region stands strong when it comes to innovation power and economic strength. Countries such as Finland, Sweden and Denmark are some of the wealthiest economies in the world and leading the way in chosen fields (IT, mobile communication, photonics and life science).

The Baltic region has obtained great potential with the new EU countries on the Baltic Sea, but through the past 50 years, the region has been split and lacked a general coherence.

In collaboration between the Scandinavian countries, Germany, Poland and the Baltic States, it is the objective of the BaSIC project to generate potential for small and medium-sized companies that wish to focus on this market as their foundation for development.

With the other partners from the Capital Region of Denmark (Business Link Greater Copenhagen and Øresund Science Region), Scion DTU will function as an entrance to the market in the Capital Region of Denmark and help small and medium-sized companies from the other participating countries. Additionally, the same partners are responsible for monitoring the project and suggestions to improve the process during its course. During the final stage of the project, the experiences will be collected in a policy recommendation for the capitals who are involved in the project.

BaSIC is expected to conclude in 2011.

<http://www.basic-net.eu/welcome>

### **Spin-offs**

A number of established companies today fail to develop ideas, markets or new products that are not included in the companies' primary strategic focus. Some of these ideas could profitably be developed into new companies – spin-offs – but this potential is rarely utilised.

In association with Business Link Greater Copenhagen, Symbion, DTU and C4, Scion DTU will develop a set of tools to facilitate established companies in creating spin-off companies from their existing business.

The first companies to take part in the project have been found. The first step will be to screen the companies' ideas. Depending on the maturity of the ideas and the companies' wishes, the project is able to offer various types of assistance. Based on these experiences, a general model will be developed to function as an instrument for other companies who wish to develop spin-offs.

The project will terminate in 2011.

### **Ø-MIC (Øresund Materials Innovation Community)**

The decision to locate the European Spallation Source (ESS) research centre in Lund, Sweden, generates new and very promising opportunities for the entire material technological field in the region. With the location in Lund and a data processing centre in Copenhagen, this potential can only be utilised if the innovation systems of both sides of Øresund are better linked.

The work of creating this dynamic happens in several areas, and Scion DTU takes part in this task with Risø DTU, Copenhagen Business School, the University of Copenhagen, the University of Lund and Ideon Science Park. This includes joint workshops between business

promoters and universities where the potential to become a leading material scientific hub will be discussed. Officially, the project will run until 30 September 2012.

## Calendar 2009

### **The opening of COBIS – November**

Three and a half years after the decision was made in the tender held by the Ministry of Science, Technology and Innovation to establish who should construct and manage the new biotech science park in Copenhagen, COBIS was able to open its doors. Scion DTU, Symbion and Incuba Science Park were previously asked to help develop the new growth environment for life science companies in the Capital Region of Denmark. The opening drew a lot of attention, and present were all the players from the pharmaceutical industry, the venture capital environment, the universities, the Capital Region of Denmark, the Ministry of Science, Technology and Innovation and Copenhagen City Council.

### **Ø-MIC, ESS in Lund, commenced – November**

Scion DTU has agreed with the science park in Lund, Ideon, in utilising the increased potential in the Øresund Region following the location of the European Spallation Source in Lund. This utilisation is the objective of the Ø-MIC project led by Øresund Science Region.

### **Copenhagen Cleantech Cluster launched in Bella Center – November**

Copenhagen Cleantech Cluster was launched in connection with Nordic Climate Solution arranged by the Monday Morning weekly. At the same time, Anders Eldrup, CEO in DONG Energy, was presented as chairman of the board of the organisation.

### **The COBIS Incubator – October**

An essential pipeline for the new biotech science park, COBIS, are research projects from universities and hospitals facing commercialisation. In order to ensure a higher success rate from these projects, the Danish Council for Technology and Innovation has supported the establishment of an actual incubatory programme by granting DKK 4 million. The project is backed by the three science parks, COBIS, Symbion and Scion DTU; the tech trans units from the University of Copenhagen, DTU; the Capital Region of Denmark; and the capital companies SEED Capital and Novo SEEDS.

### **Application filed for Medico Innovation – August**

With a strong team consisting of Medicoindustrien, DELTA, DTU, the University of Copenhagen, the Medico Innovation Centre, B&O Medicom and Scion DTU, the application could be filed for the coming project and cluster initiative – Medico Innovation. Project activities are expected to commence in the second quarter of 2010.

### **Scion DTU's Sportsfest – August**

Also in 2009 the interest in the annual sportsfest was evident. 1,400 employees from the science park companies took part in the afternoon's activities and approximately 1,100 joined the party afterwards.

### **Field trip to Boston and MIT – June**

Boston and especially MIT (Massachusetts Institute of Technology) are known for a particular 'ecosystem' ensuring that technology-based companies continue to emerge. This ecosystem was the centre of Scion DTU's field trip to Boston where visits were paid to MIT, Boston University and incubators. The visit was arranged with help from Klavs Jensen, Professor at MIT and board member at DTU.

### **Scion DTU Fleetrace – June**

A couple of exclusive annual events help promote the expansion and maintenance of the network for the executives of the 177 companies at Scion DTU. This year the executives had the opportunity to participate in a fleetrace from KDY Matchrace Centre in Skovshoved. 70 executives attended the event, which featured the professional sailor Jesper Bank's take on coherent management.

**Participation in IASP 2009 in the USA – May**

*The world's longest running science park, North Carolina Triangle, hosted the 2009 annual IASP World Conferences (International Association of Science Parks). Scion DTU attended the conference in order to exchange experiences with others in the science park industry and to expand our international network. Additionally, we wished to obtain experience with the organisation of this type of event as Scion DTU, in association with Symbion, will host the 2011 IASP World Conferences.*

**Application filed for CCC - April**

*The Regional Growth Forums in the capital and on Zealand have expressed that they would appreciate fewer but more comprehensive efforts within the area of business promotion. On 24 April, Denmark's biggest application for cluster development landed on the regions' desk. The project, Copenhagen Cleantech Cluster, schedules activities across the next five years for a total of DKK 150 million, which are expected to commence in the beginning of 2010.*

**Øresund Science Parks – March**

*In March, Scion DTU joined the effort to strengthen the collaboration between science parks in the Øresund Region in order to create a better marketing platform internationally. Ideon in Lund, MINC and Medeon in Malmö, Symbion in Copenhagen and Scion DTU take part in the work. Hong Kong Science Park will be one of the first international science parks to be involved with the project.*

## Business Developments and Opportunities 2010

By the look of it, 2010 appears to be another difficult year for more of Scion DTU's clients. This we have to relate to. As a central business promoter who wishes to create the optimal settings for growth, Scion DTU feels obligated to be a sustainable, commercially well-founded and innovative science park. Therefore it is crucial that Scion DTU remains focused on developing new services and establishing strong collaborations that attract companies to the science park. This will happen through constant physical presence in the entire country and by means of developing various services.

Scion DTU sees a number of opportunities for developing its business in 2010. The opportunities include the covering of needs in our surroundings such as focusing on the CO<sub>2</sub> emissions problems or the political pressure on the health sector. Other opportunities deal with the potential for new collaborations in Denmark and across borders, while others still target the development of new products, services and offers for Scion DTU's clients.

### Science and development park by Kolding

For quite some time Scion DTU has explored the potential for establishing a department of the science park in Western Denmark. Neither DTU nor Scion DTU is represented here, despite the fact that the university is national. Instead, a number of Denmark's leading companies in the energy industry reside in Western Denmark.

Compared to the infrastructural development seen in Denmark, the area around Kolding is of particular geographical interest, which both the region and city council have discovered.

Scion DTU takes part in the development work with the creation of a new science and development area west of Kolding, and already in 2010 a master plan for the idea will be ready, district planning will have begun, and a formal organisation will be established to carry out the very ambitious task. The area comprises 15 sq kilometres, of which approximately 5% can hold constructions for industry, accommodation, leisure and conference facilities etc.

### COBIS

COBIS opened its doors by the end of 2009 and plays a crucial role in securing Scion DTU a part in future life science development.

Copenhagen Bio Science Park is the first dedicated biotechnology science park in the region. COBIS is centrally located between the country's leading hospital and major universities. It consists of a 5,000 sq metres building of modern architecture with laboratory facilities and offices, event venues and meeting places, incubator space and services. COBIS is home to a powerful mix of organisations. Start-ups, medium-sized companies and tech trans professionals to stimulate conversations and connections, investment and innovation. As a showcase for technological biotech development in Medicon Valley, COBIS offers space for companies and development projects within the life science industry.

