

JENSEN-GROUP – local in the world.

Water is an element, water is energy, water is life, water is the base for our life

Water around the world.

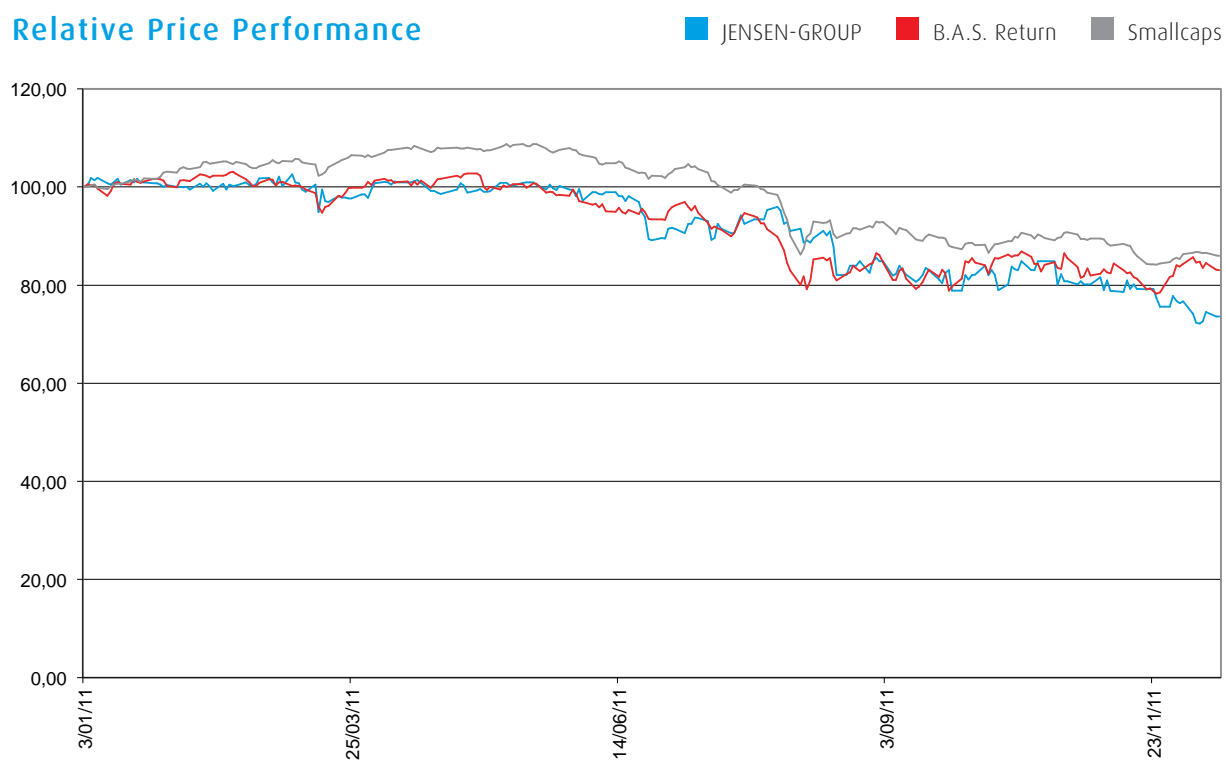
The Dutch language text of the annual report is the official version. The English language version is provided as a courtesy to our shareholders. JENSEN-GROUP has verified the two language versions and assumes full responsibility for matching both language versions.

In this report, the terms "JENSEN-GROUP" or "Group" refer to JENSEN-GROUP N.V. and its consolidated companies in general. The terms "JENSEN-GROUP N.V." and "the Company" refer to the holding company, registered in Belgium. Business activities are conducted by operating subsidiaries throughout the world. The terms "we", "our", and "us" are used to describe the Group.

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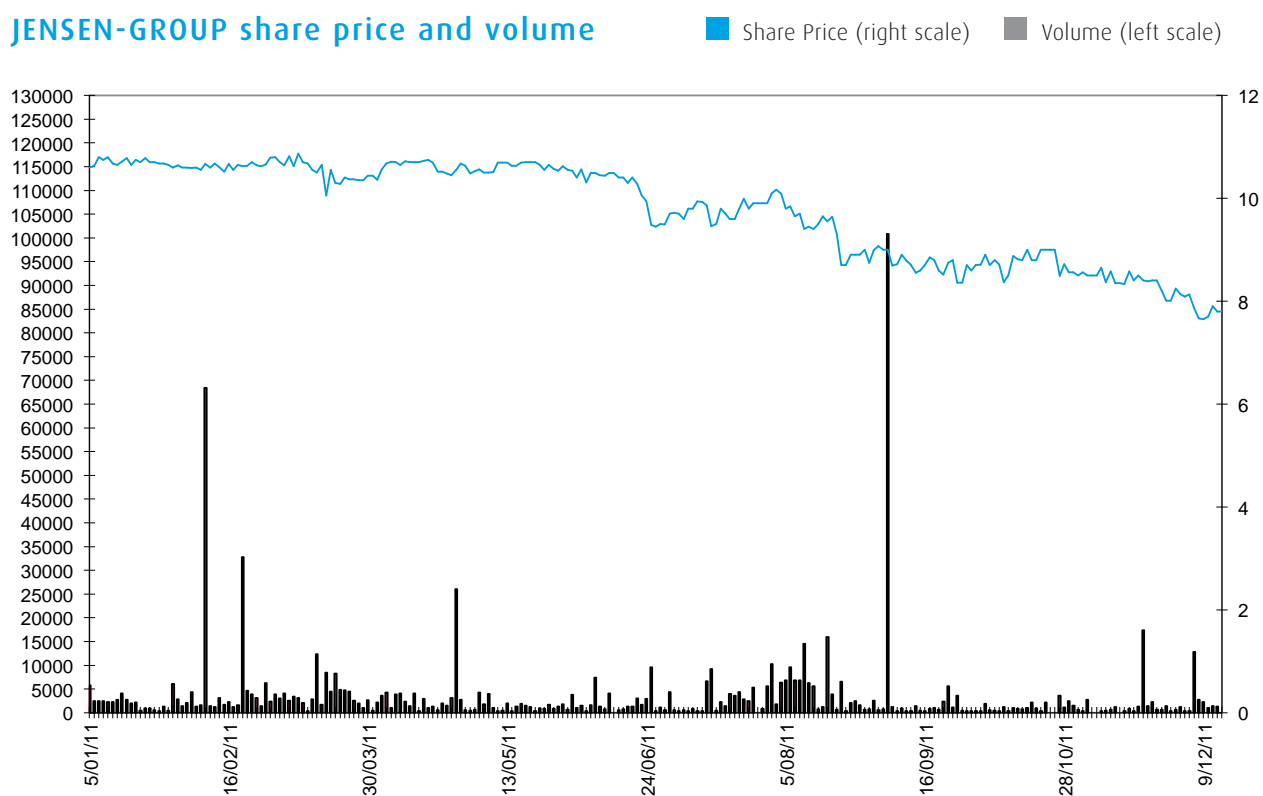
Key figures per share Financial year ended (in euro)	December 31 2011	December 31 2010
Operating cash flow (EBITDA)	1,69	3,04
Net profit share of the Group, continuing operations (= earnings per share)	0,60	1,07
Net cash flow continuing operations	1,24	2,19
Equity (= book value)	7,50	7,18
Gross dividend	0,25	0,25
Number of shares outstanding (average)	8.002.968	8.002.968
Number of shares outstanding (year end)	8.002.968	8.002.968
Share price (high)	10,87	11,15
Share price (low)	7,51	6,40
Share price (average)	9,68	8,24
Share price (31 December)	7,55	10,65
Price/earnings (high)	18,10	10,40
Price/earnings (low)	12,50	6,00
Price/earnings (average)	16,10	7,70
Price/earnings (31 December)	12,60	10,00

Relative Price Performance



BAS: Brussels All Shares

JENSEN-GROUP share price and volume



Consolidated key figures Financial year ended (in thousands of euro)	December 31 2011	December 31 2010
Revenue	216.174	226.977
Operating profit (EBIT)	8.442	15.429
Operating cash flow (EBITDA)	13.546	24.336
Net interest charges	748	678
Profit before taxes	7.502	12.754
Net profit continuing operations	4.825	8.582
Profit discontinued operations	-87	-78
Net profit (=share of the Group)	4.738	8.504
Added value	82.790	91.396
Net cash flow continuing operations	9.929	17.489
Equity	60.039	57.459
Net financial debt	14.535	13.207
Working capital	76.504	76.036
Non-Current Assets (NCA)	30.461	29.596
Capital Employed (CE)	106.965	105.632
Market capitalization (high)	86.992	89.233
Market capitalization (low)	60.102	51.219
Market capitalization (average)	77.469	65.929
Market capitalization (31 december)	60.422	85.232
Entreprise value (31 december) (EV)	74.957	98.439
Ratios		
EBIT/Revenue	3,91%	6,80%
EBITDA/Revenue	6,27%	10,72%
ROCE (EBIT/CE)	7,94%	15,64%
ROE (Net profit/Equity)	8,21%	16,03%
Gearing (Net debt/Equity)	24,21%	22,99%
EBITDA Interest coverage	18,11	35,89
Net financial debt/EBITDA	1,02	0,54
Working capital/Revenue	35,28%	30,14%
EV/EBITDA (31 december)	5,53	4,04

Definitions

- Added value: Operating profit plus remuneration, social security and pension charges plus depreciation and amortization, amounts written off on inventories and trade debtors, impairment losses and provisions for liabilities and charges.
 - Capital Employed (CE): Working capital plus intangible and tangible fixed assets. The average CE is used for ratios.
 - EBITDA Interest Coverage: EBITDA relative to net interest charges.
 - EBITDA: Earnings before interest, taxes, depreciation and amortization. Equals operating profit plus depreciation and amortization, amounts written off on inventories and trade debtors, impairment losses and provisions for liabilities and charges.
 - Enterprise value (EV): Net financial debt plus market capitalization.
 - Gearing: Net financial debt in relation to equity.
 - Net cash flow: Net profit plus depreciation and amortization, amounts written off on inventories and trade debtors, impairment losses and provisions for liabilities and charges.
 - Non-current assets: Intangible and tangible fixed assets.
 - Price/earnings ratio: Share price divided by net profit.
 - Return on Capital Employed (ROCE): Operating profit relative to capital employed. The average capital employed is used for ratios.
 - Return on Equity (ROE): Net profit in relation to equity. The average equity is used for ratios.
 - Working capital: Inventories plus trade debtors and gross amounts due from customers for contract work minus trade payables minus advances received on contracts in progress.
- Average working capital is used for ratios.

Message to the shareholders

Sustainable laundry automation

In 2011, the JENSEN-GROUP was not able to grow as planned. We had embarked on a year of higher investments in new markets, products, services as well as in people, expecting higher sales to compensate for the investment. The uncertain economic climate, however, reduced our ability to grow. Management is taking all necessary measures to revive growth.

The overall heavy-duty laundry market is a very competitive market. For this reason we seek to match the expectations of our customers at all times by developing a number of new products that enable us to be unique in the market place. Many such new products were installed in various projects during 2011. As a result the new development content in the 2011 projects was substantially higher than in previous years, with a detrimental impact on the profitability of certain large projects that were completed in 2011.

In April 2010, the Swedish distributor was acquired. 2011 was for JENSEN-SIPANO Sweden AB its first full year as part of the JENSEN-GROUP. The company has developed well and is on target.

In our “Go East” strategy, we reached the milestones we had set for 2011. Our new 8,000 m² plant in Xuzhou was inaugurated September 9, 2011. On November 11, 2011 the first finished product, ‘JENROLL EXP,’ left the Chinese factory for the Texcare Asia exhibition.

EBIT and net income decreased as a result of the transfer of the Swiss operation to Denmark, the slightly lower activity level, investments in long term strategic initiatives like “Go East”, substantial investments in product development and cost overruns on specific customer-tailored projects. Tight control on fixed costs and productivity gains could not fully compensate for the negative impact on the results of the above factors. Notwithstanding lower sales, working capital remained stable. Net debt increased as a result of lower profitability.

Continued investment in product development is enabling us to better meet customers’ needs. Many of these development efforts are targeted at reducing consumption of energy and water. Our customers are showing ever greater interest in these cost reduction opportunities. We are bringing these new products to market under the CleanTech brand.

A second important area of development is automation, where integration of technologies allows customers to monitor and track production in heavy-duty laundry operations in real-time. This enables us to become a total laundry solution provider. The first projects in Europe confirm customers’ interest in a higher level of automation.

JENSEN-GROUP continues to invest in building a strong JENSEN culture within our many operations worldwide. The Group is managed by a truly international, multicultural JENSEN Management Team. During 2011, we started a leadership development training program which will continue in the future. This allows us to provide better guidance to the local operations and results in a better alignment with the group strategy of being a global laundry solution provider with a local presence in each important market.

During the past decade, the Group has faced a particularly changeable economic environment. In 2000 we went through a major merger, in 2001 and 2002 we were hit by the “9/11” incidents, and implemented a major turnaround as demand slumped as a consequence. In 2006 we divested our Commercial Division and JENSEN enjoyed an unprecedented period of organic growth, which came to an abrupt halt with the “financial crisis” in spring 2008. In 2010 we again reached a new record in revenues. All this has enhanced the experience of our management, staff and employees, while our continuing success demonstrates our ability to properly respond to different market conditions, making our brand, our products and our employees stronger.

In 2012 we start with a much higher order backlog than at the beginning of 2011. This is due to higher orders received in certain areas of the world in the second half of 2011 despite stiff market competition. We rely on a highly motivated staff that will continue to pursue each and every business opportunity in our existing markets. As announced earlier, we are expanding our geographic presence in the world. We have shown that broadening our presence makes the Company less vulnerable to a downturn in any given region of the world.

We thank our customers for their continued trust and loyalty. We will strive to meet their expectations in terms of the productivity, reliability and environmental impact of our products.

We also thank our staff throughout the world for their dedication and willingness to constantly adapt and improve.

Last but not least, we thank our shareholders for their support to the Board of Directors and to management in our objective to be the leader in this industry.