The location among the many leading research institutions will pay off naturally in ideas, spin-offs, knowledge-sharing, networking relations etc., which is exactly what Scion DTU wishes to contribute to and gain from in the future.

[www.cobis.dk](http://www.cobis.dk)

### AcceleRace

Training and developing start-ups are key areas for a science park that focuses on knowledge-based companies and innovation.

Symbion has been leading partner in the development, testing and implementation of a concept for training start-ups with support from its partners, Scion DTU, tto and Connect Denmark.

The basic model for training is in place featuring a course with three fundamental disciplines: Value proposition, pinpointing the company's product and establishing contact to the first customers.

These are basic disciplines, but vital for a start-up company. The focus of the AcceleRace programme is on developing this course to also include specified modules within certain fields: Biotech and medico (the COBIS Incubator) and cleantech (Cleantech AcceleRace), both of which set to commence in 2010.

The training and development of start-up companies in 2010 are areas in which Scion DTU is becoming increasingly more involved. This will happen in close partnership with Symbion.

### **2011 IASP World Conferences**

All of the world's approximately 400 science parks are represented in the International Association of Science Parks, IASP.

Every year, IASP invites its members to a conference that focuses on the development of the science parks' roll as a regional, national and international player in relation to innovation, commercialisation as well as servicing and consultancy of science and knowledge-based companies.

Scion DTU will host the 2011 IASP World Conferences and will arrange this international event in association with Symbion. The conference will be held in June 2011 and is expected to attract approximately 700 delegates from science parks and innovation environments around the world.

## Financial summary

Profit for the year before value adjustments and tax is TDKK 15,329.

Profit after tax for Scion DTU a/s is TDKK 8,032. Due to negative value adjustments on the mortgage debt, the profit is lower than we expected.

The value adjustment on rent-generating properties and land shows revaluation of TDKK 16,492.

The revaluation can be attributed to index adjustment of the rent. Value adjustment of mortgage debt comes to a cost of TDKK 15,519. As of 31 December, the average market yield of the properties is 7,15%. This level is estimated to constitute a defensible assessment of the rent-generating properties and land.

With the addition of the profit for the year, adjustment of financial instruments, including those in associated companies, the equity is TDKK 287,747 as of 31 December 2009.

	2009	2008	2007	2006	2005
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000

### Financial Highlights

#### Key figures

Revenue	169,710	160,002	133,639	119,717	105,951
Operating profit	64,171	56,468	42,723	33,569	35,479
Financial items	-49,364	-50,940	-36,802	-32,334	-36,747
Profit before value adjustment	15,329	5,711	5,822	1,035	-1,868
Value adjustments property etc.	16,492	39,310	-12,607	10,457	9,526
Value adjustments mortgage debt	-15,519	-4,195	12,068	25,582	3,586
Profit for the year	8,032	20,878	2,171	26,383	7,202
Owner-occupied property	68,849	69,463	70,268	71,073	71,927
Investment property	1,167,356	1,141,895	1,010,545	863,928	819,917
Other non-current assets	184,245	189,166	197,668	191,482	149,209
Currents assets	73,733	19,697	9,359	6,698	6,253
Capital reserves	287,747	280,198	286,662	283,477	257,095
Balance sheet total	1,494,183	1,420,222	1,287,840	1,133,181	1,047,306

#### Financial ratios

Profit before financial items in relation to rent-generating assets (%)	4.52	4.04	3.33	2.96	3.35
Result before value adjustment in relation to opening balance of equity (%)	5.48	2.20	2.05	0.40	-0.75
Return on equity (%)	2.8	7.4	0.8	9.8	2.8
Debt ratio	0.7	0.7	0.6	0.6	0.7
Equity ratio (%)	19.26	19.73	22.26	25.02	24.55

**Cash flow**

Cash flow effect of operations	35,217	24,554	24,348	16,588	12,592
Investment in non-current assets	-23,511	-104,651	-182,735	-90,525	-40,055
Loans	38,817	83,513	159,775	68,470	21,158
Other changes in net cash flow	5,598	4,427	857	5,686	-7,036

## **Business Challenges in 2010**

### **Idle capacity – focus on liquidity**

Property leasing, Scion DTU's main business, will remain influenced by the general decline in the market, which was already felt in 2009 and will also affect Scion DTU fully in 2010. Clients downsizing and closing are in focus by means of a constant assessing of our clients' business conditions, carried out in collaboration with the clients themselves. Besides the focus on idle capacity, the stop to building and major investments will remain in force. Collectively, these measures will contribute to securing that Scion DTU's cash situation is unaffected and prepare us for a turn in the market conditions where we will resume investments.

### **Client risks**

Scion DTU has great number of clients who are highly reliant on further capital injection. Investors are still reluctant to invest in these companies. We monitor our clients' financial situation closely in order to prepare for possible reductions.

### **Søhuset**

By the end of 2009, Scion DTU's conference centre, Søhuset, has felt the market decrease. This development is expected to continue into 2010. Focus is concentrated on the marketing of Søhuset, and improving the service in accordance with the future expectations of the customers. This should prepare Søhuset for a turn in the market conditions.

### **Copenhagen Bio Science Park - COBIS**

In November 2009, COBIS - the new biotech science park in Copenhagen – opened at the most difficult time, relative to the market and the economy. Despite of this, 60% of the building is currently leased. In 2010, an incubator environment – a growth environment – will be established within COBIS.

The end of 2009 saw a reduction in the group of owners, from three to two. Symbion and Scion DTU bought the shares previously held by Incuba Science Park. Thus COBIS is jointly owned by Symbion and Scion DTU.

Additional capital has been supplied from the group of owners due to the altered market for both leasing and financing.

There is a risk that more capital is needed from the owners. The commencement of phase two will necessitate further investments from the owners or external investors.

## **Special Business Risks**

Future results for Scion DTU may be considerably affected by the general tenancy conditions, the market rent and the interest level as well as by the changing prospects for the research businesses of obtaining the necessary capital to finance their research and development activities.

## **Future Expectations**

The agreed budget for 2010 shows a positive result before tax and value and price adjustments. Due to increased idle capacity, among other things, we expect the result to be less than the result for 2009. As a consequence of the general situation in society as well as in the company, in 2010 the focus will remain on securing the cash reserve of the company by concentrating particularly on the idle capacity percentage as well as carefully considering new constructions and reconstructions. The leasing percentage in both Hørsholm and Lyngby is expected to remain high and above the set objective of 90%.

## **Events after Balance Sheet Date**

No events have occurred after the balance sheet date that would change the evaluation of the annual report.

# Fundamentals

## Core competences

Scion DTU has four core competences that collectively secure our focus on guaranteeing optimal framework for growth to knowledge-intensive companies.



The four core competences include:

- **Building**  
The physical facilities made up by offices and laboratories that Scion DTU leases, renovates or extends if a company requires new quarters.
- **Maintenance**  
Services connected to the tenancy such as groundskeeping, facility management, canteen services, telephone answering and cleaning are supplied directly or via partners.
- **Network**  
Scion DTU offers access to networking activities for executives and employees as well as access to relevant experts, companies and collaborators nationally and internationally.
- **Consultancy**  
Through partners and sister organisations, Scion DTU offers consultancy in business development as well as topical advice on research and development. This could be concerning information about sources of funding, contact to companies regarding patent rights IPR, CRO and research by contract as well as professional advice on starting up a company.

## Facts

Ownership	100% owned by the Technical University of Denmark, DTU
Number of employees	35
Address	<b>Scion DTU a/s</b> Venlighedsvej 10 2970 Hørsholm Tel.: +45 4586 4100  Mail: <a href="mailto:info@sciondtu.dk">info@sciondtu.dk</a>
Corporate website	<a href="http://www.sciondtu.dk">www.sciondtu.dk</a>
CVR no.:	2754 6439
Scion DTU management	Kim Høgh, CEO Jytte Spaniel, CFO Peter Clausen, Client manager
The board of directors at Scion DTU	Chairman: Jacob Erik Holmblad, Vice-president of ISO Vice-chairman: Leif Nørgaard, Economy director Birthe Astrid Skands, Brewery director Knut Conradsen, Pro vice-chancellor Jørgen Honoré, University director Jes Østergaard, Board member Klaus Kaae, Group managing director
Geography	Scion DTU is located in Hørsholm and in Lyngby at DTU campus. Moreover, Scion DTU and Symbion own Copenhagen Bio Science Park, COBIS, in Copenhagen.

## The way forward 2010: Our tenants

*Three CEO's from Scion DTU companies look into 2010 and talk about the advantages of science parks, their challenges in the year to come and opportunities and dreams of the future.*

### Interview ALK

#### Facts about ALK

- Pharmaceutical company, world leader in allergy vaccines.
- Turnover: approx. DKK 2 billion.
- ALK's history dates back to 1923 when the first allergen extracts were produced.
- Breakthrough was made in 2006 when the company launched GRAZAX – the first registered allergy tablet for treatment of grass pollen allergy.
- Approx. 1,500 employees worldwide – about 500 of them work in Denmark.
- [www.alk-abello.com](http://www.alk-abello.com)

#### ALK milestones in 2009

- Strategic partnership with Merck, the world's largest pharmaceutical company, regarding the tablet programme in North America.
- Approval of GRAZAX as a disease modifying allergy treatment.
- Opening of new headquarters, Skovhuset, in the science park, gathering all Danish employees in one physical location.

#### A unified and stronger ALK prepares for the USA

*Despite the global economic recession, ALK looks back at 2009 as an eventful and good year that included the unification of the company in the science park and the opening of their new headquarters, Skovhuset. Jens Bager, CEO of ALK, looks at 2010 through the new windows.*

#### **How do you see the way forward for your company in the year to come?**

'No Danish company is unaffected by what began as a financial crisis and ended as a global economic recession. We are, however, fortunate to be relatively unaffected ourselves, as our customers need their allergy treatment, and for the majority, the costs for this treatment is reimbursed.

'Unfortunately, allergiy is a growing problem, but at the same time, this means favourable conditions for growth within ALK, as our vaccines treat the patients' underlying cause of allergy.

In that way, we find ourselves in a sweet spot in relation to the market, because society today prefers to invest in an actual cure of the patients. Our products have a documented sustained effect, and by launching our tablets, we are able to help even more patients with the treatment of their allergies. That is also why I'm convinced, that in ten years, ALK will be even bigger and stronger in the market for allergy treatment'.

#### **What are ALK's challenges in 2010?**

'In general, our challenge is to increase the knowledge of our new products and our way to treat allergy-related diseases. In this area, we have some ambitious plans for Europe.

'The greatest challenge, however, is the introduction of tablets on the American market. In 2009 we entered a strategic partnership with Merck – the world's largest pharmaceutical company – and we have put a lot of resources and efforts into that partnership.

'We expect a great deal from this in 2010, and in particular when it comes to our allergy tablet, GRAZAX, which we would like to introduce on the American market in the course of two years.

'Internally, we will increase our activities within R&D again this year. This is mainly due to our partnership with Merck and as a support to the launch in North America over the next couple of years'.

***What does ALK gain from being located in the science park?***

'The physical location is one thing. We are located in attractive and scenic surroundings in Northern Zealand where the majority of our employees live or would like to live. This is an advantage to us in relation to our employer branding and has had a noticeable effect.

'Besides the advantage of not having to queue on the motorway due to our location, Søhuset is another giant asset to the company and the employees as it provides meeting facilities, fitness, social events etc. The science park offers a positive environment with many other biotech and research companies. It presents a basis for professional collaboration as well as exchange of experience between employees. We have also seen several examples of employee exchange – both outgoing and incoming'.

***What do you wish for 2010 in particular?***

'For Scion DTU I simply wish that they continue their good work. We have seen some excellent initiatives and it is all a positive add-on for us as a modern company. ALK has many activities planned for 2010 and many milestones to reach, and our ambitions are very high. If only 80% of our expectations are met, I will tick off 2010 as an absolute success'.

## Interview DELTA

### Facts about DELTA

- Ensures optimal use of technology through development, test, certification and consultancy.
- Works in electronics, microelectronics, software technology, light, optics, acoustics, vibration and sensor systems.
- Founded in 1941 and currently one of Denmark's nine GTS institutes - Advanced Technology Group - which are independent research and technology organisations.
- The GTS institutes have two main functions: To generate innovation and development among companies and society, and to maintain and develop the technological infrastructure in Denmark.
- <http://www.madebydelta.com/>

### DELTA milestones in 2009

- Highest order intake ever at DKK 280 million.
- Headcount increase by 13 employees of which five are full-time salespersons.
- Start-up of IdemoLAB.
- Quantum leap within microelectronics, e.g. the electronic patch, ePatch.

### DELTA makes a move in microelectronics

*Unlike many other companies in 2009, DELTA hired five full-time salespersons. Among other things, this has led to the highest order intake in the company's history. Per Hartlev, CEO, explains how he plans to sustain the high drive in 2010.*

### **How do you see the way forward for your company in the year to come?**

'The work with the electronic patch – and telemedicine in general – is a major venture for DELTA. It is an idea that we have developed the past five years and that we believe in for the future.

'From our division Microelectronics we develop and supply turnkey intelligent patches as an OEM sub-supplier to other companies. Moreover, we influence the entire telemedicine market by means of various initiatives from within DELTA, and we are probably about 20 people in total working in this growing business area.

We started up IctalCare A/S who primarily deals with epilepsy, which is an example of a segment for the ePatch.

'In the same sector we are working on "Point of care", including salmonella measurement directly inside the stables instead of at a laboratory. Or cancer research where tissue samples are tested within 24 hours instead of the current 14 days.

"Point of care" is a major venture for us, for the Government and for the universities. We have an excellent partnership with DTU: DTU Environment, DTU Nanotech and DTU Vet, and we expect to have demonstrators in place in three years.

'A new venture is IdemoLAB. It is a brand new "concept" which is to help entrepreneurs in their work. When start-ups apply for venture capital, they are typically asked for a prototype or a proof-of-concept. This is often a hard and slow procedure, but IdemoLAB can help.

'Here, the client will be able to establish a technological and user-based proof-of-concept or a model with the help of our competent engineers'.

***What are DELTA's challenges in 2010?***

'Although DELTA is a medium-sized company in Denmark, we are a minor player internationally. Our strategy is growth – organic and through mergers. This is the case within all our core areas but especially acoustics, test and sensors.

'In the field of telemedicine, the big boys have begun marching in. Philips and IBM invest a lot in telemedicine, and it is time for us to define our role. My assessment is clear; we have to be niche-oriented, e.g. epilepsy, and otherwise be a first-mover when it comes to the more readily accessible applications'.

***What do you wish for in 2010 in particular?***

'I think that far too many small institutions and constellations are started with a bag of money to create development within a given area. The majority fail their mission. Instead I wish that existing structures were utilised, like the ATS structure which is more than 70 years old. We are a total of 3,000 people in Denmark who are here to analyse, develop and test ideas and implement business concepts, correspondingly.

We think commercially from the beginning and know that in three years, when subsidies and funding are stopped, we will have to run the project ourselves. That it actually works is seen in examples such as our wireless business and the ePatch.

'We are happy about the partnership with Scion DTU and their international relations. It provides a great synergy when the science park has visitors and when Scion DTU's CEO stops by with Suzlon or a delegation from Korea. It means business and good branding of DELTA, and he is more than welcome – also in 2010.

'At the moment we also benefit from the collaboration with the Scion DTU suffix: DTU. We wish for a similar collaboration with other universities like Århus and CBS – a lot more of that indeed!

**Facts: IdemoLAB**

DELTA sees entrepreneurs and small companies struggle with new projects and ideas every day. Many fail due to either technological challenges or unfulfilled user needs. Therefore, DELTA has decided to create a 'community' workshop in order to offer an agile and accelerated proof-of-concept service, support for early user involvement – and access to a network of designers, electronics producers etc. Proof-of-concepts are often important to ensure capital for a project from, for instance, venture funds or banks. The objective for IdemoLAB is to get many more ideas from the drawing board and into actual development.

**Facts: Telemedicin**

DELTA is one of Denmark's central R&D units in intelligent health and welfare technology. It includes new technologies, sensor systems, wireless communication, test and approval. In particular, DELTA has specialised in the intelligent part of the health technology – through, for instance, a revolutionary platform for body sensors and new technologies for quick identification of microorganisms, viruses or pathogens.

## Interview Stirling DK

### Facts about Stirling DK

- Provides biomass fuelled Stirling engines. The technology is based on more than 15 years of research at DTU.
- The engine is specifically developed to run on heat from the combustion of biomass (wood chips and straw). Heat makes the engine go round and a generator generates electricity.
- The target group are owners and administrators of major buildings and companies in the western countries as well as distant areas in developing countries.
- [www.stirling.dk](http://www.stirling.dk)

### Stirling milestones in 2009

- Solid financing from the German energy giant RWE, Vækstfonden and two additional Danish investors.
- Five plants running in Germany and Denmark, respectively.
- Participation in COP15 with a full-size visitation plant at Vestforbrændingen.
- Great growth in the organisation to a current 24 employees, all central positions are staffed.
- Stirling DK won the main award as well as the innovation award at the Climate Cup in Bella Center.