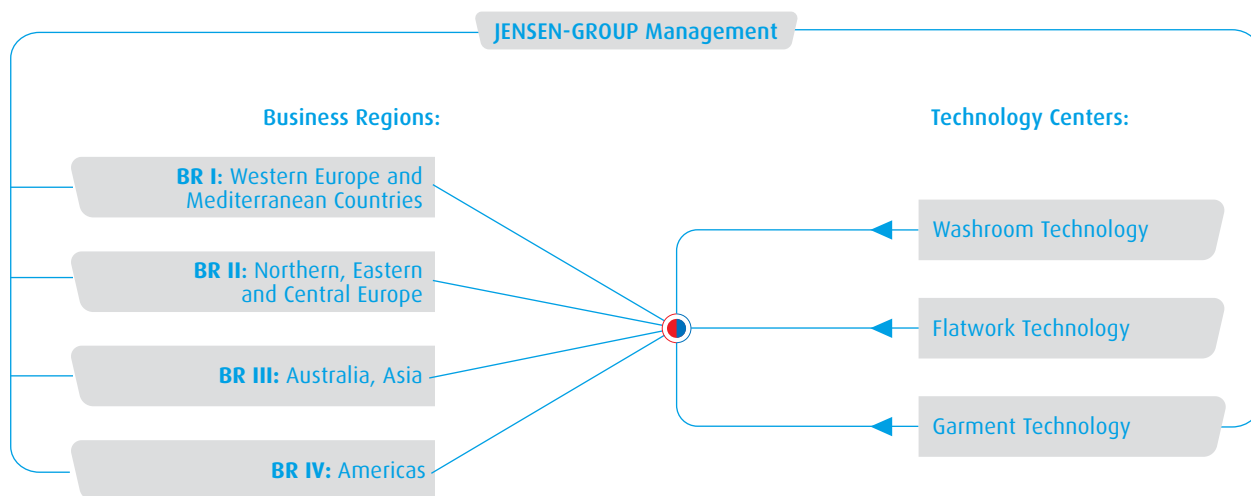


Jesper Munch Jensen
Chief Executive Officer



Raf Decaluwé
Chairman of the Board of Directors

Profile of the Group



Mission statement

It is the aim of the JENSEN-GROUP to offer the best solutions to our customers worldwide in the heavy-duty laundry business. We work for and with our customers to provide preferred laundry processing solutions by supplying sustainable single machines, systems and integrated solutions. We will continuously grow our people and our efficiency so that we can offer environmental friendly innovative products and services. By combining our global skills and offering local presence to our customers, we will be able to create profitable growth and responsible industry leadership.

Making a difference

Through technical excellence, significant investment in product development and specialized industry knowledge, the JENSEN-GROUP is able to plan, develop, manufacture, install and service everything from single machines and processing lines to complete turnkey solutions. Our partners include textile rental suppliers, industrial laundries, central laundries as well as hospital and hotel on-premise laundries. We believe that our customers know their laundry better than anybody else and that with the help of the JENSEN-GROUP's comprehensive laundry competence and experience we are able to find the right solution for each specific case.

Organization

The JENSEN-GROUP is organized into 3 Technology Centers and 4 Business Regions spanning the world. These 3 technology centers develop, manufacture and deliver a full, innovative and competitive range of JENSEN products to our customers through our worldwide network of strategically located Sales and Service Centers (SSCs) and authorized local distributors. This worldwide distribution network together with our laundry design capabilities, project management expertise and our after sales service make the JENSEN-GROUP uniquely positioned to act locally while meeting our customer's expectations fast and reliably whether the requirement is for a single machine or a complete turn-key solution anywhere in the world.

Revenue figures

Mio Euro

2011	216
2010	227

Manufacturing

The JENSEN-GROUP has a manufacturing platform of 6 factories in 6 countries. Each manufacturing site focuses on a specific technology for the heavy-duty laundry machinery industry.

Distribution

The JENSEN-GROUP sells its products and services under the JENSEN™ brand through wholly owned sales and service subsidiaries and through independent distributors worldwide.

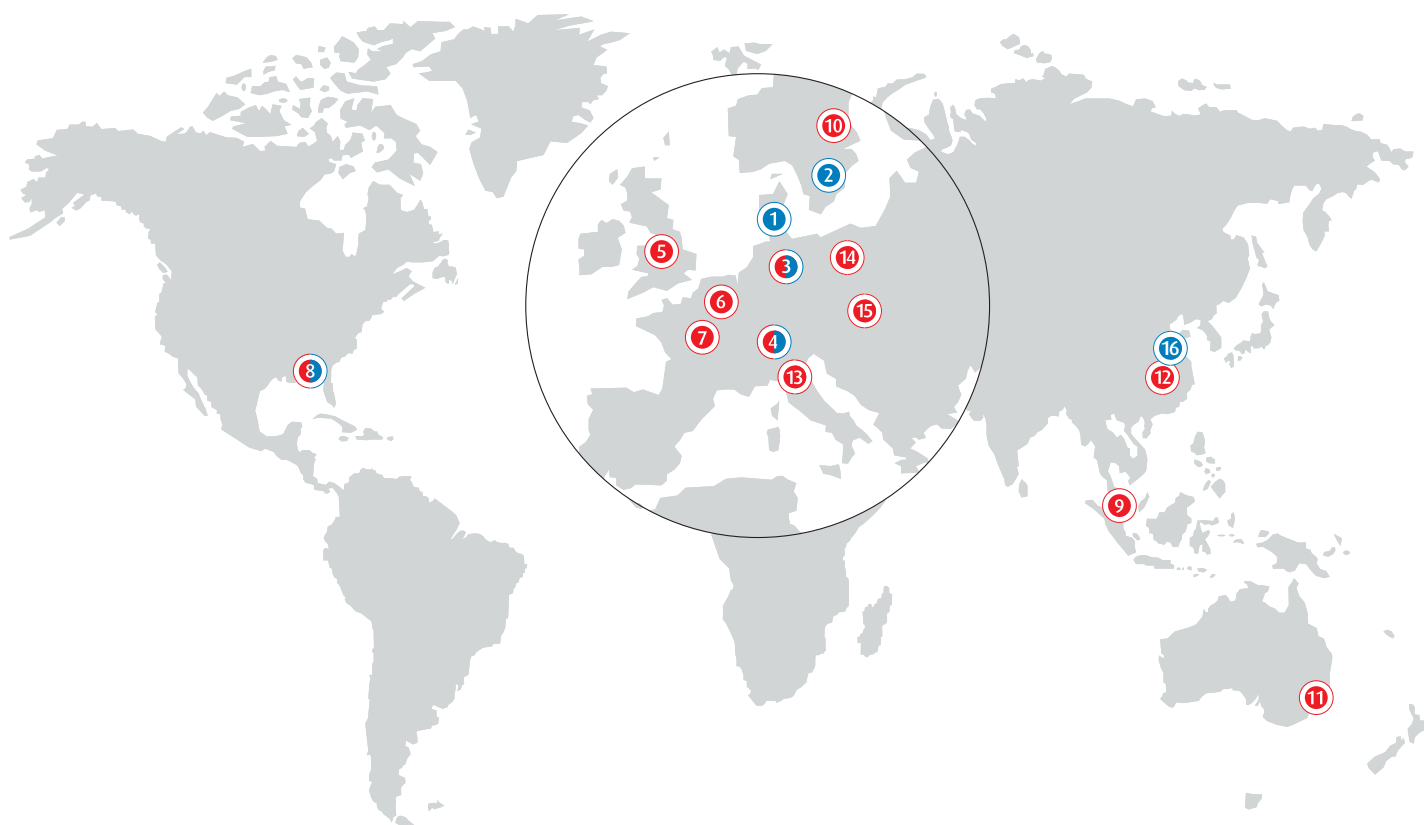
Competitive advantage

Our market coverage, our extensive know-how, our turnkey project expertise and our range of heavy-duty machines and systems are unique for the heavy-duty laundry market.

Markets

The JENSEN-GROUP generates its revenue geographically as follows:

million euro	Europe	North America	Other	Total
2011	151	34	31	216
2010	160	39	28	227



① JENSEN Denmark
Rønne

② JENSEN Sweden
Borås

③ JENSEN Germany
Harsum

④ JENSEN Switzerland
Burgdorf

⑤ JENSEN UK
Banbury

⑥ JENSEN Benelux
Gent,
Nieuwegein, Nederland

⑦ JENSEN France
Epone, Paris

⑧ JENSEN USA
Panama City, Florida

⑨ JENSEN Asia
Singapore

⑩ JENSEN SIPANO AB
Solna, Stockholm

⑪ JENSEN Australia
Sydney

⑫ JENSEN China
Shanghai

⑬ JENSEN Italia
Novedrate, Como

⑭ JENSEN China
Xuzhou

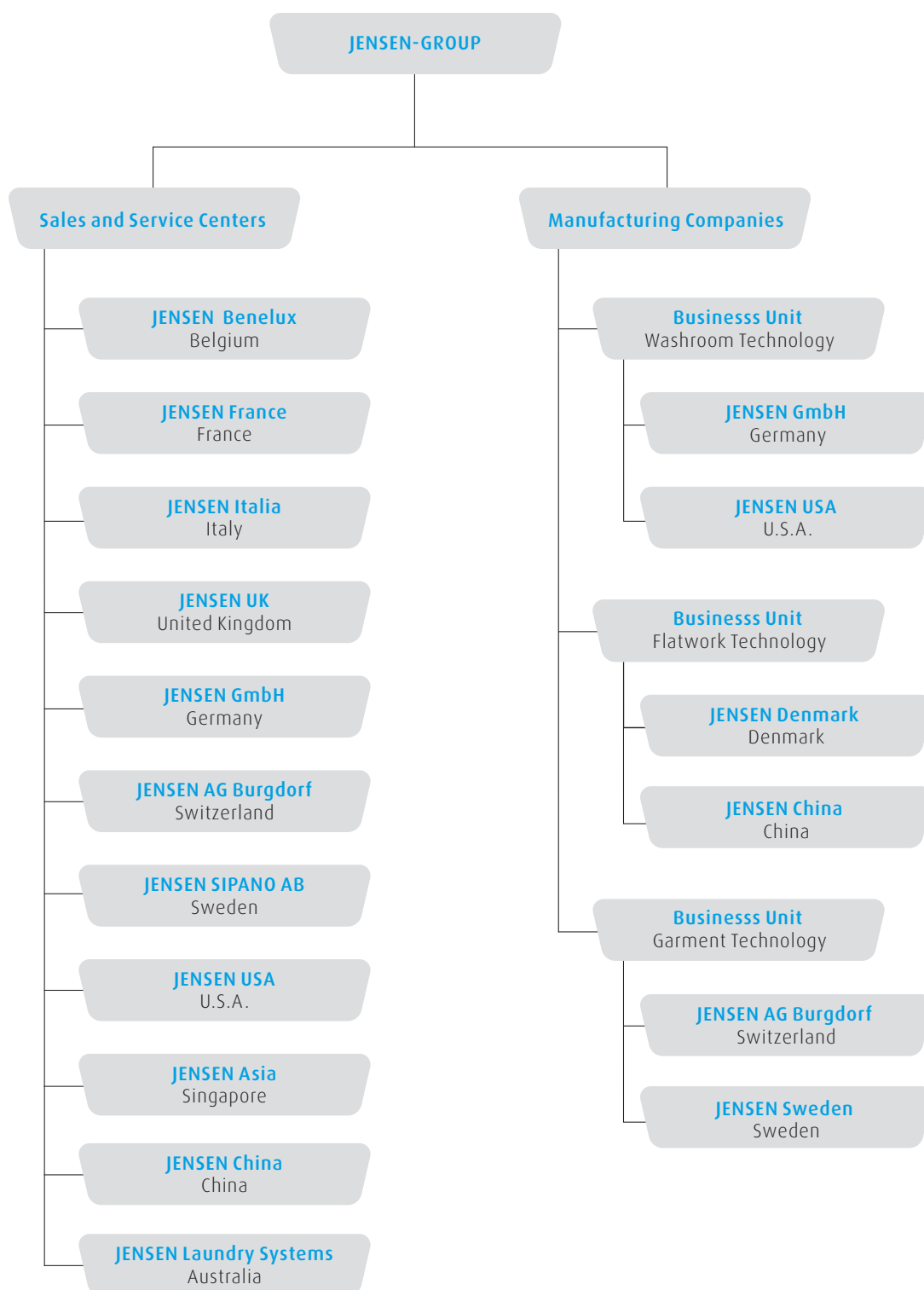
JENSEN Sales Representatives

⑮ JENSEN Poland
Lodz

⑯ JENSEN Czech Republic
Jakubovice

① JENSEN Technologie Centra

② JENSEN Sales and Service Centers



Profile

JENSEN-GROUP is present with its own Sales and Service Centers in the most important markets and sells a mixture of single machines, systems and turnkey projects.

JENSEN-GROUP produces equipment and solutions in the following manufacturing companies:

- JENSEN GmbH in Harsum, Germany and JENSEN USA in Panama City, FL, USA – Washroom Technology
- JENSEN Denmark in Rønne, Denmark and JENSEN China in Xuzhou – Flatwork Technology
- JENSEN AG in Burgdorf, Switzerland and JENSEN Sweden in Borås, Sweden – Garment Technology.

We think globally and act locally

JENSEN-GROUP sells equipment and solutions through own sales and service centers (SSCs) and through independent distributors. The relative share of sales through our own SSCs has increased in recent years because they operate in the most important heavy-duty markets like Benelux, Germany, United Kingdom, Sweden, France, Italy, Singapore, China, Australia, Switzerland, and North America. Sales and service centers play a critical coordination role for the increasing number of complex installation projects involving several of our production companies simultaneously. Local presence enables us to deliver after-sales services on demand to our customers. On top of that, we have an experienced distributor network base in more than 40 countries.

Activities 2011

	2011	2010
Revenue, million euro	216,2	227,0
EBIT, million euro	8,4	15,4
Investments, million euro	4,6	3,9
Number of employees		
end of year	1.167	1.041

The revenue figure reflects the lower order backlog at the beginning of the year and the difficulties experienced by certain customers in finding financing. With more projects available, financial institutions were not ready to finance them all. As in the past, activity in the first half year was higher than in the second. The third quarter was influenced as in the past by the holiday period and the fourth quarter was below our expectations, especially in Europe.

These fluctuations in demand throughout the year called for fine tuning of capacity in our various entities. The Group

enjoyed the benefit of flexible employment legislation in various countries and a very flexible workforce.

The own sales and service centers (SSC) continue to generate the majority of our turnover, confirming the importance of having our own local presence in the main markets. We further strengthened our position in the European markets by integrating the distribution of our products in Sweden and we are increasing our presence in most emerging markets.

JENSEN-GROUP is succeeding in its efforts to be the one-stop supplier for large turnkey projects worldwide.

Profitability is lower than in 2010. This is due to strong competition for projects and market share all over the world as well as some cost overruns on large customer projects.

Outlook 2012

Order backlog is 47% higher than at December 31, 2010. Backlog increased during the year in various markets with the winning of large customer projects. The main business risks have not changed materially from last year. Major risk factors are the volatility in the financial markets that affects our customers' investment decisions, as well as competitive pressure. Other risks are high exchange rate volatility and fluctuating raw material prices, energy and transport costs. We refer to the separate section in the report of the Board of Directors, setting out the risk factors associated with our business and industry.

The operational objectives for 2012 are to further standardize our production methods and operating procedures throughout the JENSEN-GROUP, to address capacity issues locally if needed.

One of the goals is to make sure the bringing to market of our local Chinese products becomes a success in 2012.



Business Region I – Western Europe and Mediterranean Countries

The travel destinations along the Mediterranean coast and on the Mediterranean islands drive the economy in Business Region I. Laundries serving the hospitality market demand highest quality in finishing. JENSEN-GROUP has installed a series of large turnkey laundries in this area, such as for instance at Anett Blois in France. The Jenrail Automatic 2000 remote feeding system for sheets and draw sheets automates the feeding of the finishing lines.



France, Paris, River Seine

Information for shareholders and investors

The JENSEN-GROUP share has been quoted on the Euronext Stock Exchange under the ticker JEN (Reuters: JEN.BR Bloomberg JEN.BB) since June 1997. The price of the JENSEN-GROUP shares can be found online on the following websites:

- JENSEN-GROUP: <http://www.jensen-group.com>
- Euronext: <https://europeanequities.nyx.com>.

Share price evolution

The JENSEN-GROUP stock price decreased from 10,65 euro at the end of 2010 to 7,55 euro at the end of 2011, with an average daily trading volume of 3.249 shares compared with 4.871 in 2010 (see graph page 5).

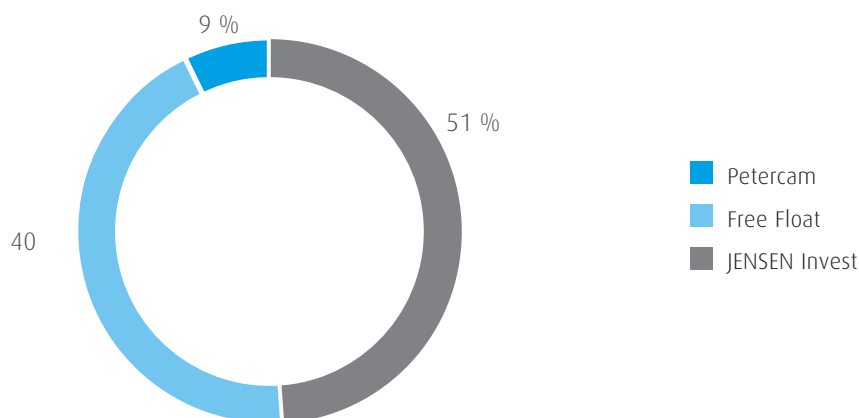
Communication strategy

The JENSEN-GROUP will maintain its communication strategy based on the following principles:

- Organizing two analysts' meetings per year, following publication of the half year and the full year results;
- Communicating quarterly updates during the first and second halves;
- Communicating any major changes in the financial position and earnings of the Company;
- Distributing its press releases to professional and private investors and posting them on its corporate website;
- Posting the votes and minutes of the Shareholders Meetings on its corporate website;
- Providing all communication, including the corporate website, in English and Dutch;
- Making information on shareholdings, the financial calendar and share transactions by Board members and management available on the corporate website;
- Attending at least one private investors' event.

Change in shareholdings

The shareholding structure as per December 31, 2011 is set out below:



Shareholders' calendar

- May 14, 2012 (evening): Publication of the interim report, covering the period from January 1, 2012
- May 15, 2012: 10.00 a.m. General Shareholders' Meeting at the JENSEN-GROUP Headquarters, Ghent
- August 2012: half year results 2012 (analysts' meeting)
- November 2012: Publication of the interim report, covering the period from July 1, 2012
- March 2013: full year results 2012 (analysts' meeting)

The Investor Relations Manager is also available to meet individual shareholders, analysts, specialized journalists and institutional investors and enable them to see the JENSEN-GROUP's short and long-term potential both as a whole and in respect of specific activities. Presentations, meetings and site visits are organized on request.

The JENSEN-GROUP's Annual Report, press releases and other information are available on the corporate website (<http://www.jensen-group.com>).

Shareholders wishing to convert registered shares into dematerialized shares can contact the Investor Relations Manager.

Shareholders and investors who want to receive the Annual Report, the financial statements of JENSEN-GROUP NV, press releases or other information with respect to the JENSEN-GROUP can also contact the Investor Relations Manager.

JENSEN-GROUP NV
Mrs. Scarlet Janssens
Bijenstraat 6
BE 9051 Ghent (Sint-Denijs-Westrem)
Belgium
Tel. +32.9.333.83.30
E-mail: investor@Jensen-Group.com

Litigation

Provisions have been set up in respect of all claims that, based on prudent judgment, are reasonably founded. We keep track of all potential litigation and pending legal cases at a central level. In this chapter we only cover cases against the Company or one of its subsidiaries. Pending issues per major category are:

Product liability claims:

- 2 product liability claims in the USA
- 3 product liability claims in the EU
- 1 product liability claim in Australia

Commercial claims:

- 1 claim from a customer

General claims:

- 1 general liability in Australia

Claims from employees:

- 2 claims from employees in the USA

Public liability:

- 1 public liability claim in Asia.

Environmental risk:

- One pending matter in the USA

Most of these claims are covered by insurance. Based on legal advice taken, management does not expect these claims to significantly impact the Group's financial position or profitability.

Human resources

The number of employees at year-end has developed as follows:

2010	1.041
2011	1.167

Research and Development

The JENSEN-GROUP's key technologies encompass the entire laundry process, including the washroom itself, the logistics of moving linen and textiles, finishing with feeders, ironers and folders, as well as software technology to control the overall process. In short, a large number of different technologies used in the process of recycling dirty linen and textiles into clean linen.

Given the wide range of technologies needed to cater for the needs of our customer base, we do not involve ourselves with fundamental research and development. Our task is to take existing technologies and adapt them to our industry.

In recent years we have invested in further upgrading and expanding our product range and in particular in new software applications for our industry and in environmentally friendly products. Many developments that target resource savings for our customers are grouped under our CleanTech brand. Process control and production monitoring software are crucial in offering the customer a total laundry-operation solution.

Our Group has numerous patents on features of our machinery, and our product development teams in our various competence centers are continuously examining the possibility of protecting our developments.

Patents and notarial depositions are used primarily to prove prior art. We protect our patents on a case-by-case basis and primarily in the larger markets.

The JENSEN-GROUP invests around 2-3% of its turnover in Product Development every year. We believe this figure represents more or less the industry average.

Investments and Capital Expenditures

During 2011 JENSEN-GROUP invested 4,6 million euro, mainly in the new production facility in China (3,2 million euro) and equipment.

During 2010 JENSEN-GROUP invested 3,9 million euro, mainly in machinery and information technology. In May 2010, JENSEN-GROUP took over its distributor in Sweden.

Outlook 2012

The Group expects lower capital expenditure level after the investment in the new production facility in China.



Business Region II – Northern, Eastern and Central Europe

Water is the easiest and fastest mode of travel, as well as a source of food. Early settlements in Business Region II first developed along the main rivers. Our ancestors had recognized that water is the base for our life and our daily activities. We have to preserve this precious resource for the next generations by developing laundry machines that save on resources. The automated garment handling at St. Joris Laundry in Belgium is one of the many examples of sustainable laundry automation made by JENSEN-GROUP.



Switzerland, Schaffhausen, Rhine Falls

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Report of the Board of Directors

JENSEN-GROUP's net profit from continuing operations decreased from 8,6 million euro to 4,8 million euro. This reflects largely the decision to transfer the Swiss operations to Denmark, the slightly lower activity level, investments in strategic initiatives like "Go East" and automation projects, as well as cost overruns on certain customer projects. Nevertheless, this result has been achieved in a period of uncertain economic conditions and strong competition for projects and market share all over the world.

Tight control on fixed costs and productivity gains also contributed to the results but could not fully compensate the above mentioned negative impacts.

Fluctuations in various currencies like the AUD, CHF, USD and the SEK had a positive impact on our profitability in 2011 of 0,4 million euro.

On the balance sheet, working capital increased by 0,5 million euro compared to last year despite lower activity. The lower profit and high working capital resulted in a higher net debt (14,5 million euro, including 1 million euro of factoring). The JENSEN-GROUP is in full compliance with its bank covenant.

Headcount increased during 2011 (from 1.041 to 1.167), reflecting the new initiatives mentioned earlier and the increase in orders received during the year.

Results 2011

Revenue and operating profit decreased by 5% and 45% respectively compared to 2010. Operating profit includes a provision of 2,7 million euro to transfer the Swiss operations to Denmark.

Financial expenses decreased, while interest charges remained stable. In 2011, JENSEN-GROUP reported a currency gain compared to a currency loss in 2010.

The above-mentioned factors together resulted in a 3,8 million euro decrease in net profit (from 8,6 million euro to 4,7 million euro).

Outlook 2012

The order backlog is 47% higher than at December 31, 2010. During the year, the order backlog increased in various markets owing to large customer projects signed during the year.

Major risk factors have not materially changed from last year: the economic uncertainty affecting the investment climate and consequently order intake, rapid changes in demand, high exchange rate volatility and fluctuating raw material, energy and transport prices.

Risk factors

Net profit depends on reaching a certain level of sales to absorb overhead costs.

Any major drop of activity has an immediate effect on operating profits.

The Group has 6 production sites, in the following countries:

- Sweden
- Denmark
- Germany
- Switzerland
- USA
- China

Each production and engineering center ("PEC") is specialized in a specific part of the laundry operation (Washroom, Flatwork, Garment Technology) or in a specific type of linen (flatwork, garment or special applications such as mats, continuous roller towels or wipers).

The Group has its own distribution channels (Sales and Service Centers – or "SSC") in the most important markets:

- Benelux
- Germany
- Sweden
- France
- Italy
- USA
- UK
- Australia
- Singapore (and sales office in China)
- Switzerland

On top of that, JENSEN-GROUP has an experienced distributor network in more than 40 countries.

Each SSC is staffed to handle turnkey projects and systems as well as single machine sales and after sales services.

In each PEC and SSC we have the supporting functions needed to administer the legal entity. In order to absorb these overheads, sufficient volume is needed. The activity level determines production volume and can be influenced by factors beyond our control. Since our products are investment goods, the international investment climate, be it in healthcare but especially in hospitality (hotels and restaurants) and in industrial clothing, can have a significant influence on the overall market and sales opportunities. The impact of a sudden decrease in turnover cannot be fully offset by a decrease in overheads and infrastructure costs and as such can have a negative impact on our business, our financial condition and our operating results.

Largest customers are getting larger as they consolidate and are becoming more international.

An important part of the business is to deliver solutions and machines to the textile rental industry. The ongoing consolidation and internationalization in this industry is making a significantly greater part of the business dependent on relations with these larger groups.

Price fluctuations or shortages of raw materials and the possible loss of suppliers could adversely affect the operations.

JENSEN-GROUP purchases a large number of different components as well as raw materials such as black iron, stainless steel and aluminum. The price and availability of these raw materials and components are subject to market conditions affecting supply and demand. In a competitive market, there is no assurance that increases or decreases in raw material and other costs can be translated quickly into higher sales or lower purchase prices. Nor can there be any assurance that the loss of suppliers or components would not have a material adverse effect on our business, financial condition and results of operations. We currently do not undertake commodity hedging.

JENSEN-GROUP operates in a competitive market.

Within the worldwide heavy-duty laundry market, JENSEN-GROUP encounters several competitors. There can be no assurance that significant new competitors or increased competition from existing competitors will not have an adverse effect on our business, financial condition and results of operations.

In addition, the Group may face competition from companies outside of the United States or Europe having lower costs of production (including labor or raw materials). These companies may pass on these lower production costs as price decreases to customers and as a result, our revenues and profits could be adversely affected.

Currency risks and the economic and political risks of selling products in foreign countries.

Sales of equipment and projects to international customers represent a major part of the net revenues. Demand for our products is and may be affected by economic and political conditions in each of the countries in which we sell our products and by certain other risks of doing business abroad, including fluctuations in the value of currencies (which may affect demand for products priced in euro). We do hedge exchange rate fluctuations between the major currencies for our operations, these being the EUR, USD, CHF, GBP, DKK, SEK, SGD, CNY and AUD.

JENSEN-GROUP is dependent on key personnel.

JENSEN-GROUP is dependent on the continued services and performance of senior management team and certain other key employees. The employment agreements with senior management and key employees are for an indefinite period of time. The loss of any key employee could have a material adverse effect on the business, financial condition and results of operations because of their experience and knowledge of our business and customer relationships.

The nature of the business exposes JENSEN-GROUP to potential liability for environmental claims and JENSEN-GROUP could be adversely affected by new, more stringent environmental, health and safety requirements.

The Group is subject to comprehensive and frequently changing federal, state and local environmental, health and safety laws and regulations, including laws and regulations governing emissions of air pollutants, discharges of waste and storm water and the disposal of hazardous wastes. We cannot predict the environmental liabilities that may result

from legislation or regulations adopted in the future, the effect of which could be retroactive. The enactment of more stringent laws or stricter interpretation of existing laws could require additional expenditures by us, some of which could have an adverse effect on our business, financial condition and results of operations.

The Group is also subject to liability for environmental contamination (including contamination caused by other parties) at the sites we own or operate. As a result, we are involved, from time to time, in administrative and judicial proceedings and inquiries relating to environmental matters. There can be no assurance that we will not be involved in such proceedings in the future, and we cannot be sure that our existing insurance or additional insurance will provide adequate coverage against potential liability resulting from any such administrative and judicial proceedings and inquiries. The aggregate amount of future clean-up costs and other environmental liabilities could have a material adverse effect on our business, financial condition and results of operations.

Certain environmental investigatory and remedial work is either going on or planned at, or relating to, our former Cissell manufacturing facility. There can be no complete assurance that significant additional costs will not be incurred by us in the future with respect to the Cissell facility or other facilities.

The operations are also subject to various hazards incidental to the manufacturing and transportation of heavy-duty laundry equipment. These hazards can cause personal injury and damage to and destruction of property and equipment. There can be no assurance that as a result of past or future operations, there will not be injury claims by employees or third parties. Furthermore, we also have exposure to present and future claims with respect to worker safety, workers' compensation and other matters. There can be no assurance as to the actual amount of these liabilities or the timing of them. Regulatory developments requiring changes in operating practices or influencing demand for, and the cost of providing, our products and services or the occurrence of material operational problems, including but not limited to the above events, may also have an adverse effect on our business, financial condition and results of operations.

JENSEN-GROUP may incur product liability expenses.

The Group is exposed to potential product liability risks that arise from the sale of our products. In addition to direct expenditures for damages, settlements and defense costs, there is a possibility of adverse publicity as a result of product liability claims. We cannot be sure that our existing insurance or any additional insurance will provide adequate coverage against potential liabilities and any such liabilities could adversely affect our business, financial condition and results of operations.

JENSEN-GROUP is subject to risks of future legal proceedings.

At any given time, JENSEN-GROUP is a defendant in various legal proceedings and litigation arising in the ordinary course of business. Although we maintain insurance coverage, there is no assurance that this insurance coverage will be adequate to protect us from all material expenses related to potential future claims for personal and property damage or that these levels of insurance coverage will be available in the future at economical prices or for that matter, available at all. A significant judgment against us, the loss of a significant permit or other approval or the imposition of a significant fine or penalty could have an adverse effect on our business, financial condition and future prospects.

Interest rate fluctuations could have an adverse effect on our revenues and financial results.

The Group is exposed to market risk associated with adverse movements in interest rates. JENSEN-GROUP maintains long term interest rate hedges in order to limit this risk, but a general increase in interest rates might have an unfavorable effect on the overall investment climate and as such on our business, financial condition and results of operations.