### Stirling DK prepares itself for becoming an actual production company

*2009 has given Danish cleantech company Stirling DK several new colleagues, new capital injection and collaborators as well as a big project at COP15. Lars Jagd, CEO, talks about the near future.*

#### **How do you see the way forward for your company in the year to come?**

'We are extremely focused on our customer strategy. We go for larger companies in markets close to Denmark who are able to buy a number of installations. This includes power and heating stations in Germany. Denmark, Austria and Germany are our primary markets. We are already making business there, and both Austria and Denmark are considered market leaders in power and heating stations and biomass.

Moreover, we will focus more on Britain where there is massive political attention on green energy and, consequently, legislative changes on its way'.

#### **What are Stirling DK's challenges in 2010?**

'In 2010 we are to become an actual production company. We are still in a development phase, but this year we expect to have final proof for acceptable up-time of our plants. We optimise and the curve is upward, but we are not quite there yet.

'Another challenge is a classic one for start-ups: "How do we maintain the entrepreneurial spirit in a company that grows rapidly and therefore demands more structure?"

Chaos and development are often the greatest motivational factors to my employees. I try to retain the atmosphere by involving the developers in decision-making processes – also when the decisions are more commercially rooted.

'The last thing I want to mention is the development of our sales channels. With our product we must neither sell too late nor too early. It is constant analysis and discussion, and if things are moving faster than we expected, e.g. the up-time, we have to be ready to accelerate. We

expect to have more data on our plants in 3-5 months and should be able to deliver by the end of 2010. Thus, the major boom in growth might show in 2011 instead. Should we see a breakthrough earlier, the sales machinery will be ready, of course'.

***What do you wish for in particular from Scion DTU in 2010?***

'I sense that there are social activities that work, but I see an opportunity to put together a specialists group for company executives – with a formal introduction and help from Scion DTU to create networks. We could make better use of each other as consultants if we knew more about each other's business and competences. This might also involve borrowing staff, e.g. an engineer, from each other in sparring teams.

'Otherwise, our wish is to remain in contact with Scion DTU although we are moving the production elsewhere. Scion DTU's flexibility in terms of office space is extraordinary, and I can easily see advantages in keeping some R&D functions in the science park. We look upon the affinity and proximity to DTU as one of the major assets. In the science park there are important collaborators just around the corner; here we find and recruit key employees, and we have a plant to look after!'

## The way forward 2010: Our partners

*How do our partners see the challenges and opportunities for science parks in 2010.*

### Interview DTU

#### Facts about DTU:

- DTU is the Technical University of Denmark, and its main campus is in Lyngby, north of Copenhagen.
- The University has roughly 4,500 employees, more than half of which are researchers, including more than 850 PhD's.
- DTU has 7,000 BEng, BSc and MSc students.
- Its annual enrolment includes about 700 international students.
- Following the university merger in 2007, DTU now comprises 18 departments and a national laboratory.
- DTU is ranked among Europe's top five technical universities.
- [www.dtu.dk](http://www.dtu.dk)

### DTU's President Lars Pallesen looks far beyond Denmark's borders in 2010

*DTU is an essential contributor to the Danish welfare state, and we must look at the entire country – but also at the rest of the world – if we want to advance and improve the Danish educational sector, says DTU Rector Lars Pallesen, who offers the following views on the University's role in society and on the interaction between DTU and the Scion DTU science park.*

#### What role do universities play in Danish society?

As Danes, we should not be telling ourselves that we are smarter or harder working than other nationalities, or that we are entitled to a higher standard of living than other people.

We take for granted our free access to healthcare, our safety net for society's weakest, and our superior and free educational system. We want it all, but unless we have an actual goldmine in our back garden or other natural resources that we can live off forever, then how do we finance our welfare society?

To pay for the standard of living that we take for granted in Denmark, we have to start with the universities, especially the technical universities.

Historically, it is empirically documented that the highest standards of living are found where universities are strongest.

The state of Massachusetts has always invested in its universities and research - e.g. at Harvard, MIT and Boston University. Today, it is one of the wealthiest states in the USA.

Singapore has no natural resources, and they even have to import water. They have, however, invested whole-heartedly in universities such as Nanyang Polytechnic, the National University of Singapore and Singapore Management University. Today, it is one of the wealthiest countries in the world.

In the 1950s, Korea had no more than 50 people studying at graduate level. Today, KAIST is one of the world's leading technical universities.

We aren't necessarily lagging behind the rest of the world, but we're no longer far ahead of South Korea and Massachusetts. I'm afraid it won't be long before we're lagging far behind.

**What are the advantages to having a science park of your own?**

I look at it as a food chain, with science at the top, then basic research, applied research and development.

Development does not necessarily lie with the researchers, but rather with the science park people who want to develop the product and business plan and manage the production. The advantage of the science park being a subsidiary of DTU is that our researchers are not apprehensive of knowledge dissemination. They know that Scion DTU is part of the family and share the same objectives.

The people running DTU's science park are highly competent and dynamic, enabling us to develop the business and make the right decisions for the benefit of innovation in Denmark. Therefore, it is also imperative that the Scion DTU management should travel the world to gain inspiration on how we can improve innovation and entrepreneurship.

A university organisation like ours must be able to encompass the entire 'food chain' – including Scion DTU and DTU Symbion Innovation. And we must be capable of providing help where it is needed. DTU holds a key position in this food chain; some might even go so far as to say we're the major player in Denmark.

**Does DTU have any special wishes for 2010?**

It is important for us to expand the science park concept to other parts of the country beyond just Hørsholm, Lyngby, and Copenhagen. We would like another site in order to cement our position as the Technical University of Denmark. There is a lot of valuable production generated in Jutland, and our knowledge and expertise might be useful in taking this even further.

I know that Scion DTU is working with Business Kolding on setting up a development park in Kolding. I would prefer to get past the point of no return on this project in 2010 and realize the decision.

As far as DTU is concerned, I would like us taking major steps towards expanding our international relations. In Europe we have strong and well-functioning collaboration agreements with the universities TU Munich and TU Eindhoven.

It would like to see us form a strong alliance outside Europe this year, and I am looking towards Asia. If in effect they are in the process of rapidly overtaking us then we won't see it coming if we don't have anyone manning our "watchtowers" in Asia.

## Interview IASP

### **Facts on IASP – International Association of Science Parks**

- The IASP is the worldwide network of science and technology parks (STPs)
- 372 members in more than 72 countries
- Created in 1984 – current headquarters in Malaga, Spain
- One of its main targets is an annual World Conferences with approx. 700 delegates. In 2011 this will be organised by Scion DTU in close collaboration with Symbion and will be held in Copenhagen.
- Luiz Sanz is Director General of the IASP since 1996 and member of its Executive Board
- [www.iasp.ws](http://www.iasp.ws)

### **Science parks take the role of regional leaders in innovation**

*Science parks today must look beyond their own borders and play a bigger role in the urban development. This is the opinion of Luis Sanz, Director General of the IASP, who offers his views on science parks of the future.*

### **What is the role of the science parks in today's working market?**

'It's becoming quite evident that the knowledge economy has created a whole new set of things: New types of companies, new markets, and also a new type of worker. More than ever before, knowledge-based companies compete and struggle fiercely to attract and retain this new species that we usually refer to as "knowledge workers", people with a high level of education, qualifications and many technical and professional skills. These people are hard to find, harder to train and even more difficult to retain.

'I believe that one of the main advantages that science parks can provide to its associated companies is helping them find and retain such people. This is obtained by providing attractive and dynamic working environments, among other things, which are much valued by the new knowledge workers.'

### **In which way does Northern Europe have advantages, but also room for improvement?**

'It is widely acknowledged that Northern Europe is a region with a solid business culture and very strong work ethics. That is why Northern Europe is regarded as a very reliable environment for investments and creating businesses. The high qualification of its workers and young graduates is another strong asset upon which to build many interesting things.

'STPs in Northern Europe match all of these characteristics. If there is an aspect that offers more room for improvement it would be enhancing the role of STPs not only as a place that takes care of its own set of companies, but as a city or regional leader in innovation. Parks must strive to become "gravitational" centres, via a wide range of services and activities whose impact and influence go beyond its own physical boundaries. The future of STPs can only be secured if this influence and "cultural" dimension are enhanced.'

### **What are the main trends in today's STP industry?**

'The main trends that I seem to detect in today's STP industry throughout the world are internationalisation and strengthening its nature as significant nodes of international networks, proactively linking an increasing number of agents and actors of different types but all of them related to economic development via innovation and entrepreneurship.

'And all this is happening in an increasingly "urban" model of STPs: Science parks are becoming more and more linked to the city, and are increasing their urban density.'

**As the Director General of IASP, what are your wishes for 2010?**

'I wish to see STPs playing a significant role in recovering the economies of their respective cities and regions, and I expect to have a great conference in Korea as a prelude to another formidable event in Copenhagen in 2011.'

## Interview Kenneth Morse

### **Facts about MIT Entrepreneurship Center**

- MIT, the Massachusetts Institute of Technology, world-renowned university in Boston.
- Known for its specialized knowledge and capability to combine the development of new breakthrough technologies with management and commercialization usually through spin-off companies.
- The mission of the MIT Entrepreneurship Center is to develop and nurture leaders who will make high-tech ventures successful by inspiring, training, and coaching new generations of entrepreneurs from all parts of MIT.
- Kenneth Morse is a serial entrepreneur, having played a key role in launching several high-tech start-ups. He joined the MIT Entrepreneurship Center in 1996 as founding Managing Director.

### **Sales is crucial to any startup company**

*Kenneth Morse knows more about entrepreneurs than most others and knows exactly what kind of challenges they most face. Currently Kenneth is teaching and coaching ambitious entrepreneurs in Europe and here he talks about the hard road to success.*

### **What are the characteristics of today's successful entrepreneurs?**

There are at least five key elements that characterize a successful entrepreneur today:

- They have found the solution to a relevant and valuable problem
- They have high ambitions
- They are excellent at selling
- They are ready to go for a global market
- They are keen to recruit first-class staff

### **What are the challenges of the post crisis entrepreneurship?**

Improving the effectiveness of the sales force in globally ambitious companies, large and small, is still one of the highest priorities and challenges.

In the current tough climate, every purchase by any prospective customer must be triple-justified at all levels of management.

The way that I see it, it is essential to have the best ROI-based sales approach to shortening the sales cycle across borders and thus to the survival of most young companies.

### **From your point of view, how do you look at innovation and business development in Europe?**

I believe that startup teams in Europe may be at a disadvantage when it comes to having the necessary passion for perfection and swift, seamless sales execution.

One of the most important life lessons - the importance of sales - usually comes late in the career of EU entrepreneurs.

Today's bright young European entrepreneurs were typically not raised to think about the importance of sales. They did not grow up running lemonade stands or going door-to-door selling girl-scout cookies. At university, their professors often looked down on sales and were rarely, if ever, themselves forced to compete for funding. Where will their sales mentors come from?

**What will be your advice for Danish entrepreneurs?**

My advice will be to focus the entire team on delivering value to the customer. In today's tough environment, high-tech startup companies must be excellent at sales and customer acquisition or else they will not survive.

Sincere commitment to solving customer problems is also a key issue. If your CEO is not passionately committed to delivering significant value to customers, then either he/she should leave the company, or you should find another place to work, because the company will not succeed.

I would like to stress that good selling is not an art; effective sales and customer relationship management is a science and can be both learned and promulgated throughout the organization.

## Interview with employee

### Frederik Nielsen, Scion DTU

#### **Scion DTU works actively with an environmental policy**

*In the spring of 2009, Scion DTU management commenced the development of an environmental policy covering all activities of the organisation – including environmental initiatives that had already been started. At a workshop the employees were given the opportunity to contribute with input to existing and required environmental initiatives. Afterwards it has been up to a project group to set up a number of focus areas with corresponding principles.*

*In December 2009, management approved the environmental policy and plan of action for 2010.*

#### **The objective**

Scion DTU's environmental policy must

- improve our effect on the environment by focusing on the environmental consequences of our activities
- provide the settings for an active effort to improve our surroundings.

Five specific focus areas were chosen:

- Environmentally aware construction
- Sustainable products and services
- Purchasing policy with integrated environmental considerations
- Environmentally aware behaviour
- Positive effect on our surroundings

Within these areas we wish to improve our environmental effort continuously by setting defined targets, commence action to reach these and raise the bar when the immediate targets are reached.

Scion DTU's environmental policy is corroborated by a plan of action and a process for following up on our effort.

Read Scion DTU's environmental policy: [\[PDF\]](#)

#### **Green is more than just the colour of the trees in the science park**

*When you look out the windows of the science park, you are struck by the green colour from trees and bushes. The green touch is of great value to Scion DTU, and if it were up to Frederik Nielsen, service technician at Scion DTU, the greenery should be reflected behind the façade as well; in buildings and technical installations. He is working on a concrete energy saving project at the Scion DTU domicile at 13 Agern Allé – one of the initiatives of Scion DTU's environmental policy.*

'We have chosen to start with our own domicile and thus practice on our own turf. The objective is to help our clients with energy optimisation and the first move is to know the actual consumption. By means of that we will find out where to begin. The actual project focuses on electricity in particular. We measure all electricity being used in the house and, not least, when – and that pays off', says Frederik Nielsen about the project that will save energy and expences for Scion DTU.

680 sq metres make up Scion DTU's domicile that holds 107 spotlights that each use 35 watts currently. Using new LED bulbs, the consumption could be reduced to 5 watts per spotlight! This alone will give an annual saving of DKK 7-9,000. There are, of course, costs connected with the replacement. This is a non-recurring cost of DKK 32,000, which is profitable after four years'.

### **The alarm system controls the electricity**

Frederik Nielsen says that also the standby electricity in the building is being scrutinised: 'We use the alarm system of the building to control the standby electricity used by our big printers. This means that everything is turned off when the last employee leaves for the day, and it turns back on as the building comes to life in the morning. This saves a whole night's worth of electricity'.

### **Behaviour and communication**

The environmental policy is very much about changing habits and about communication, and therefore this is also a focus area of the particular project of saving energy at 13 Agern Allé: 'For instance, it is important to use table lighting instead of turning on 25 lamps in the ceiling if you need light one day. We obviously have to communicate with the employees efficiently and affect their actions, just as we wish to publicise the consumption on the internet. Again, this is to make the employees aware and affect their behaviour – perhaps also when they are not at work', says Frederik Nielsen.

### **A fume cupboard consumes electricity equivalent to an entire house**

However, Scion DTU's environmental policy is not just targeted at the employees that reside in the domicile at 13 Agern Allé. Part of the policy deals with enabling Scion DTU to give better advice to its tenants, both when it comes to the reconstruction of existing buildings and construction of new buildings: 'The building regulations are constantly being restricted, the energy prices go up, and the environment is suffering. We need to keep abreast of the development', says Frederik Nielsen and continues to talk about a specific project he is currently working on for a client:

'One of our major clients wishes to reduce its energy consumption. The company uses fume cupboards in its laboratories, and a fume cupboard consumes electricity equivalent to an average house. The company has 20 fume cupboards! This obviously has a great effect on the total energy consumption. A change in behaviour is immediately evident on the bottom line – both positively and negatively. This client spends approx. DKK 2.4 million per year on electricity and if we are able to cut away 10%, both the company and the environment win', Frederik points out.

### **Great personal motivation**

Frederik makes no secret of his personal involvement in the work with turning Scion DTU's environmental policy into concrete actions: 'To me it is an incredibly exciting development. The 'contest' to find the most optimised technical solution is a highly motivational factor for me. At the same time, we are good at discussing concrete solutions and, not least, to praise each other when we see positive results'.

## Statement by the Executive and Supervisory Boards

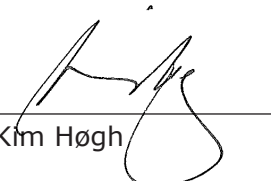
The Executive and Supervisory Boards have today discussed and approved the annual report of Scion DTU a/s for the financial year 1 January - 31 December 2009.

The annual report has been prepared in accordance with the Danish Financial Statements Act. It is our opinion that the financial statements give a true and fair view of the company's financial position at 31 December 2009 and of the results of the company's operations and cash flows for the financial year 1 January - 31 December 2009.

Further, in our opinion, the Management's review gives a fair review of the development in the company's operations and financial matters, the results of the company's operations and financial position.