The indebtedness could adversely affect our financial health if the equity ratio covenant (see below) is not met.

The JENSEN-GROUP's major financial institution partners are Nordea, Credit Suisse, and KBC. The Group's borrowing agreements include one debt covenant (equity ratio) with one of the financial institutions. This covenant could have a restricting effect on our financial capacity.

To service the indebtedness, JENSEN-GROUP will require a certain amount of cash flow. The ability to generate cash depends on many factors beyond our control.

The ability to make scheduled payments of principal and interest with respect to our indebtedness, to fund our planned capital expenditures and our research and development efforts and to finance our expansion in capacity, will depend on our ability to generate cash, on future financial results and the development of the major financial institutions we work with. This, to a certain extent, is subject to the risk factors mentioned above.

Conflict of interest

As under Belgian company law, the members of the Board of Directors are required to give the Chairman prior notice of any agenda items in respect of which they have a direct or an indirect conflict of interest of a financial or other nature with the Company, and to refrain from participating in the discussions of and voting on those items. This is also a standard point on the agenda of each Board meeting. Three such potential conflicts arose in the course of 2011. A first conflict of interest was notified at the meeting of the Board of Directors which was held on May 16, 2011 and at which the criteria for independent directors were discussed. The second potential conflict of interest was notified at the meeting of the Board of Directors which was held on August 18, 2011 and at which the agenda for a shareholders meeting was discussed. The third potential conflict of interest was notified at the meeting of the Board of Directors which was held on October 13, 2011 and at which the call for an Extraordinary Shareholders' meeting was made, including a proposal to renew the authorization for share buy-backs and capital increases under authorized capital.

The minutes of these meeting are included below:

Minutes meeting May 16, 2011:

"On May 16, 2011 at 11 a.m. the Board of Directors of JENSEN-GROUP NV held a meeting at the Corporation's principal office at Bijenstraat 6 in 9051 Sint-Denijs-Westrem, Belgium.

The following directors were present:

- Gobes Comm. V. represented by Mr. Raf Decaluwé
- Mr. Jørn Munch Jensen
- SWID A.G. represented by Mr. Jesper Munch Jensen
- TTP bvba represented by Mr. Erik Vanderhaegen

- Mr. Hans Werdelin
- The Marble bvba represented by Mr. Luc Van Nevel

The following invitees were attending:

- Mr. Werner Vanderhaeghe
- Mr. Markus Schalch

Mr. Decaluwé presided. Mr. Vanderhaeghe acted as Secretary. The Chairman pointed out that notice of the meeting had been given by letter of May 10, 2011, that all of the directors were present and that the meeting was validly constituted. The Chairman then suggested that the meeting consider the following items of business.

Conflict of interest

The Chairman reminded the members of the Board of their fiduciary duty with regard to conflicts of interest and to the applicable statutory provisions under Belgian Corporate Law relative thereto. In response to a question by the Chairman, all of the members of the Board in attendance confirmed that none of the items on the present agenda raised a conflict of interest.

The Chairman then informed the Board that he and the other independent directors had a conflict of interest with regard to the item on corporate governance and the status of independent director. The Chairman referred the Board to a letter on the subject dated May 12, 2011, that is addressed to Mr. Jørn Munch Jensen and to the Corporation's statutory auditor and that was handed over to the Secretary for filing with the Board's records. The Chairman and Messrs. Van Nevel and Werdelin further confirmed that they would abstain from the discussion and vote relative to that item.

...

Criteria Independent Directors

The Chairman referred the members of the Board to the memorandum by counsel dated May 10, 2011 that had been sent on this topic with the notice to the meeting and he then summarily introduced the issue for the JENSEN GROUP Board structure.

At the invitation of the Chairman, the Secretary then reviewed in extenso the Board's position on the new criteria for independent directors that are set forth in the Corporate Governance Code 2009 and that are incorporated in newly enacted legislation in Belgium. Mr. Vanderhaeghe recalled that the Board, at its meeting held on May 18, 2009 and acting upon advice from counsel, had opted for an extensive interpretation of these criteria, as opposed to the strict approach that was used at first and that resulted in the call of a special meeting of shareholders in January 2009. Mr. Vanderhaeghe further informed the Board that if it were to decide on an extensive interpretation of the applicable legal provision in globo, the Marble bvba and its representative, Mr. Luc Van Nevel would qualify as independent under the new regulations until May 2012, as opposed to May 2011. Mr. Vanderhaeghe then referred the Board to its discussion of the item on Conflict of Interest at the beginning of the meeting and the explanation given by Messrs. Decaluwé, Van Nevel and Werdelin regarding the nature and the impact of their conflict of interest. Mr. Jørn Munch

Jensen, acting as temporary chair at the unanimous request of the Board, then moved to adopt the following resolution:

“Upon a motion duly made, the Board of Directors resolved unanimously, but with Gobes Comm. V. acting through its permanent representative, Mr. Raf Decaluwé, the Marble bvba, acting through its permanent representative, Mr. Luc Van Nevel and Mr. Hans Werdelin abstaining from the deliberation and the vote, to interpret the newly enacted criteria on independence of directors in a way such that substance overrides form and that the term of independence within the meaning of Article 526ter, sub 2 of the Belgian Companies Code is capped at 12 years, irrespective of the number of terms of office served; resolved further that under this interpretation, the Marble bvba qualifies as an independent director until the annual meeting of shareholders to be held in May 2012.”

...

There being no further business to discuss, the meeting was adjourned at 1.15 p.m.”

Minutes meeting August 18, 2011:

“On August 18, 2011 at 11 a.m. the Board of Directors of JENSEN-GROUP N.V. held a meeting at the Corporation’s principal office at Bijenstraat 6 in 9051 Sint-Denijs-Westrem, Belgium.

The following directors were present:

- Gobes Comm. V. represented by Mr. Raf Decaluwé
- Mr. Jørn Munch Jensen
- SWID A.G. represented by Mr. Jesper Munch Jensen
- TTP bvba represented by Mr. Erik Vanderhaegen
- Mr. Hans Werdelin
- The Marble bvba represented by Mr. Luc Van Nevel

The following invitees were attending:

- Mr. Werner Vanderhaeghe, Company Secretary
- Mr. Markus Schalch

Mr. Decaluwé presided. Mr. Vanderhaeghe acted as Secretary. The Chairman pointed out that notice of the meeting had been given by letter of August 11, 2011, that all of the directors were present and that the meeting was validly constituted. The Chairman then suggested that the meeting consider the following items of business.

Conflict of interest

The Chairman reminded the members of the Board of their fiduciary duty with regard to conflicts of interest and to the applicable statutory provisions under Belgian Corporate Law relative thereto. In response to a question by the Chairman, all but two members of the Board in attendance confirmed that none of the items on the present agenda raised a conflict of interest. Messrs. Jørn Munch Jensen and Jesper Munch Jensen, acting on behalf of SWID A.G. then informed the Board that they had a conflict of interest with regard to the item on share buy - back in connection with

the proposed discussion of the agenda for a special meeting of shareholders. The Secretary referred the Board to a letter on the subject dated August 17, 2011 that is addressed to the Chairman and to the Corporation's statutory auditor and that was handed over to the Secretary for filing with the Board's records. Messrs. Jørn Munch Jensen and Jesper Munch Jensen further confirmed that they would abstain from the discussion and the vote relative to that item.

...

Proposal agenda special meeting of shareholders, including presentation on share buy-back

With reference to the statement on a potential conflict of interest as reported by two Board members at the outset of the meeting, the Chairman invited Mr. Schalch to comment for the Board the presentation on share buy-back that was sent with the notice to this meeting. Following the presentation by Mr. Schalch, the Board engaged in a general discussion of the topic of reimbursement of capital to shareholders, including a possible reintroduction of the previous share buy-back program that expired in October 2009 and the Board members summarily reviewed and discussed possible items for the agenda of a special meeting of shareholders. In concluding the discussion of this item, the Chairman confirmed that the Board refrained from taking a decision at this time and that it instructed management to prepare for the Board's approval an agenda for a special meeting of shareholders to be held no later than December 31, 2011. The Chairman further confirmed that for that purpose a special meeting of the Board would be called on October 13, 2011.

...

There being no further business to discuss, the meeting was adjourned at 3.15 p.m."

Minutes Meeting October 13, 2011:

"On October 13, 2011 at 9.00 a.m. the Board of Directors of Jensen Group N.V. held a meeting via a telephone conference call by means of which all persons participating could hear one another.

The following directors were present:

- Gobes Comm. V. represented by Mr. Raf Decaluwé
- Mr. Jørn Munch Jensen
- SWID A.G. represented by Mr. Jesper Munch Jensen
- TTP bvba represented by Mr. Erik Vanderhaegen
- Mr. Hans Werdelin
- The Marble bvba represented by Mr. Luc Van Nevel

The following invitees were attending:

- Mr. Werner Vanderhaeghe, Company Secretary
- Mrs. Scarlet Janssens

Mr. Decaluwé presided. Mr. Vanderhaeghe acted as scribe. The Chairman pointed out that notice of the meeting had been given by electronic mail message of October 6, 2011, that all of the directors were present and that the meeting was validly constituted.

The Chairman then suggested that the meeting consider the following items of business.

Conflict of interest

The Chairman informed the members of the Board that he had received notice from Messrs. Jørn Munch Jensen and Jesper Munch Jensen, the latter acting on behalf of SWID A.G., informing him of a conflict of interest with regard to the item on the agenda on the call and the proposed agenda for a special meeting of shareholders. The Chairman referred the Board to a letter on the subject dated October 7, 2011 that is addressed to the Chairman and to the Corporation's statutory auditor and that was handed over to the Secretary for filing with the Board's records. He confirmed that Messrs. Jørn Munch Jensen and Jesper Munch Jensen would abstain from the discussion and the vote relative to that item.

Following a brief review of the items on the agenda by the Chairman and of the various materials relative to these items that were sent to the members of the Board, the Chairman then moved for a decision on the items of the agenda that required approval of the Board and after discussion, the Board resolved as follows.

...

Call of a special meeting of shareholders – Approval of proposal for agenda – Approval of a special report in accordance with articles 603, 604 and 604 Company Code

With reference to the statement on a potential conflict of interest as reported by two Board members at the outset of the meeting, the Chairman invited the Secretary to comment for the Board the presentation on this item that was sent with the notice to this meeting and to outline and explain to the Board the draft Special Report that was prepared and submitted for approval in accordance with the applicable Company Code relative to the use of authorized capital. Following the presentation by Mr. Vanderhaeghe, the Board engaged in a general discussion and the Board members summarily reviewed the items for the agenda of the special meeting of shareholders. In concluding the discussion of this item, the Chairman moved for a decision and the Board resolved as follows:

"Upon a motion duly made, the Board of Directors resolved unanimously but with Messrs. Jørn Munch Jensen and Jesper Munch Jensen abstaining from the discussion and the vote to approve the draft Special Report in accordance with articles 603, 604 and 609 Company Code, as submitted to the Board at this meeting; resolved further to call a special meeting of shareholders to be held on November 30, 2011 and with the agenda as submitted to the Board at this meeting; resolved further to direct the Secretary to file the execution copy of the Special Report with the minutes of this meeting."

...

There being no further business to discuss, the meeting was adjourned at 9.20 a.m."

Investments and capital expenditures

Capital expenditures in 2011 amounted to 4,6 million euro (3,9 million euro in 2010), consisting primarily of the new production facility in China and equipment.

Use of financial instruments

The Company uses derivative financial instruments to reduce its exposure to adverse fluctuations in interest rates and foreign exchange rates. It is the company's policy not to hold derivative instruments for speculative and trading purposes.

At December 31, 2011, currency bought forward hedges existed in an amount of 14,1 million euro and currency sold forward hedges existed in an amount of 14,9 million euro. The Company also had Interest Rate Swaps (IRS) outstanding in amounts of 0,9 million euro, 1,5 million USD, 4 million CHF and 26,0 million DKK with maturities from 2011 to 2024 and fixed rates ranging from 0,69% to 5,04%.

Research and Development

The JENSEN-GROUP does not perform fundamental research, but undertakes continuous product development efforts. These expenses in respect of the continued operations amounted to 5,9 million euro in 2011 (5,2 million euro in 2010). The JENSEN-GROUP does not capitalize development expenses since its business reality makes it very difficult to distinguish product enhancements from adaptations to specific circumstances, and to define the future cash flows that will originate from these efforts. Since furthermore the development expenses are relatively stable and are a continuous process, the JENSEN-GROUP does not capitalize these efforts but expenses them as incurred.

Corporate Governance Statement

Statement on Corporate Governance

JENSEN-GROUP (also referred hereinafter as “the Group”) has adopted the Belgian Corporate Governance Code in its revised 2009 version as its reference Code. The Code 2009 is available on www.corporategovernancecommittee.be. The Group has implemented the Belgian Corporate Governance Code since 2004, reviewing the major requirements of and evolutions in the Code and evaluating the degree of compliance within the JENSEN-GROUP. To the best of our knowledge and belief, JENSEN-GROUP is compliant with the Corporate Governance Code.

As a result of these efforts, the Board of Directors of JENSEN-GROUP has agreed to adopt and has published the following charters:

- Charter of the Board of Directors, including standards of independence and requirements for Directors;
- Charter of the Remuneration Committee;
- Charter of the Audit Committee;
- Communication Policy;
- Role and Responsibilities of the Chairperson of the Board of Directors; and
- Role and Responsibilities of the Executive Management.

These Charters can be found on our website www.jensen-group.com under Investor Relations/Corporate Governance. They are regularly reviewed and evaluated by the Board of Directors. The Charters are part of the day-to-day proceedings of the JENSEN-GROUP Board of Directors and Board Committees, and are to the best of our knowledge and belief compliant with the Code.

According to the “comply or explain” principle, the Company may deviate from the Code provided it duly explains the reasons for such deviation. Reasons could be linked to the company’s nature, organization and/or size. Based on its internal risk assessment as well as on the size of its operations, JENSEN-GROUP has outsourced the internal audit function to an external party. JENSEN-GROUP does not have an internal audit manager because:

- The JENSEN-GROUP consists of multiple smaller entities with limited turnover, which are closely monitored by local management teams;
- The management teams are further monitored by the JENSEN-GROUP headquarters through quarterly operational and financial reviews as well as regular site visits by the management of JENSEN-GROUP headquarters;
- All JENSEN-GROUP subsidiaries are aware of the JENSEN-GROUP policies and procedures, and the size of the JENSEN-GROUP continues to allow for regular communication and face-to-face meetings with all local management teams;
- All JENSEN-GROUP companies are audited by the same accounting firm and significant risk factors are consistently reviewed in the external audits of the different subsidiaries.

The JENSEN-GROUP Audit Committee has decided that an in-house internal audit function would not be an effective function. As an alternative, in consultation with the external auditor and on the basis of a risk analysis, the Audit Committee has worked out an internal audit plan and retains an independent outside audit firm for specific internal audit projects. It is considered that this approach is more effective than an in-house internal audit function. The Audit Committee can outsource the internal audit activity to a locally competent audit service provider.