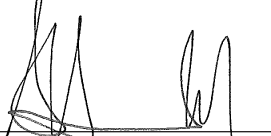
We recommend that the annual report be approved at the annual general meeting.  
Hørsholm, 23 March 2010

### *Executive Board:*



Kim Høgh

### *Supervisory Board:*



Jacob Erik Holmblad  
Chairman



Leif Nørgaard



Birthe Astrid Skands



Knut Conradsen



Jørgen Honoré



Jes Østergaard



Klaus Kaae

## **Independent auditors' report**

### **To the shareholders of Scion DTU a/s**

We have audited the financial statements of Scion DTU a/s for the financial year 1 January – 31 December 2009, pp. 38-57. The financial statements comprise accounting policies, income statement, balance sheet, statement of changes in equity, cash flow statement and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In addition to our audit, we have read the Management's review prepared in accordance with the Danish Financial Statements Act and issued a statement in this regard.

### **Management's responsibility**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Danish Financial Statements Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are 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. Further, it is the responsibility of Management to prepare a Management's review that gives a fair review in accordance with the Danish Financial Statements Act.

### **Auditors' responsibility and basis of opinion**

Our responsibility is to express an opinion on the 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 reasonable assurance whether 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the 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 did not result in any qualification.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2009 and of the results of its operations and its cash flows for the financial year 1 January – 31 December 2009 in accordance with the Danish Financial Statements Act.

**Statement on the Management's review**

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information given in the Management's review is consistent with the financial statements.

København, 23 March 2010

**KPMG**

*Statsautoriseret Revisionspartnerselskab*



Peter Gath  
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	2009	2008	2007	2006	2005
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
<b>Financial Highlights</b>					
<b>Key figures</b>					
Revenue	169,710	160,002	133,639	119,717	105,951
Operating profit	64,171	56,468	42,723	33,569	35,479
Financial items	-49,364	-50,940	-36,802	-32,334	-36,747
Profit before value adjustment	15,329	5,711	5,822	1,035	-1,868
Value adjustments property etc.	16,492	39,310	-12,607	10,457	9,526
Value adjustments mortgage debt	-15,519	-4,195	12,068	25,582	3,586
Profit for the year	8,032	20,878	2,171	26,383	7,202
Owner-occupied property	68,849	69,463	70,268	71,073	71,927
Investment property	1,167,356	1,141,895	1,010,545	863,928	819,917
Other non-current assets	184,245	189,166	197,668	191,482	149,209
Currents assets	73,733	19,697	9,359	6,698	6,253
Capital reserves	287,747	280,198	286,662	283,477	257,095
Balance sheet total	1,494,183	1,420,222	1,287,840	1,133,181	1,047,306
<b>Financial ratios</b>					
Profit before financial items in relation to rent-generating assets (%)	4.52	4.04	3.33	2.96	3.35
Result before value adjustment in relation to opening balance of equity (%)	5.48	2.20	2.05	0.40	-0.75
Return on equity (%)	2.8	7.4	0.8	9.8	2.8
Debt ratio	0.7	0.7	0.6	0.6	0.7
Equity ratio (%)	19.26	19.73	22.26	25.02	24.55
<b>Cash flow</b>					
Cash flow effect of operations	35,217	24,554	24,348	16,588	12,592
Investment in non-current assets	-23,511	-104,651	-182,735	-90,525	-40,055
Loans	38,817	83,513	159,775	68,470	21,158
Other changes in net cash flow	5,598	4,427	857	5,686	-7,036

## **Accounting policies**

The annual report has been prepared in accordance with the provisions applying to medium-sized reporting class C enterprises under the Danish Financial Statements Act.

Further, the annual report has been prepared in accordance with the provisions of the Danish Accounting Standard on investment properties.

The accounting policies used in the preparation of financial statements are consistent with those of last year.

### **Recognition and measurement**

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

Liabilities are recognised in the balance sheet when, as a result of past events, the company has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation and the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for individual item.

In recognising and measuring assets and liabilities, any expected risks and losses occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, whereas costs are recognised at the amounts relating to the financial year.

Value adjustments of financial assets and liabilities are recognised in the income statement.

Value adjustments of derivative financial instruments designated as a cash flow hedge are recognised directly in equity until the hedged transaction is realised. On realisation the value adjustments are recognised in the same item as the hedged item.

## Accounting policies (continued)

### Income statement

#### Revenue

Revenue includes charged rent that relates to the financial year and invoiced technical and administrative services.

Reimbursement of electricity, water, heating and other consumption-dependent costs are included in the balance sheet as balances with tenants.

Other cost reimbursements and depreciation paid by tenants are included in rental income.

#### Property costs

Property costs include operating costs that can be directly attributed to the properties and related installations, including personnel cost, taxes and charges, insurance and normal maintenance costs, costs for care and maintenance etc. of communal areas and green areas and for depreciation of operating equipment and installations.

Maintenance costs that exceed TDKK 250, and that have the characteristics of renovation, are added to the cost of the properties.

#### Administration costs

Administration costs include costs incurred for marketing, management, administration and office supplies and depreciation of IT equipment and fixtures and fittings.

#### Other operating costs

Other operating costs include incurred project costs that do not qualify for recognition in the balance sheet, and other costs secondary to the operation of the properties.

#### Investments in associated companies

Investments in associated companies are included in the proportionate share of the profit for the year.

#### Financial items

Financial items include interest income and interest costs and costs in connection with repayment and conversion of mortgage debt.

## Accounting policies (continued)

### Value adjustments of property and mortgage debt

Value adjustments include the accounting period's value adjustment of the property portfolio and the associated mortgage debt.

Realised capital gains and losses in connection with repayment and conversion of debt and realised gains and losses on the sale of property in relation to the carrying amount are included in the income statement in connection with the value adjustments of the financial year.

In addition, realised and unrealised capital gains and losses in the bond holding obtained in connection with loans raised in the property portfolio are included in the income statement.

### Tax

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

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. The tax base of the assets is determined based on the planned use of the asset.

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

The company is subject to the limitation of the right to deduct interest expenses. No deferred tax has been provided for the part of the tax losses that can be attributed to interest costs which do not qualify for set-off against the taxable income for the year.

### Balance sheet

#### Property, plant and equipment

##### Owner-occupied property

Properties that are used by the company itself to a considerable degree are treated as owner-occupied properties. Owner-occupied properties are measured at cost less accumulated depreciation and impairment losses. Land relating to owner-occupied properties is not depreciated.

The basis of depreciation is calculated as cost less expected residual value at the end of the useful life. Cost comprises the purchase price and any attributable interest payments during the building period and costs directly attributable to the acquisition until the date when the asset is available for use.

Owner-occupied property is depreciated over the expected useful life of 50 years.

## Accounting policies (continued)

### Investment property

The properties should be rent-generating to the greatest possible extent with a resulting anticipated positive operating return. Since the property operations represent an important activity for the company, the properties are treated for accounting purposes according to the rules for investment properties, under which the properties and the associated liabilities are measured at fair value at the balance sheet date. The year's value adjustment is included as a separate item in the income statement. Net revaluation less deferred tax is transferred to the fair value reserve under equity.

As a consequence of the specialised use and location in a geographically limited area, fair value is calculated for the total property portfolio according to the following principles:

The value of rent-generating land and completed buildings is determined according to a yield-based method on the basis of the properties' expected operating yield and market-based requirements.

Measurement is based on the expected future rental income and operating cost, including expected rental income and costs for vacant leases. Measurement comprise expected costs for renovation, leasehold improvements and rent not received in the period until the expected lease commences.

Property under construction is measure at cost. Cost includes directly attributable interest payments during the construction period. Newly constructed buildings are measured at cost until the property is fully in use for the intended purpose. Measurement is subsequently made at fair value, cf. above.

Unused land is measured at the value of the building rights. Since the building rights are expected to be used over an extended number of years, the value is discontinued. The yield percentage for the total property portfolio is used as the discount rate.

### Other property, plant and equipment

Leasehold improvements, special installations and operating equipment and fixtures and fittings are measured at cost less accumulated depreciation and impairment losses. Depreciation is commenced when the assets are taken into use.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Leasehold improvements	20 years
Installations	10 - 20 years
Operating equipment and fixtures and fittings	3 - 5 years

Separate assets with a cost of less than TDKK 25 are expensed at the time of acquisition.

## **Scion DTU a/s**

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### **Accounting policies (continued)**

#### **Investments in associated companies**

Investments in associated companies are included and measured according to the equity method under which investments are recognised in the balance sheet at the proportionate share of the companies' net asset value.

Investments in associated companies with negative net asset values are measured at DKK 0 (nil), and any amounts owed by such companies are written down if the amount owed is irrecoverable.