The information found in the Corporate Governance Charter is provided “as is” and is solely intended for clarification purposes. The recommendations and policies found in the Charters are in addition to and are not intended to change or interpret any law or regulation, or the Certificate of Incorporation or Bylaws of the Company. By adopting these Charters, attachments and possible sub-charters, the Company does not enter into any obligation or contractual or unilateral commitments whatsoever. The Charters are intended as a guideline in the day-to-day proceedings of the Company. Competences and tasks attributed to the Board of Directors are to be seen as enabling clauses, not as mandatory rules or a compelling line of conduct.

Risk management and Internal Control

In accordance with the provisions on corporate governance in the Law of December 17, 2008 and in the so-called Corporate Governance Law of April 6, 2010 (hereinafter referred to as “the Law”), JENSEN-GROUP has adopted and implemented a risk management and internal control process.

The following description of risk management and internal control is based on the Integrated Internal Control Framework and the Enterprise Risk Management Framework as published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Board of Directors supervises the proper functioning of risk management and internal control through the Audit Committee. The Board of Directors has delegated to the Executive Management Team the task of implementing a risk management process and an internal control system and of reporting back to the Board on both topics at regular intervals.

Risk management

Based on a framework model prepared by an external consultant, the Executive Management Team has developed a risk map describing the financial, operational, strategic and legal risks. This risk map was prepared for the first time in 2008 and is now reviewed on a regular basis. The map outlines both the probability of the different risks occurring, and the impact of their occurrence on the results. Measures to mitigate the risk exposure are also evaluated. The Executive Management Team has presented the conclusions of this risk management exercise to the Audit Committee and to the Board of Directors. The Board discusses the major risks with management on an as needed basis, but at least once a year.

The Executive Management Team discloses quarterly a certain number of risk areas as perceived by the Executive Management Team. The Executive Management Team then re-examines those risks and formulates approaches to mitigate the risk and looks at various forms of transferring these risks to third parties in the areas in which a material risk exposure to the Company remains.

Internal control

Control environment

The Board of Directors and the Executive Management Team have approved and adopted the JENSEN-GROUP Ethical Business Statement (hereinafter referred to as “the Statement”). The Statement sets forth the JENSEN-GROUP’s mission as well as ethical values; it describes rules of conduct as well as the transactions that are permissible between

JENSEN-GROUP and third parties to the extent that these transactions are not covered by the legal provisions on conflict of interest. Implementation of the JENSEN-GROUP Ethical Business Statement is mandatory for all the Companies of JENSEN-GROUP. The review of the Statement is integrated in every training session that is organized. The Statement is available on the corporate website www.jensen-group.com under Investor Relations/ Corporate Governance.

JENSEN-GROUP consists of several entities which are closely monitored by local management teams. JENSEN-GROUP headquarters further monitors the local management teams through quarterly operational and financial reviews. In addition, the Company's Group Control and Reporting reviews the different entities on a quarterly basis.

JENSEN-GROUP monitors its business with a view toward achieving a certain level of ROCE (Return on Capital Employed).

Control activities and monitoring

Conformity with reporting requirements

All IFRS accounting principles, guidelines and interpretations are grouped in the accounting manual, which is part of the JENSEN-GROUP Procedures and Guidelines. The JENSEN-GROUP Procedures and Guidelines are available on the JENSEN intranet and accessible by all local management and staff of the Group. The accounting manual is updated on a regular basis. Additional reporting is undertaken as requested by management and/or the Audit Committee and where appropriate is included in the accounting manual.

The Financial Managers of the Group meet at regular intervals. During each such seminar, the Financial Managers are informed of relevant changes in IFRS. Training is provided on an as needed basis to ensure correct implementation of such changes.

A majority of the Group companies use the same ERP system. All companies of the Group use the same software to report the financial data for consolidation purposes.

Group management has introduced, after discussion with the Audit Committee, a set of key controls to provide reasonable assurance about the reliability of financial reporting and of the financial statements made available to external parties starting in 2009. Local management has implemented these key controls.

Financial Reviews

Group Control and Reporting reviews every quarter all data submitted for consolidation for financial accuracy, consistency with and any deviations from budgets and the explanations given, in order to ensure the accuracy of the reported data. Group Management then ensures proper follow up and actions for deviations from budget.

Operational reviews

Monitoring is performed during the Business Board Reviews. These quarterly reviews include a financial review which specifically focuses on major changes in P&L and balance sheet items, deviations from budgets as well as consistency in applying IFRS rules. The internal control system is monitored on a quarterly basis.

Management's monitoring of internal control is performed on a continuous basis. The performance of the individual companies is measured and compared to budgets and previous years' figures which may identify anomalies indicative of a control failure. Failures are promptly remedied.

All JENSEN-GROUP companies are audited by the same accounting firm and significant risk factors are reviewed consistently in the external audits of the different subsidiaries. The external auditor reports to the Audit Committee twice a year on their findings and on significant issues.

Relevant findings by the Internal Audit (which is outsourced as described above) and/or by the Statutory Auditor are reported to both the Audit Committee and to the related management. Periodic follow-up is performed to ensure that corrective action has been taken.

All relevant financial information is presented to the Audit Committee and to the Board of Directors so as to enable them to analyse the financial statements. Prior to external reporting, all press releases and other financial information is subject to:

- Appropriate review and controls by JENSEN-GROUP headquarters,
- Review by the Audit Committee
- Approval of the Board of Directors.

The JENSEN-GROUP Audit Committee has decided that an in-house internal audit function would not be an effective function. In consultation with the external auditor and on the basis of a risk analysis, the Audit Committee has worked out an internal audit plan and retains an independent outside audit firm for specific internal audit projects. It is considered that this approach is more effective than an in-house internal audit function. The Audit Committee can outsource the internal audit activity to a locally competent audit service provider.

The internal audit function is outsourced to an independent outside audit firm. During the 2011 accounting year, the audit firm performed an internal audit on JENSEN France. The results of the internal audit were discussed in the course of the Audit Committee meeting of November 16, 2011.

Information and communication

Group Control provides management with transparent and reliable management information in a form and timeframe that enables them to effectively carry out their responsibilities.

Every year, Group Control prepares a financial calendar for reporting in consultation with the Board of Directors and the Executive Management Team. The financial calendar is designed to allow accurate and timely reporting.

In the first and third quarters, a trading update is released. At half-year, condensed consolidated interim information is reported and at year-end the full annual report is disclosed. Prior to external reporting, all press releases and other financial information are subject to appropriate controls by JENSEN-GROUP headquarters and to review by the Audit Committee and require approval of the Board of Directors.

Composition of the Board of Directors

The members of the Board of Directors are appointed by the shareholders, voting by simple majority, during the general meeting of shareholders.

The Company's bylaws allow for appointment by cooptation. If cooptation occurs, it is considered as a transitional arrangement whereby the director-elect completes the mandate of the outgoing director as opposed to taking on a new mandate. For this reason the transition period is not considered as a mandate in the independence rule review, where the Company looks at total years of service on the Board of Directors.

The Company's bylaws require the Board of Directors to have at least three but not more than eleven members. Board members are elected for terms of office of no more than four years.

The Company's bylaws are supplemented by the Charter of the Board of Directors. This Charter outlines and details the Board's role and responsibilities and is revised from time to time. This Charter includes 4 major chapters:

- Functioning of the Board: directors' responsibilities, number of Board and Committee meetings, Company Secretary, setting the agenda of Board meetings, director compensation, orientation and education, CEO evaluation, management succession, director access to officers and employees, use of independent advisors.
- Board structure: size of the Board, selection of directors, required qualifications, including the criteria of independence, resignation from the Board and term limits.
- Committees of the Board: establishment of the Audit Committee and of the Remuneration Committee.
- Other Board practices: directors' roles and responsibilities, terms of reference of the Chairman of the Board and of the Executive Management Team, interaction with institutional investors, analysts, media, customers and members of the public at large, limitation of liability, policy to prevent insider trading and market abuse, conflict of interest policy and code of conduct and evaluating Board performance.

For more details, please consult our website on www.jensen-group.com under Investor Relations/Corporate Governance.

As in the past, the JENSEN-GROUP selects its Board members in a way that allows for a balance in the profiles of the different members. A balance is sought between executive and non-executive directors, directors representing shareholders and independent directors, and also in respect of directors' professional backgrounds and gender. A majority of the members of the Board of Directors are not related to the Company's controlling shareholders.

The composition of the Board of Directors of the JENSEN-GROUP, the attendance record of the individual Directors, as well as their remuneration package, is as follows:

Name	Independent	Function	Term Expiry	Attendance Board meetings	Committees	Attendance committees	Remuneration
Jørn Munch Jensen ¹		Director	2013	100%			31.000
GOBES c.v. ²	V	Chairman	2012	100%	AC	100%	94.000
represented by Raf Decaluwé					RC	100%	
Hans Werdelin ²	V	Director	2012	100%	RC	100%	43.000
The Marble b.v.b.a. ²	V	Director	2012	100%	AC	100%	56.500
represented by Luc Van Nevel					RC	100%	
SWID AG ³		CEO	2013	100%			
represented by							
Jesper Munch Jensen							
TTP b.v.b.a. ⁴		Director	2013	100%	AC	100%	44.500
represented by Erik Vanderhaegen							
Christoph Ansorge ⁵	V	Director	2015	100%			8.250
Total							277.250
Secretary							
Werner Vanderhaeghe		Secretary					33.600

1: Non-executive director, representing the reference shareholder

2: Non-executive director

3: Executive director

4: Non-executive directors, non-independent, CFO until June 29, 2007

5: Non-executive director appointed during the extra-ordinary shareholders' meeting of November 30, 2011

AC: Audit committee

RC: Remuneration Committee



From left below: Jørn Munch Jensen, Erik Vanderhaegen, Werner Vanderhaeghe, Christoph Ansorge, Hans Werdelin, Luc Van Nevel

From right below: Raf Decaluwé, Jesper Munch Jensen

Jørn Munch Jensen, is the founder of the JENSEN-GROUP.

Gobes Comm. V., represented by Raf Decaluwé, Mr. Decaluwé is the former CEO of the Bekaert Group. He held senior positions at Black & Decker and Fisher Price Toys prior to joining the Bekaert Group. Mr. Decaluwé is a board member in various companies.

Hans Werdelin is the former CEO of Sophus Berendsen A/S. Mr. Werdelin holds positions as chairman or member of the Board in various companies.

TTP bvba, represented by Erik Vanderhaegen, Mr. Vanderhaegen is the former CFO of the JENSEN-GROUP and is currently Managing Director of NIBC Bank NV. Prior to that, he was M&A manager at Univeg NV/SA and corporate tax, audit and M&A manager at Bekaert NV/SA.

SWID A.G., represented by Jesper Munch Jensen, Mr. Jensen is the CEO of the JENSEN-GROUP. As of May 2010, Jesper M. Jensen became the permanent representative of SWID AG.

The Marble bvba, represented by Luc Van Nevel, Mr. Van Nevel is the former President and CEO of Samsonite Corporation. Mr. Van Nevel holds positions as chairman or member of the Board of various companies.

Christoph Ansorge is Vice President at Agfa-Gevaert and Member of the BOM Agfa-Gevaert Aktiengesellschaft für Altersversorgung. He has held senior positions in Strategy, Finance & Administration and Operations within the Agfa-Gevaert Group. Prior to that, he was a Manager at Bayer AG Germany.

Werner Vanderhaeghe is an attorney and a senior counsel at Morgan, Lewis & Bockius LLP in Brussels and Frankfurt. Mr. Vanderhaeghe is the former General Counsel of the Bekaert Group and he was formerly the Company Secretary and General Counsel of the Agfa-Gevaert Group. Mr. Vanderhaeghe was in private practice in Brussels and New York with Cleary Gottlieb Steen & Hamilton LLP. and with White & Case LLP.

The Board of Directors held 7 meetings in 2011. The topics of discussion included:

- JENSEN-GROUP overall strategy, strategic plans and budgets
- Economic and market developments;
- JENSEN-GROUP financial structure and performance and external reporting;
- Appointment of Managing Director;
- Acquisitions and investment projects;
- Investment project in China;
- Status of internal controls and risk management.

Depending on the items on the agenda, members of senior management were invited to the meetings of the Board of Directors and to the meetings of the Board Committees. Board meetings and Board Committee meetings are held in the presence of Mr. Werner Vanderhaeghe. Mr. Vanderhaeghe was appointed as Company Secretary in May 2009 and he acts as scribe.

Evaluation of the Board of Directors

The Board of Directors and the Board Committees conduct from time to time a self-evaluation exercise to determine whether the Board and its Committees are functioning effectively. This process includes the completion by all members of a self-evaluation questionnaire. The Company Secretary summarizes the results, trends and comments from the individual replies. The results, trends and comments are discussed in the Board meeting and focus on the Board's and the Committees' contribution to the Company and specifically on areas in which the Board or Executive Management believes that the Board or its Committees could improve. Action points are derived and implemented.

Individual assessments of the Board members are made on an ongoing basis during Board meetings in an informal way.

In 2010, the Board of Directors conducted a self-assessment exercise. The results of the Board's self-assessment and the proposed action points for improvement were reported and discussed at the meeting of the Board of Directors held on March 10, 2010.

Committees established by the Board of Directors

Remuneration Committee

The Remuneration Committee consists of Gobes Comm.V. represented by Mr. Raf Decaluwé, who acts as Chairman of the Committee, Mr. Hans Werdelin and The Marble bvba, represented by Mr. Luc Van Nevel. All of the Committee's members qualify as independent directors. The Remuneration Committee met three times in the course of 2011. The Committee analysed and reviewed the remuneration and the bonuses of the Executive Management of the Group and made a proposal on the nomination of a new Board member. The Committee also discussed the adequacy of the current compensation for members of the Board of Directors.

In 2011, the Remuneration Committee conducted a self-assessment exercise. The results of the Remuneration Committee's self-assessment and the proposed action points for improvement were reported and discussed at the meeting of the Board of Directors held on November 16, 2011. These included a recommendation for the Committee to increase the focus on succession planning.

The Remuneration Committee uses its Charter as terms of reference. The Charter can be found on our website www.jensen-group.com under Investor Relations/Corporate Governance. The Charter covers:

- Authority;
- Objectives;
- Composition;
- Role of the Chairperson;
- Responsibilities;
- Meetings;
- Attendance;
- Non-consensus;
- Objectivity;
- Access to members of management;
- Reporting and appraisal;
- Remuneration report;
- Performance Evaluation.

Audit Committee

The Audit Committee consists of The Marble bvba, represented by Mr. Luc Van Nevel (Chairman), GOBES Comm. V., represented by Mr. Raf Decaluwé, and TTP bvba, represented by Mr. Erik Vanderhaegen. Two members of the Committee qualify as independent directors. The Audit Committee met four times in the course of 2011. Two meetings were held in the presence of the external auditor PwC, represented by Mr. Raf Vander Stichele until May 17, 2011. Mr. Filip Lozie replaces Mr. Raf Vander Stichele as permanent representative of PWC as from that date. Items on the agenda of the Audit Committee included:

- Discussion of the findings of the external auditor on the financial statements as at December 31, 2010;
- Discussion of the findings of the limited review of the financial statements as at June 30, 2011;

- Legal structure;
- Financial structure;
- The Risk Management and Internal Control System and
- Audit planning for the next year.