Net revaluation of investments in associated companies is recognised in the reserve for net revaluation to the extent that the carrying amount exceeds cost.

#### **Receivables**

Receivables are measured at amortised cost, usually corresponding to the nominal value. Write-down is made for expected bad debt losses.

#### **Derivative financial instruments**

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are included in other receivables and payables, respectively.

#### **Cash and bank balance**

Cash and bank balances include bank and giro deposits and cash holdings.

#### **Equity**

Dividends are recognised as a liability at the date when they are adopted at the annual general meeting. The proposed dividend payment for the year is disclosed as a separate item under equity.

#### **Non-current liabilities other than provisions**

Mortgage debt is recognised at the date of borrowing at cost, corresponding to the net proceeds received less transaction costs paid recognised at the fair value (market value) at the balance sheet date.

Fair value adjustment are recognised in the income statement. Net revaluation less deferred tax is transferred to the fair value reserve under equity.

## Scion DTU a/s

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### Accounting policies (continued)

#### Current liabilities other provisions

Current liabilities other provisions are recognised at amortised cost, which usually corresponds to nominal value.

#### The cash flow statement

The cash flow statement is prepared using the indirect method and shows the cash flow from operating, investing and financing activities for the year as well as cash and cash equivalents at the beginning and end of the year.

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

Cash and cash equivalents comprise cash and bank balances.

#### Financial highlights

The financial ratios have been prepared in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios.

Profit before financial items un relation to rent-generating assets	=	$\frac{\text{Operating profit} \times 100}{\text{Rent-generating assets}}$
Profit before value adjustment in relation to opening balance of equity	=	$\frac{\text{Profit before value adjustment} \times 100}{\text{Opening balance of equity}}$
Return on equity	=	$\frac{\text{Profit for the year} \times 100}{\text{Average equity}}$
Debt ratio	=	$\frac{\text{Non-current liabilities other than provisions}}{\text{Non-current assets}}$
Equity ratio	=	$\frac{\text{Equity} \times 100}{\text{Balance sheet total}}$

## Income Statement

	<b>Note</b>	<b>2009</b> <b>TDKK</b>	<b>2008</b> <b>TDKK</b>
Revenue		169,710	160,002
Property costs		-50,903	-49,365
Administration costs		-32,656	-31,058
Other operating costs		-21,980	-23,111
<b>Profit before financial items and value adjustments</b>		<b>64,171</b>	<b>56,468</b>
Share of profit in associated companies		522	183
Financial income		1,925	1,839
Financial expenses	2	-51,289	-52,779
<b>Result before value adjustments</b>		<b>15,329</b>	<b>5,711</b>
Value adjustments of land and buildings		16,492	39,310
Value adjustment of mortgage debt	3	-15,519	-4,195
<b>Profit before tax</b>		<b>16,302</b>	<b>40,826</b>
Tax on the profit for the year	4	8,270	-19,948
<b>Profit for the year</b>		<b>8,032</b>	<b>20,878</b>

### Proposed profit appropriation

The board of directors proposes that the profit for the year be appropriated as follows

Dividend	0	0
Transferred to fair value reserve	692	26,527
Retained earnings	7,340	-5,649
	<b>8,032</b>	<b>20,878</b>

## Balance Sheet at 31 December, assets

		<b>2009</b>	<b>2008</b>
	<b>Note</b>	<b>TDKK</b>	<b>TDKK</b>
Owner-occupied property	5	68,849	69,463
Investment property	5	1,167,356	1,141,895
Installations	5	59,694	66,485
Leasehold improvements	5	88,013	88,321
Operating equipment and fixtures and fittings	5	5,023	6,569
Current construction	5	6,413	12,058
Artistic decoration		989	829
<b>Property, plant and equipment</b>		<b><u>1,396,337</u></b>	<b><u>1,385,620</u></b>
Investments in associated companies	6	24,113	14,905
<b>Investments</b>		<b><u>24,113</u></b>	<b><u>14,905</u></b>
<b>Non-current assets</b>		<b><u>1,420,450</u></b>	<b><u>1,400,525</u></b>
Amount owed by tenants		5,028	7,084
Other receivables		1,601	1,915
Prepayments	7	402	116
<b>Receivables</b>		<b><u>7,030</u></b>	<b><u>9,115</u></b>
<b>Securities</b>		<b><u>49,611</u></b>	<b><u>10</u></b>
<b>Cash and bank balances</b>		<b><u>17,092</u></b>	<b><u>10,572</u></b>
<b>Current assets</b>		<b><u>73,733</u></b>	<b><u>19,697</u></b>
<b>Assets</b>		<b><u><u>1,494,183</u></u></b>	<b><u><u>1,420,222</u></u></b>

**Balance sheet at 31 December, equity and liabilities**

	<b>Note</b>	<b>2009 TDKK</b>	<b>2008 TDKK</b>
Share capital	8	100,000	100,000
Fair value reserve		64,739	64,047
Market value adjustment, financial instrument		-23,943	-23,650
Revaluation/depreciation, investments in associated companies		-2,869	-2,679
Retained earnings		149,820	142,480
<b>Equity</b>		<b>287,747</b>	<b>280,198</b>
Provision for deferred tax	9	45,405	37,247
<b>Provisions</b>		<b>45,405</b>	<b>37,247</b>
Debt to DTU		97,906	102,257
Mortgage debt		962,495	904,270
Bank loans		0	0
<b>Non-current liabilities other than provisions</b>	10	<b>1,060,401</b>	<b>1,006,527</b>
Current portion of non-current liabilities other than provisions	10	11,541	11,078
Credit facilities		0	0
Rent deposits and pre-paid rent		38,446	40,553
Trade payables		8,218	8,606
Current debt to DTU		98	1,312
Other payables, including financial instrument		39,684	33,343
Deferred income, liability	11	2,643	1,358
<b>Current liabilities other than provisions</b>		<b>100,630</b>	<b>96,250</b>
<b>Liabilities other than provisions</b>		<b>1,161,031</b>	<b>1,102,777</b>
<b>Equity and liabilities</b>		<b>1,491,183</b>	<b>1,420,222</b>

**Statement of changes in equity  
for 2009**

<b>TDKK</b>	<b>Share capital</b>	<b>Reserve for market value ad- justment</b>	<b>Financial instru- ments</b>	<b>Invest- ments in associated companies</b>	<b>Retained earnings</b>	<b>Total</b>
Equity at 1 January 2009	100,000	64,047	-23,650	-2,679	142,480	280,198
Profit for the year		692			7,340	8,032
Market value adjustment			-293			-293
Changes in equity in associated companies				-190		-190
Distributed dividend						0
<b>Equity at 31 December 2009</b>	<b><u>100,000</u></b>	<b><u>64,739</u></b>	<b><u>-23,943</u></b>	<b><u>-2,869</u></b>	<b><u>149,820</u></b>	<b><u>287,747</u></b>

Cash flow statement

	<b>2009</b>	<b>2008</b>
	<b>TDKK</b>	<b>TDKK</b>
Profit before tax	16,302	40,826
Reversed value adjustments of investment properties	-16,492	-39,310
Reversed value adjustments of mortgage debt	15,519	4,195
Depreciation, amortisation and impairment losses	20,410	19,026
Profit, associated companies	-522	-183
<b>Operating profit adjusted for non-cash items</b>	<b>35,217</b>	<b>24,554</b>
Change in:		
Receivables	2,086	-3,319
Rent deposits and pre-paid rent	-2,107	8,775
Trade payables, debt to DTU, other payables and deferred income	5,619	-1,029
<b>Cash flow from operating activities</b>	<b>40,815</b>	<b>28,981</b>
Purchase/sale of shares in associated companies	-8,875	-9,500
Investment in and renovation of properties	-12,987	-94,246
Investment in operating equipments and fixtures and fittings etc.	-1,649	-905
<b>Cash flow from investment activities</b>	<b>-23,511</b>	<b>-104,651</b>
Financing from credit facilities	0	-80,324
Raising/repayment of non-current debt	38,817	163,837
<b>Cash flow from financing activities</b>	<b>38,817</b>	<b>83,513</b>
<b>Net cash flow for the year</b>	<b>56,121</b>	<b>7,843</b>
Cash and bank balances at 1 January	10,582	2,739
<b>Cash and bank balances at 31 December</b>	<b>66,703</b>	<b>10,582</b>
<b>Cash and bank balances consist of:</b>		
Securities and cash holdings	66,703	10,582
	<b>66,703</b>	<b>10,582</b>