In 2010, the Audit Committee conducted a self-evaluation exercise to determine whether the Committee is functioning effectively. The results of the Audit Committee's self-assessment and the proposed action points for improvement were reported to the Board and discussed at a meeting of the Board of Directors held on November 16, 2011.

The Audit Committee uses its Charter as terms of reference. The Charter is published on our website www.jensen-group.com under Investor Relations/Corporate Governance. The Charter includes such items as:

- Roles and responsibilities;
- Number of meetings;
- Composition of the Audit Committee;
- Role of the Chairperson;
- Presence of the external auditor;
- Performance evaluation.

Senior management attends each Audit Committee meeting in part, with the remainder of the meeting reserved for an executive session with the external auditor and for the Audit Committee members only.

Conflicts of Interest within the Board of Directors

As required under Belgian Company law, the members of the Board of Directors are expected to give the Chairman prior notice of items on the agenda in respect of which they have a direct or an indirect conflict of interest with the Company, either of a financial or other nature, and to refrain from participating in the discussion and vote on those items. The Chairman and the Board monitor constantly potential conflicts of interest that do not fall within the definition as set forth by Company Law. The review of a potential conflict of interest is a standard item on the agenda of each Board meeting.

Three such potential conflicts arose in the course of 2011. A first conflict of interest was notified at the meeting of the Board of Directors which was held on May 16, 2011 and at which the criteria for independent directors were discussed. The second potential conflict of interest was notified at the meeting of the Board of Directors which was held on August 18, 2011 and at which the agenda for a special meeting of shareholders was discussed. The third potential conflict of interest was notified at the meeting of the Board of Directors which was held on October 13, 2011 and at which the call for an Extraordinary Shareholders' meeting was made, including a proposal to renew the authorization for share buy-backs and capital increases under authorized capital. The minutes of these meetings are therefore included in the report of the Board of Directors.

In case of doubt, written confirmation is sought from the director or the senior executive involved, stating the reasons for the absence of a conflict of interest as more broadly defined.

Policy to prevent insider trading

To prevent privileged information from being used unlawfully by Directors or members of senior management, all persons involved have signed a policy to prevent insider trading.

The Company defines two periods during which trading in the Company's shares by Directors, by members of the Executive Management Team or by local management is restricted. These two restricted periods are between mid-January and the reporting of the annual results and between mid-July and the reporting of the half-year results.

All trading in JENSEN-GROUP shares requires prior authorization from the Compliance Officer. In addition, all Directors and members of the Executive Management Team are required to inform the Compliance Officer on a quarterly basis of any trading respectively to confirm any non-trading in the Company's shares. As of December 31, 2011, the members of the Board of Directors and senior management together held 11.710 shares. No warrants are outstanding.

During its meeting of March 16 2011, the Board of Directors formally nominated Scarlet Janssens as Compliance Officer of JENSEN-GROUP NV.

The policy to prevent insider trading is included in the Charter of the Board of Directors. The Charter can be found on our website www.jensen-group.com under Investor Relations/Corporate Governance.

Executive management

In 2005 the bylaws of the Company were amended so as to authorize the Board of Directors to delegate its powers of day-to-day management to an executive committee in conformity with art. 524 bis of the Company Law. The Board of Directors has not acted on that authorization to date.

In the course of 2009, an Executive Management Team (EMT), consisting of the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Executive VP Business Development, the Executive VP Operations and the Executive VP Sales was appointed. The CEO chairs the Executive Management Team meetings.

The Executive Management Team is responsible for:

- The development of the overall Group strategy;
- The introduction and implementation of an internal control framework and risk management processes, in line with the nature, organization and size of the Group;
- The implementation and the deployment of the Ethical Business Statement;
- The preparation of the financial statements and disclosures;
- The report of the CEO and CFO to the Board of Directors with respect to the financial situation of the Group;
- The presentation at regular intervals to the Board of Directors of all information necessary for the Board to carry out its duties;
- Review of manufacturing footprint setting.

The Executive Management Team meets at least every quarter and consists of:

- Jesper Munch Jensen, Chief Executive Officer and Executive VP sales,
- Steen Nielsen, Executive VP Business Development,
- Martin Rauch, Executive VP Operations,
- Markus Schalch, Chief Financial Officer.



From left to right: Jesper Jensen, Martin Rauch, Markus Schalch, Steen Nielsen

Jesper Munch Jensen, permanent representative of SWID AG started his career at Swiss Bank Corporation and worked as a stockbroker on the Swiss Stock Exchange (1984-1987). After obtaining an MBA degree from Lausanne Business School, he joined the JENSEN-GROUP as an assistant general manager of JENSEN Holding (1991). Mr. Jensen became CEO of the JENSEN-GROUP in 1996.

Steen Nielsen holds a degree in Civil Engineering and a Bachelor of Commerce & Finance. Between 1978 and 1987 he worked for F.L. Smidth & Co. as a sales and divisional manager. Mr. Nielsen joined the JENSEN-GROUP in 1987 as sales and marketing director and has been Director of Flatwork Technology since 2006.

Martin Rauch holds a Bachelor of Science degree in Electrical Engineering. After his studies in 1989, he joined JENSEN AG Burgdorf and held various positions in the technical and commercial areas. Mr. Rauch became General Manager of JENSEN AG Burgdorf in 2003 and Managing Director of JENSEN SWEDEN AB following the formation of the Garment Technology Business Unit in 2006. Mr. Rauch joined the JENSEN-GROUP Management Team as Director of Garment Technology that year.

Markus Schalch has a Master of Arts in Finance and Accounting from the Hochschule St. Gallen. He then started his career in an audit firm for two years prior to joining the Alstom Group (now Areva) in various finance positions. In 2000, Mr. Schalch joined a leading Swiss telecommunication firm where he became CFO of Swisscom Systems Ltd. (2002-2004) and was then appointed CFO of Swisscom Solutions AG (2005 till August 2007). Mr. Schalch joined the JENSEN-GROUP in September 2007 as CFO.

Remuneration report

The remuneration policy is intended to attract and retain the qualified and talented employees that are needed to support the long term development and growth of the Company.

By offering a competitive compensation package, the Company intends to stimulate individual performance and to align the employees' individual interests with those of the shareholders and other stakeholders.

The compensation of the Board, the CEO and the Executive Management Team are reviewed by the Remuneration Committee and approved by the Board of Directors. The shareholders approve the remuneration report.

The market conformity of compensation packages of the Board of Directors and of the Executive Management Team is periodically checked with the support of external, independent advisors

Remuneration of the Board of Directors

The fees for non-executive Directors, with the exception of the Chairman, include a fixed remuneration of 17.000 euro and an attendance fee of 2.000 euro per Board meeting and 1.000 euro if the Board meeting is by telephone. Members of Board Committees receive a fixed fee of 7.500 euro per year and an attendance fee of 1.500 euro per meeting. This does not apply to the Chairman of the Board of Directors. The Chairman of the Board of Directors receives a fixed fee of 94.000 euro per year. Directors do not receive any variable compensation. The CEO does not receive

ve any compensation as a member of the Board. The total fees paid to Board members and members of the Board Committees amount to 277.250,00 euros, which is within the amount of 300.000 euro approved by the shareholders.

The following Director received additional compensation for services and assistance rendered in connection with specific projects and assignments as an advisor to the Company, on top of his Board fees:

Mr. Jørn Munch Jensen: 22.500 euro for his ambassador role at trade fairs and meetings with larger customer groups.

The members of the Board of Directors hold a total of 11.500 shares.

Remuneration of the Executive Management Team

The Remuneration Committee prepares all recommendations relating to the appointment and the remuneration of the Executive Management Team based on proposals by the Chief Executive Officer. The Committee discusses in depth the remuneration policy, pay levels and the individual performance evaluations of members of the Executive Management Team. The external auditor reviews the conformity of the remuneration paid out to the Executive Management Team with the amounts proposed by the Remuneration Committee and approved by the Board of Directors. The remuneration report is approved by the Shareholders.

Executive Management remuneration consists of a base salary and variable compensation that are paid out in cash, pension plans depending on managers' country of residence, life insurance, other customary insurances and benefits. Appointments to the board of directors of certain subsidiaries can also be remunerated. Executive managers are provided with all resources needed to perform their duties.

The variable compensation is in a range of 20% to 30% of the total remuneration, except for the Chief Executive officer, whose variable compensation can amount up to 50% of total remuneration. There is a cap and a minimum target below which the variable compensation becomes 0. The variable remuneration of Executive Management (CEO and EMT) is based on performance against the following objectives:

- Individual, qualitative objectives for 20% to 30% of the total target amount (important projects and actions to be realized during the year);
- Quantitative objectives for 70% to 80% of the total, divided between:
 - The financial results against target of the Group in terms of profitability, capital employed and/or cash flow;
 - The financial results against target of the unit for which the individual manager is accountable.

The Group targets to be achieved are defined by the Board of Directors, as part of the annual budget review process, whereby the budget is first evaluated in the context of the strategic plan.

For the year 2011 the Group targets were operating profit and cash flow performance.

The Remuneration Committee compares quantitative targets for the year and actual results after completion of the audit of the consolidated financial statements. The resulting variable compensations are calculated, with the evalua-

tion of EMT members' qualitative targets undertaken by the CEO and discussed with the Chairman. Proposals are reviewed and discussed by the Remuneration Committee and approved by the Board of Directors. There is no claw back clause on the variable compensation in the event of subsequent, proven misstatement of the financial statements, except for the various legal claw back provisions that are applicable in case of fraud, gross fault and negligence, under the Laws of July 7, 1978, April 12, 1965 and February 10, 2003.

There are no long-term incentive plans such as share option plans or other long-term incentive plans.

In connection with its preparation of the 2011 executive bonus plan, the Remuneration Committee reviewed the impact of the new rules under the Law on Corporate Governance of April 6, 2010 on the setting, reporting and the approval of executive compensation. The Committee reviewed in particular the impact of the rules set forth in the Law regarding deferred bonus payments on the 2011 variable pay for the CEO. During an extensive discussion, the Committee duly considered the Company's 2011-2014 long term strategic plan that was discussed with Executive Management in October 2010 and that sets the basis for the quantitative objectives that the Committee uses in connection with executive management performance evaluation. Following that discussion, the Committee concluded that a continuation of the current bonus policy based on annual growth, profitability, capital employed and/or cash flow, as opposed to dealing with the well-known difficulties inherent in a long term incentive scheme, would be the best way to align management interest with those of the shareholders and other stakeholders while at the same time meeting the standards of good governance. Acting on a recommendation by the Remuneration Committee, the Board of Directors, whilst in general subscribing to the provisions of the Law, therefore decided to seek shareholder approval of an exemption from the deferred bonus payment provision of the Law. In the interest of shareholder transparency, the Board of Directors further decided to seek an exemption for 3 years as opposed to making use under the Law of the option to secure an exemption with no time limitation through a change of the Company's Bylaws. This proposal was approved by the shareholders during the Annual Shareholders' meeting of May 17, 2011.

Where pension plans are customary, Executive Management participates in such pension plans. There are no share option plans.

The CEO does not receive any compensation as a member of the Board.

As of May 1, 2010, the CEO invoices his services through a management company 'SWID AG'. The other Executive Management Team members are salaried employees.

Total gross salaries paid to the Executive Management Team, including the CEO, in the course of 2011 amounted to 1.512.575 euro and are composed as follows:

	2011	2011	2010
In euro	CEO	EMT, excluding CEO	Total EMT
Basic remuneration		704.331	746.648
Invoiced services	413.250		270.688
Variable remuneration	155.665	177.228	317.741
Fixed expenses		19.462	22.604
Fringe Benefit		28.941	23.850
Pension plan		13.699	15.190
Total	568.915	943.660	1.396.721

The basic remuneration includes the salaries of the salaried EMT members. It represents their total fixed compensation before local taxes and obligatory pension contribution. The basic remuneration includes the remunerations received for appointments to the Board of Directors of certain subsidiaries.

Up until May 1, 2010, the CEO fulfilled his duty as CEO in his own name as an employee of the company. As of May 1, 2010, the CEO invoices his services through a management company SWID AG. The amounts disclosed above include the amounts, totaling 568.915 euro (270,688 euro in 2010) that SWID AG invoiced to the company. Invoiced services include basic remuneration, variable remuneration, fixed expenses, fringe benefit and pension plan.

Fixed expenses relate primarily to representation allowances.

The variable remuneration is based on performance against objectives as described above. The amount paid out in 2011 is based on performances of 2010. The variable remuneration is paid out in cash or in the employees' pension plan depending on the applicable legislation and on the preference of the employee.

The fringe benefit includes the value of the company cars of the employees as well as the related car insurance premiums.

The pension plan is the contribution of the employer to a pension plan above contributions required by law.

One manager participates in a defined contribution pension plan. Two managers participate in a defined benefit plan.

As required by law, salaries of the Executive Management Team members are disclosed on a global basis. The Remuneration Committee discusses all individual salaries and checks whether the remuneration paid is in line with market conditions. The market conformity of compensation packages is periodically checked with the help of external, independent advisors. The Board of Directors approves the remuneration amounts. The last remuneration report was approved by the shareholders.

The agreements with respect to termination of senior managers vary from country to country, depending on the

applicable legislation. Legal conditions apply in countries where there is a given practice, and for countries where there is no practice, up to a maximum of two years' salary is granted. Mr. Steen Nielsen has a 24 months termination agreement and Mr. Jesper Munch Jensen has an 18 months termination agreement. There are no change of control clauses included in the management contracts. Three managers have two-year non-competition clauses exercisable at the request of the company. No special compensation is given in the event of voluntary departure.

No loans have been granted to members of the Executive Management Team. No unusual transactions or conflicts of interest have occurred.

The Executive Management Team holds a total of 9.710 shares:

- Jesper M. Jensen: 9.500 shares
- Steen Nielsen: 210 shares
- Martin Rauch: no shares
- Markus Schalch: no shares

No warrants are outstanding. There are no stock option plans.

Policy with respect to the appropriation of the result

The Company has adopted a policy of distributing 0,25 euro per share annually unless the results or the financial situation do not allow such dividend.

Shareholding structure

The major shareholders are:

JENSEN INVEST: 51,48%

Petercam: 8,66%

Free float: 39,85%

The voting rights are described in note 9 - equity.

Acquisition of own shares

At its meeting held on November 3, 2009, the Board of Directors approved the purchase of 36.874 shares of the Company that were held by Baillie Gifford and offered for sale. The buyback was completed through an investment bank acting as intermediary, at a price per share of 6,9 euro on the Euronext stock exchange. The extraordinary shareholders' meeting of November 30, 2011 resolved to cancel the 36.874 treasury shares. As a result of this transaction, JENSEN-GROUP does not hold treasury shares.

Relationships among shareholders

There is no agreement between the reference shareholders listed above.

Statutory Auditor

The statutory auditor is PwC Bedrijfsrevisoren, represented by Mr. Filip Lozie.

The statutory auditor received worldwide fees of 320.000 euro (excl. VAT) for auditing the statutory accounts of the various legal entities of the Group and the consolidated accounts of the JENSEN-GROUP. Apart from his mandate, the statutory auditor received during 2011 additional fees of 45.646 euro (excl. VAT). Of this amount, 12.000 euro was invoiced to JENSEN-GROUP NV and relates to tax advice. The JENSEN-GROUP has appointed a single audit firm for the whole Group.

Issued capital

At December 31, 2011, the issued share capital was 42,7 million euro, represented by 8.002.968 ordinary shares without nominal value. There are no preference shares.

The bylaws allow for the purchase of own shares. JENSEN-GROUP currently does not hold treasury shares.

Pursuant to article 74, §6, of the Law of April 1, 2007, JENSEN INVEST A/S disclosed to both the FSMA and to JENSEN-GROUP NV that, at September 1, 2007, it holds in concert more than 30% of the shares with voting rights in JENSEN-GROUP NV.

Further details of the shareholders' notification are disclosed in note 9 - equity.

Dividend proposal

The Board proposes to distribute a dividend of 0,25 euro per share on the results of 2011, amounting in total to 2.000.742,00 euro, based on the number of shares as per December 31, 2011.

Appropriation of results

JENSEN-GROUP NV, the parent Company, reported in its statutory accounts a net profit of 35.557.864,93 euro. The Board proposes to appropriate this result as follows:

Profit of the year	35.557.864,93
To legal reserves	851.732,72
Dividend	2.000.742,00
To retained earnings	32.705.390,21

This brings the total amount of retained earnings to 70.900.952,21 euro.

Significant post-balance sheet events

There are no significant post-balance sheet events.

Ghent, March 14, 2012

Statement of the Responsible Persons

We hereby certify, to the best of our knowledge, that the consolidated financial statements as of December 31, 2011, prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal requirements applicable in Belgium, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the entities included in the consolidation taken as a whole, and that the management report includes a fair review of the development and performance of the business and the position of the Company and the entities included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Jesper M. Jensen
Chief Executive Officer

Markus Schalch
Chief Financial Officer

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING ON THE CONSOLIDATED ACCOUNTS OF THE COMPANY JENSEN-GROUP NV AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2011

As required by law and the company's articles of association, we report to you in the context of our appointment as statutory auditors. This report includes our opinion on the consolidated accounts and the required additional information.

Unqualified opinion on the consolidated accounts

We have audited the consolidated accounts of Jensen-Group NV and its subsidiaries (the "Group") as of and for the year ended 31 December 2011, prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. The consolidated accounts of the Group are set forth on pages 60 to 109. These consolidated accounts comprise the consolidated statement of financial position as of 31 December 2011 and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The total of the consolidated statement of financial position amounts to EUR (000) 151.887 and the consolidated statement of comprehensive income shows a profit for the year of EUR (000) 4.738.

The company's board of directors is responsible for the preparation of the consolidated accounts. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated accounts 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.

Our responsibility is to express an opinion on these consolidated accounts based on our audit. We conducted our audit in accordance with the legal requirements applicable in Belgium and with Belgian auditing standards, as issued by the "Institut des Reviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Those auditing standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated accounts are free of material misstatement.

In accordance with the auditing standards referred to above, we have carried out procedures to obtain audit evidence about the amounts and disclosures in the consolidated accounts. The selection of these procedures is a matter for our judgment, as is the assessment of the risk that the consolidated accounts contain material misstatements, whether due to fraud or error. In making those risk assessments, we have considered the Group's internal control relating to the preparation and fair presentation of the consolidated accounts, in order to design audit procedures that were appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. We have also evaluated the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the presentation of the consolidated accounts taken as a whole. Finally, we have obtained from the board of directors and Group officials the explanations and information necessary for our audit. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

In our opinion, the consolidated accounts set forth on pages 60 to 109 give a true and fair view of the Group's net worth and financial position as of 31 December 2011 and of its results and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Additional information

The company's board of directors is responsible for the preparation and content of the management report on the consolidated accounts.

Our responsibility is to include in our report the following additional information, which does not have any effect on our opinion on the consolidated accounts:

- . The management report on the consolidated accounts deals with the information required by the law and is consistent with the consolidated accounts. However, we are not in a position to express an opinion on the description of the principal risks and uncertainties facing the companies included in the consolidation, the state of their affairs, their forecast development or the significant influence of certain events on their future development. Nevertheless, we can confirm that the information provided is not in obvious contradiction with the information we have acquired in the context of our appointment.
- . In accordance with article 523 of the Companies' Code, the board of directors have informed you, in their management report on the consolidated accounts, of the following decisions: (1) the deliberation with respect to the new criteria for independent directors that are set forth in the Corporate Governance Code 2009 and that are incorporated in the newly enacted legislation in Belgium whereby the independent directors have a conflict of interest; (2) the deliberation and final decision to convene a special meeting of shareholders to renew the power in respect of the acquisition of own shares whereby two directors of the company, in their relationship with the company's majority shareholder Jensen Invest A/S, have a conflict of interest. These decisions do not have financial consequences for the company.

Antwerp, 14 March 2012

The statutory auditor
PwC Bedrijfsrevisoren bcvba
Represented by



Filip Lozie
Bedrijfsrevisor



Business Region III – Australia, Asia

The many rivers in Asia play a big role in providing food, transportation and the essentials of life. Six of the ten longest rivers in the world are in Asia and the Pacific - home to 65% of the world's population. It is also one of the fastest growing regions in the world in terms of industrial production and economic development. Resource conservation is key to its sustainable development. Tunnel washers from JENSEN-GROUP - here at CWS-boco in Beijing - guarantee the highest level of productivity, reliability and flexibility with extremely low consumption.



China, Guangxi: Li River

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euro)	notes	December 31, 2011	December 31, 2010
Total Non-Current Assets		37.227	37.442
Intangible assets	5.1	4.910	4.882
A. Land and buildings		17.534	18.552
B. Plant, machinery and equipment		5.300	4.721
C. Furniture and vehicles		1.150	1.138
D. Other tangible fixed assets		1.567	61
E. Assets under construction and advance payments		0	242
Property, plant and equipment	5.2	25.551	24.714
A. Trade debtors		260	288
B. Other amounts receivable		635	610
Trade and other long term receivables	8	895	898
Deferred taxes	6	5.871	6.948
Total Current Assets		114.660	120.456
A. Raw materials and consumables		16.969	14.680
B. Goods purchased for resale		10.725	10.336
C. Advance payments		634	403
Inventories		28.328	25.419
A. Trade debtors		51.453	59.221
B. Other amounts receivable		4.406	2.589
C. Gross amounts due from customers for contract work	7	27.437	22.576
D. Derivative Financial Instruments		201	743
Trade and other receivables	8	83.497	85.129
Cash and cash equivalents	19	2.449	9.534
Assets held for sale	22	386	374
TOTAL ASSETS		151.887	157.898

The notes on pages 66-109 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euro)	notes	December 31, 2011	December 31, 2010
Equity attributable to equity holders	9	60.039	57.459
Share Capital		48.528	48.274
Other reserves		-2.926	-2.769
Retained earnings		14.437	11.954
Non current Liabilities		19.326	25.143
Borrowings	10	8.406	12.646
Finance lease obligations	10	215	354
Deferred income tax liabilities	6	909	1.656
Provisions for employee benefit obligations	11	9.796	10.487
Current Liabilities		72.522	75.296
Borrowings	10	8.224	9.587
Finance lease obligations	10	139	154
Provisions for other liabilities and charges	12	13.525	11.548
A. Trade debts		19.059	18.838
B. Advances received for contract work	7	11.655	12.342
C. Remuneration and social security		8.578	8.331
D. Other amounts payable		1.413	2.071
E. Accrued expenses		5.511	5.957
F. Derivative financial instruments		1.681	1.224
Trade and other payables	13	47.897	48.763
Current income tax liabilities		2.737	5.244
TOTAL EQUITY AND LIABILITIES		151.887	157.898

The notes on pages 66-109 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euro)	notes	December 31, 2011	December 31, 2010
Revenue	7	216.174	226.977
Raw materials and consumables used		-107.865	-111.279
Services and other goods		-26.563	-25.922
Employee compensation and benefit expense		-69.244	-67.060
Depreciation, amortisation, write downs of assets, impairments	14	-4.615	-7.864
Total expenses		-208.287	-212.125
Other Income / (Expense)		555	577
Operating profit before tax and finance (cost)/ income		8.442	15.429
Financial income		4.601	3.812
Interest income		1.374	651
Other financial income		3.227	3.161
Financial charges		-5.541	-6.487
Interest charges		-2.122	-1.329
Other financial charges		-3.419	-5.158
Net financial charges	15	-940	-2.675
Profit before tax		7.502	12.754
Income tax expense	16	-2.677	-4.172
Profit for the year from continuing operations		4.825	8.582
Result from discontinued operations	22	-87	-78
Consolidated profit for the year		4.738	8.504

The notes on pages 66-109 are an integral part of these consolidated financial statements.

(in thousands of euro)	notes	December 31, 2011	December 31, 2010
Other comprehensive income:			
Gains/(losses) recognized directly in equity			
Financial instruments	9	-816	137
Currency translation differences	9	1.029	1.964
Actual gains/(losses) on Defined Benefit Plans	9	-879	-990
Tax on items taken directly on or transferred from equity	9	508	256
Other comprehensive income for the year		-157	1.367
Total comprehensive income for the year		4.581	9.871
Profit attributable to:			
Equity holders of the company		4.738	8.504
Total comprehensive income attributable to:			
Equity holders of the company		4.581	9.871
Basic and diluted earnings per share (in euro's)			
	17	0,59	1,06
Weighted average number of shares		8.002.968	8.002.968

The notes on pages 66-109 are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(In thousands of euro)	Capital	Share premium	Reclassification of Treasury shares	Total Share Capital	Translation differences	Hedging Reserves	Actuarial gains and losses on Defined Benefit Plans	Total other Reserves	Retained earnings	Total Equity
December 31, 2009	42.715	5.813	-254	48.274	-2.000	-630	-1.506	-4.136	5.451	49.589
Result of the period	-	-	-	-	-	-	-	-	8.504	8.504
Other comprehensive income										
Currency Translation Difference	-	-	-	-	1.964	-	-	1.964	-	1.964
Financial instruments	-	-	-	-	-	137	-	137	-	137
Defined Benefit Plans	-	-	-	-	-	-	-990	-990	-	-990
Tax on items taken directly to or	-	-	-	-	-	-41	297	256		256
Total other comprehensive income	-	-	-	-	1.964	96	-693	1.367	-	1.367
(loss) for the year, net of tax										
Dividend paid out	-	-	-	-	-	-	-	-	-2.001	-2.001
December 31, 2010	42.715	5.813	-254	48.274	-36	-534	-2.199	-2.769	11.954	57.459

The notes on pages 66-109 are an integral part of these consolidated financial statements.

(In thousands of euro)	Capital	Share premium	Reclassification of Treasury shares	Total Share Capital	Translation differences	Hedging Reserves	Actuarial gains and losses on Defined Benefit Plans	Total other Reserves	Retained earnings	Total Equity
December 31, 2010	42.715	5.813	-254	48.274	-36	-534	-2.199	-2.769	11.954	57.459
Result of the period	-	-	-	-	-	-	-	-	4.738	4.738
Other comprehensive income										
Currency Translation Difference	-	-	-	-	1.029	-	-	1.029	-	1.029
Financial instruments	-	-	-	-	-	-816	-	-816	-	-816
Defined Benefit Plans	-	-	-	-	-	-	-879	-879	-	-879
Tax on items taken directly to or transferred from equity	-	-	-	-	-	245	264	508	-	508
Total other comprehensive income	-	-	-	-	1.029	-571	-615	-157	-	-157
(loss) for the year, net of tax										
Dividend paid out	-	-	-	-	-	-	-	-	-2.001	-2.001
Treasury shares	-	-	254	254	-	-	-	-	-254	-
December 31, 2011	42.715	5.813	-	48.528	993	-1.105	-2.814	-2.926	14.437	60.039

The notes on pages 66-109 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euro)	notes	December 31, 2011	December 31, 2010
Cash flows from operating activities		13.261	23.580
Profit for the year from continuing operations		4.825	8.582
Adjusted for			
- Current and deferred tax		3.007	4.109
- Interest and other financial income and expenses		940	2.675
- Depreciation, amortization and impairments	14	3.715	5.266
- Write downs of trade receivables	14	-424	953
- Write downs of inventory	14	527	785
- Changes in provisions		671	1.210
Changes in working capital		-2.814	-14.071
Changes in stocks		-3.436	-6.335
Changes in long- and short-term amounts receivable		-668	-11.913
Changes in trade and other payables		1.290	4.177
Corporate income tax paid		-5.184	-3.033
Corporate income tax paid		-5.184	-3.033
Net cash flow from operating activities - continuing operations		5.263	6.476
Net cash flow from operating activities - discontinued operations		-99	-35
Net cash flow from operating activities - total		5.164	6.441
Net cash flow from investment activities		-4.580	-3.959
Purchases/(sales) of intangible and tangible fixed assets		-4.580	-2.185
Acquisitions of subsidiaries (net of cash acquired)			-1.774
Cash flow before financing		584	2.482
Net cash flow from financial activities		-5.283	-5.571
Net other financial charges	15	-192	-1.997
Dividend		-2.001	-2.001
Repayments of borrowings		-2.342	-895
Interest paid	15	-748	-678
Net Change in cash and cash equivalents		-4.699	-3.089
Cash, cash equivalent and bank overdrafts at the beginning of the year		3.336	4.461
Exchange gains/(losses) on cash and bank overdrafts		1.029	1.964
Cash, cash equivalent and bank overdrafts at the end of the year	19	-334	3.336

The notes on pages 66-109 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1: Summary of significant accounting policies

Basis of Preparation

The JENSEN-GROUP (hereafter “the Group”) is one of the major suppliers to the heavy-duty laundry industry. The Group markets its products and services under the JENSEN brand and is the leading supplier to the heavy-duty market. The product range varies from transportation and handling systems, tunnel washers, separators, feeders, ironers, folders to complete project management for fully-equipped and professionally managed industrial laundries. The JENSEN-GROUP has operations in 15 countries and distributes its products in more than 40 countries. Worldwide, the JENSEN-GROUP employs 1.167 people.

JENSEN-GROUP NV (hereafter “the Company”) is incorporated in Belgium. Its registered office is at Bijenstraat 6, 9051 Sint-Denijs-Westrem, Belgium.

The JENSEN-GROUP shares are quoted on the Euronext Stock Exchange.

The Board of Directors approved the present consolidated financial statements for issue on March 14, 2012.