**Notes**

	<b>2009</b>	<b>2008</b>
	<b>TDKK</b>	<b>TDKK</b>
<b>1. Personnel costs</b>		
Fees and salaries etc.	18,472	17,495
Pensions	1,373	1,255
Fee reimbursement	-150	0
Social costs, mileage allowance etc.	373	371
	<b>20,068</b>	<b>19,121</b>

Salary costs are distributed as follows:

Consumption accounts	182	251
The Growth Academy	0	77
COBIS (re-invoicing)	254	163
DTU (re-invoicing)	30	0
Building projects	171	467
Property costs	631	1,027
Other operating costs	2,528	1,862
Administration costs	16,272	15,274
	<b>20,068</b>	<b>19,121</b>

Average number of employees	<b>35</b>	<b>36</b>
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Fee to management and board of directors	<b>2,133</b>	<b>1,875</b>
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**2. Financial expenses**

Interest on loans from DTU	4,257	3,996
Interest in mortgage debt	46,064	42,623
Interest on credit facilities	0	1,164
Other financial expenses	64	74
Borrowing costs	904	4,922
	<b>51,289</b>	<b>52,779</b>

**Notes**

	<b>2009</b>	<b>2008</b>
	<b>TDKK</b>	<b>TDKK</b>
<b>3. Value adjustments, mortgage debt and bonds</b>		
Realised capital loss on repaid mortgage debt	-430	-199
Realised capital loss on bonds	0	-720
Unrealised gains and losses (income)	-15,089	-3,276
	<b>-15,519</b>	<b>-4,195</b>
<b>4. Tax on the profit for the year</b>		
Current tax	0	0
Change in deferred tax	-8,270	-19,948
	<b>-8,270</b>	<b>-19,948</b>

## Scion DTU a/s

### Notes

	Owner- occupied property	Invest- ment property	Installation s	Leasehold improve- ments	Operating equipment and fixtures and fittings	Current construc- tion
<b>TDKK</b>						
<b>5. Property, plant and equipment</b>						
Cost at 1 January 2009	72,416	1,079,792	134,555	103,044	17,710	12,058
Additions	191	-903	0	415	1,510	13,512
Transfer to/from other items	0	9,871	3,895	5,391	0	-19,157
Disposals (sold/scrapped assets)	0	0	-229	0	-473	0
<b>Cost at 31 December 2009</b>	<b>72,607</b>	<b>1,088,760</b>	<b>138,221</b>	<b>108,850</b>	<b>18,747</b>	<b>6,413</b>
Depreciation and impairment losses at 1 January 2009	-2,953	0	-68,070	-14,723	-11,142	0
Additions	-805	0	-10,457	-6,114	-3,035	0
Disposals (assets)	0	0	0	0	452	0
<b>Depreciation and impairment losses at 31 December 2009</b>	<b>-3,758</b>	<b>0</b>	<b>-78,527</b>	<b>-20,837</b>	<b>-13,725</b>	<b>0</b>
Revaluation at 1 January 2009	0	62,104	0	0	0	0
Additions	0	16,492	0	0	0	0
Disposals	0	0	0	0	0	0
<b>Revaluation at 31 December 2009</b>	<b>0</b>	<b>78,596</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Carrying amount at 31 December 2009</b>	<b>68,849</b>	<b>1,167,356</b>	<b>59,694</b>	<b>88,013</b>	<b>5,023</b>	<b>6,413</b>
<b>Carrying amount at 1 January 2009</b>	<b>69,463</b>	<b>1,141,895</b>	<b>66,485</b>	<b>88,321</b>	<b>6,569</b>	<b>12,058</b>
Prior year public property valuation			985,800			
<b>Most recent public property valuation</b>			<b>1,342,800</b>			

\*) The carrying amount of properties not included in the most recent public property valuation constitutes DKK 238 million.

	2009	2008
Depreciation for the year is distributed as follows:		
Property costs	17,644	16,342
Administration costs	105	105
Other operating costs	2,661	2,579
	<b>20,410</b>	<b>19,026</b>

## 5. Property, plant and equipment, continued

Investment properties are included with the yield-based method and comprise rented buildings and land.

The basis for the yield requirement is estimated at 7% (2008: 7%) for both rented buildings and land. For a few properties, a lower yield requirement has been applied. For leases with a higher degree of uncertainty, the yield requirement has been increased with a risk addition of approximately 0.25-2%. The average yield requirement on buildings and land is 7.15%.

The yield model includes maintenance and administration expenses that are provided for in the 2010 budget as well as taxes. Index adjustment, expected property tax increases and other possible changes in the leasehold conditions are added to the estimated rental income for 2010.

Estimated idle capacity for 2010 as well as paid deposits and potential rent reserves are also considered in the model.

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### Scion DTU a/s

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## Notes

	<b>2009</b>	<b>2008</b>
	<b>TDKK</b>	<b>TDKK</b>
<b>6. Investments in associated companies</b>		
Cost at 1 January	17,701	8,201
Additions	8,875	9,500
Disposals	0	0
<b>Cost at 31 December</b>	<u>26,576</u>	<u>17,701</u>
Revaluation at 1 January	-2,796	97
Additions (positive revaluation)	353	183
Additions (share of profit)	353	0
Disposals (negative revaluation)	278	-3,076
Disposals (share of profit)	-650	0
<b>Revaluation at 31 December</b>	<u>-2,463</u>	<u>-2,796</u>
<b>Carrying amount at 31 December</b>	<u><b>24,113</b></u>	<u><b>14,905</b></u>

Investments in associated companies are specified as follows:

	Owner share	Domicile	Company capital TDKK	Equity TDKK	Profit/ loss TDKK	Scion-DTU a/s' share	
						Equity TDKK	Profit/ loss TDKK
COBIS Management							
ApS *)	50%	Rudersdal	125	153	19	77	8
COBIS Ejendom K/S *)	50%	Rudersdal	35,875	26,545	-1,626	13,273	-650
COBIS A/S *)	50%	Rudersdal	10,500	21,528	733	10,764	345
				<b>48,226</b>	<b>-875</b>	<b>24,113</b>	<b>-297</b>

\*) At 31/12 2009, the ownership interest was changed to 50%

## Scion DTU a/s

### Notes

	<b>2009</b>	<b>2008</b>
	<b>TDKK</b>	<b>TDKK</b>
<b>7. Prepayments, assets</b>		
Prepaid interest	0	0
Other prepaid costs	402	116
	<b>402</b>	<b>116</b>
<b>8. Share capital</b>		
The share capital has remained unchanged since the founding		
The share capital consists of 1,000 shares of DKK 100,000		
The shares are not divided into classes		
<b>Share capital at 31 December</b>	<b>100,000</b>	<b>100,000</b>
<b>9. Provision for deferred tax</b>		
Deferred tax is incumbent on the following items: Property, plant and equipment, non-current liabilities and tax losses. other than provisions etc.		
<b>10. Non-current liabilities other than provisions</b>		
Current portion of bank loans	0	0
Current portion of mortgage debt	7,190	6,900
Current portion of debt to DTU	4,351	4,178
<b>Current portion of liabilities other than provisions</b>	<b>11,541</b>	<b>11,078</b>
Non-current portion of liabilities other than provisions	1,060,401	1,006,527
	<b>1,071,942</b>	<b>1,017,605</b>
Nominal value of current and non-current liabilities other than provisions	1,079,664	1,040,897
Due after more than five years (amortised cost): Mortgage debt etc.	1,016,932	980,680
<b>11. Deferred income</b>		
Allocated legal advisor, heat, research net, telephony etc.	2,643	1,358
	<b>2,643</b>	<b>1,358</b>

## Notes

### **12. Security**

Mortgage debt and bank loans are secured by mortgages on properties and rented land. The mortgages also include the installations etc. Belonging to the property.

The carrying amount of mortgaged property and land constitutes TDKK 1,163,314.

### **13. Contractual obligations**

The company has not undertaken contractual obligations regarding current constructions etc.

### **14. Leasing commitments**

Leases have been entered into regarding operating equipment and fixtures and fittings. The annual lease for 2010 amounts to TDKK 68 and the total commitment amounts to TDKK 85.

### **15. Guarantees and contingent liabilities**

Investments in the COBIS companies, cf. Note 6, may not exceed an amount of DKK 28.3 million. The company has undertaken guarantee commitment of maximum DKK 51 million for the engagement of COBIS Ejendom K/S with Nordea.

### **16. Shareholder conditions**

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

The company is owned 100% by DTU, Anker Engelundsvej 101A, 2800 Lyngby, CVR no. 63 39 30 10.