These consolidated financial statements are for the 12 months ended December 31, 2011 and are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. These annual financial statements have been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and adopted in anticipation as at December 31, 2011 and which have been adopted by the European Union.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

These consolidated financial statements are prepared on an accrual basis and on the assumption that the Group is a going concern and will continue in operation for the foreseeable future.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the consolidated financial statements, are disclosed in the accounting policies.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the Group's accounting period beginning 1 January 2011:

- 'Improvements to IFRSs' (2010) amending IAS 1, IAS 27, IAS 34, IFRS 1, IFRS 3, IFRS 7 and IFRIC 13. These improvements are effective 1 January 2011.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the Group's accounting period beginning 1 January 2011, but are not relevant to the group:

- Amendment to IAS 32 'Classification of rights issues' requiring rights issues within the scope of the amendment to be classified as equity. The amendments are effective for annual periods beginning on or after 1 February 2010.
- Amendments to IFRS 1 providing a limited exemption from comparative IFRS 7 disclosures for first-time adopters, effective as of 1 July 2010.
- IAS 24 Revised 'Related-party transactions', effective for annual periods beginning on or after 1 January 2011. The revised standard amends the definition of a related party and modifies certain related party disclosure requirements for government-related entities.
- IFRIC 19 'Extinguishing financial liabilities with equity Instruments', effective for periods beginning on or after 1 July 2010. IFRIC 19 clarifies the accounting when a debtor and creditor might renegotiate the terms of a financial liability with the result that the debtor extinguishes the liability fully or partially by issuing equity instruments to the creditor.
- Amendments to IFRIC 14 'Pre-payments of a minimum funding requirement', effective for annual periods beginning on or after 1 January 2011. The amendment removes an unintended consequence of IFRIC 14 arising from the treatment of prepayments of future contributions in some circumstances when there is a minimum funding requirement.

The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2012:

- Amendments to IFRS 7 'Financial instruments: disclosures' requiring enhanced disclosures of transferred financial assets. These revisions are effective at the earliest for annual periods beginning on or after 1 July 2011.

The following new standards, amendments to standards and interpretations have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2012 and have not been endorsed by the European Union:

- IFRS 9 'Financial instruments', effective for periods beginning on or after 1 January 2015. The standard addresses the classification, measurement and derecognition of financial assets and financial liabilities.
- IFRS 10 'Consolidated financial statements', effective for annual periods beginning on or after 1 January 2013. The new standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements.
- IFRS 12 'Disclosure of interests in other entities', effective for annual periods beginning on or after 1 January 2013. This is a new standard on disclosure requirements for all forms of interests in other entities.
- IFRS 13 'Fair value measurement', effective for annual periods beginning on or after 1 January 2013. The new standard explains how to measure fair value for financial reporting.

- IAS 19 Revised 'Employee benefits', effective for annual periods beginning on or after 1 January 2013. Through these amendments significant changes are made to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits.
- IAS 27 Revised 'Separate financial statements', effective for annual periods beginning on or after 1 January 2013. The revised standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.
- IAS 28 Revised 'Investments in associates and joint ventures', effective for annual periods beginning on or after 1 January 2013. The revised standard now includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.
- Amendments to IAS 1 'Presentation of financial statements', effective for annual periods beginning on or after 1 July 2012. The amendment changes the disclosure of items presented in other comprehensive income (OCI) in the statement of comprehensive income.
- Amendments to IAS 32 'Offsetting financial assets and financial liabilities', effective for annual periods beginning on or after 1 January 2014. The amendments clarify some of the requirements for offsetting financial assets and financial liabilities on the statement of financial position.
- Amendments to IFRS 7 'Disclosures – Offsetting financial assets and financial liabilities', effective for annual periods beginning on or after 1 January 2013. The amendment reflects the joint requirements with the FASB to enhance current offsetting disclosures. The new disclosures are intended to facilitate comparison between those entities that prepare IFRS financial statements to those that prepare financial statements in accordance with US GAAP.

The Group is currently assessing the impact of these standards.

The main accounting policies defined by the Group are as follows:

Consolidation Methods

The accounts of JENSEN-GROUP and its directly and indirectly controlled subsidiaries are fully consolidated. The consolidated financial statements are presented in euro and rounded to the nearest thousand. Intercompany transactions are eliminated in consolidation, as well as intercompany unrealized gains and losses.

The full consolidation method is applied for all companies in which JENSEN-GROUP holds more than 50%.

Use of estimates

The preparation of the financial statements involves the use of estimates and assumptions, which may have an impact on the reported values of assets and liabilities at the period-end as well as on certain items of income and expense for the period. Estimates are based on economic data, which are likely to vary over time, and are subject to a degree of uncertainty. They mainly concern revenue recognition on contracts in progress and pension liabilities.

Translation of Foreign Currency

The consolidated financial statements presented in this report have been prepared in euro.

The conversion of assets, liabilities and commitments which are denominated in foreign currencies is based on the following guidelines:

- monetary assets and liabilities are translated at closing rates;
- transactions in foreign currencies are converted at the foreign exchange rate prevailing at the date of the transaction;
- gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement;
- non-monetary assets and liabilities are translated at the foreign exchange rate prevailing at the date of the transaction.

Foreign currency translation - Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates of the dates of the transactions); and
- all resulting translation differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Revenue Recognition

Contract costs are recognized when incurred.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

The Group uses the 'percentage of completion method' to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognized profits (less recognized losses) exceed progress billings. Progress billings not yet paid by customers and retentions are included within 'trade and other receivables'.

The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognized profits (less recognized losses).

Royalties and rentals are recognized as income when it is probable that the economic benefits associated with the transaction can be sufficiently measured and will flow to the Group. The income is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Intangible assets

Research and development expenses

Research costs are charged to the income statement in the year in which they are incurred.

Development costs are capitalized if all of the following criteria are met:

- the product or process is clearly defined and costs are separately identified and reliably measured;
- the technical feasibility of the product is demonstrated;
- the product or process will be sold or used in-house;
- the assets will generate future economic benefits; and
- adequate technical, financial and other resources required for the completion of the project are available.

Capitalized development costs are amortized from the commencement of the commercial production of the product on a straight-line basis over the period expected to benefit.

Concessions, patents, licenses, know-how and other similar rights etc.

Investments in licenses, trademarks, etc. are capitalized with a minimum amount of 50.000 euro and amortized over 5 years.

Goodwill

On the acquisition of a new subsidiary, the difference between the acquisition price and the Group share of the identifiable assets, liabilities and contingent liabilities of the consolidated subsidiary, after adjustments to reflect fair value, is recorded in the consolidated balance sheet under assets as goodwill. Goodwill is not amortized but tested for impairment annually, or more frequently if events or changes in circumstances indicate a possible impairment. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

Property, plant and equipment

Property, plant and equipment are recorded at their acquisition value or construction cost less accumulated depreciation and impairment losses and increased, where appropriate, by ancillary costs.

The Group has broken down the cost of property plant and equipment into major components. These major components, which are replaced at regular intervals, are depreciated over their useful lives.

The cost of property, plant and equipment does not include any borrowing costs.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives from the month of acquisition onwards. If necessary, tangible fixed assets are considered as a combination of various units with separate useful lives.

The annual depreciation rates are as follows:

Buildings	3,33 %	30 Y
Infrastructure	10 %	10 Y
Roof	10 %	10 Y
Installations, plant and machinery	10 - 33 %	3 - 10 Y
Office equipment and furnishings	10 - 20 %	5 - 10 Y
Computer	20 - 33 %	3 - 5 Y
Vehicles	20 - 33 %	3 - 5 Y

Impairment of assets

Assets other than inventories, deferred tax assets, employee benefits and derivative financial instruments and assets arising from construction contracts are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Whenever the carrying amount of an asset exceeds its recoverable amount (being the higher of its fair value less cost to sell and its value in use), an impairment loss is recognized in the profit and loss statement. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Recoverable amounts are estimated for individual assets or, if this is not possible, for the cash-generating unit to which the assets belong.

Reversal of impairment losses recognized in prior years is recorded in income up to the initial amount of the impairment loss, when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. Goodwill is tested for impairment at least once a year. Impairment on goodwill can never be reversed at a later date.

Financial Leases

A financial lease is a lease that transfers substantially all risks and rewards incident to ownership of an asset to the lessee. When a fixed asset is held under a financial lease, its value is recorded as an asset at the present value, at the beginning of the lease term, of the future minimum lease payments during the lease term. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability in order to obtain a constant rate of interest on the debt over the lease term.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Finance lease (the Group is a lessor).

When assets are leased out under a finance lease, the present value of the lease payments is recognized as a receivable. The difference between the gross receivable and the present value of the receivable is recognized as unearned finance income. Lease income is recognized over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

Operating lease

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Inventories and contracts in progress

Inventories are valued at the lower of cost or net realizable value. Cost is determined by the first-in, first-out (FIFO) method. For produced inventories, cost means the full cost including all direct and indirect production costs required to bring the inventory items to the stage of completion at the balance sheet date. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and variable selling expenses.

Provisions for liabilities and charges

A provision is recognized in the balance sheet when the Group has a present obligation (legal or constructive) as a result of a past event, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount of the provision is the best estimate of the expenditure required to settle the present value of the obligation at the balance sheet date. The provisions are discounted when the impact of the time value of money is material.

Employee benefits

Some of the Group's employees are eligible for retirement benefits under defined contribution and defined benefit plans.

Defined contribution plans

Contributions to defined contribution plans are recognized as an expense in the income statement as incurred.

Defined benefit plans

For defined benefit plans, the amount recorded in the balance sheet is determined as the present value of the benefit obligation less any past service costs not yet recognized and the fair value of any plan assets.

The actuarial gains and losses are recognized in the period in which they occur outside profit and loss, in the consolidated statement of comprehensive income.

Deferred Taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the value of assets and liabilities for tax purposes and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Accrued charges and deferred income

Accrued charges are costs that have been charged against income but not yet disbursed at balance sheet date. Deferred income is revenue that will be recognized in future periods.

Financial instruments

Financial instruments are recorded at trade date. The fair value of the financial instruments is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date.

Accounts and notes receivable

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Cash and cash equivalent

Cash and cash equivalent includes cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts

are shown within borrowings in current liabilities on the balance sheet.

Payables (after one year and within one year)

Amounts payable are carried at nominal value at the balance sheet date.

Derivative financial instruments

The Company uses derivative financial instruments to reduce the exposure to adverse fluctuations in interest rates and foreign exchange rates. It is the Company's policy not to hold derivative financial instruments for speculative or trading purposes.

Derivative financial instruments are recognized initially at fair value. Subsequent to initial recognition, derivative financial instruments are stated at fair value. Recognition of any resulting gain or loss depends on the nature of the item being hedged. Derivative financial instruments that are either hedging instruments that are not designated or do not qualify as hedges are carried at fair value, with changes in value included in the income statement.

Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognized asset or liability, a firm commitment or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognized directly in equity. When the firm commitment or forecasted transaction results in the recognition of an asset or liability, the cumulative gain or loss is removed from equity and included in the initial measurement of the acquisition cost or other carrying amount of the asset or liability.

Otherwise the cumulative gain or loss is removed from equity and recognized in the income statement at the same time as the hedged transaction. The ineffective part of any gain or loss is recognized in the income statement immediately. Any gain or loss arising from changes in the time value of the derivative financial instrument is excluded from the measurement of hedge effectiveness and is recognized in the income statement immediately.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognized in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer probable, the cumulative unrealized gain or loss recognized in equity is recognized in the income statement immediately.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through a continuing use.

Consolidated statement of cash flows

The consolidated cash flow statement reports the cash flow during the period classified by analyzing the cash flow from operating, investing and financing activities.

Business combination

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Segment reporting

The Company is operating in a single business segment: Heavy-Duty Laundry Division.

Closing date and length of accounting period

All accounting periods presented represent 12 months of operations starting on January 1 of each year.

Note 2 - Scope of consolidation

The parent Company, JENSEN-GROUP NV, and all the subsidiaries that it controls are included in the consolidation.

On April 30, 2010, JENSEN-GROUP acquired 100% of the shares of its distributor Maskin AB Sipano in Sweden.

JENSEN SWEDEN HOLDING AB has been created. This company has 100% participation in JENSEN SIPANO AB and JENSEN SWEDEN AB.

During 2010, JENSEN ITALIA merged with JENSEN HOLDING ITALIA.

Note 3 - Segment reporting

The total laundry industry can be split up into Consumer, Commercial and Heavy Duty laundry. The JENSEN-GROUP entities serve end-customers in the Heavy Duty laundry segment. They follow the same process. The JENSEN-GROUP sells its products and services under the JENSEN™ brand through own sales and service companies and independent distributors worldwide. In this way the JENSEN-GROUP operates only in one single segment.

The following table presents revenue and certain asset information based on the Group's geographical areas. The basis for attributing revenues is based on the location of the customer:

(in thousand of euro)	Europe + CIS		America		Middle East, Far east and Australia		TOTAL OPERATIONS	
	2011	2010	2011	2010	2011	2010	2011	2010
Revenue from external customers	151.608	159.568	34.012	38.812	30.554	28.597	216.174	226.977
Other segment Information								
Non-current assets	24.538	26.690	3.371	3.470	3.447	334	31.356	30.494
Non allocated assets							120.531	127.404
Total assets							151.887	157.898
Capital expenditure	-1.045	-3.430	-267	-447	-3.268	-82	-4.580	-3.959

The difference between non-current assets in the table above (31,4 million euro) and the non-current assets as per consolidated statement of financial position (37,2 million euro) relates to the deferred tax assets (5,9 million euro).

Note 4 – Employees

The total number of employees (full time equivalent) at December 31, 2011 was 1.167. These broke down into:

(FT equivalent)	2011	2010
Production	727	618
R&D	72	60
Sales & Marketing	185	176
Installation and services	106	114
General Administration	77	73
Total	1.167	1.041

NOTE 5 - NON-CURRENT ASSETS

5.1 Intangible assets

(in thousands of euro)	Know-how	Goodwill	Licenses	Total
Gross carrying amount January 1, 2010	343	5.659	0	6.002
Translation differences	0	63		63
Additions	0	934		934
Gross carrying amount December 31, 2010	343	6.656	0	6.999
Translation differences	3	-16		-13
Additions	0	0	341	341
Disposals	0	0		0
Gross carrying amount December 31, 2011	346	6.640	341	7.327
Accumulated amortization, write-downs, impairments January 1, 2010	102	0	0	102
Additions	69	1.946		2.015
Accumulated amortization, write-downs, impairments December 31, 2010	171	1.946	0	2.117
Additions	68	0	232	300
Accumulated amortization, write-downs, impairments December 31, 2011	239	1.946	232	2.417
Net carrying amount December 31, 2010	172	4.710	0	4.882
Net carrying amount December 31, 2011	107	4.694	109	4.910

Know-how

The know-how relates to the technology for specific folding equipment, purchased in the acquisition of JENSEN ITALIA s.r.l.

Goodwill

The goodwill arises mainly from the acquisitions of JENSEN France, JENSEN Switzerland, JENSEN Australia, JENSEN SIPANO (Sweden), JENSEN Benelux and JENSEN Italia.

The increase in goodwill in 2010 related to the acquisition of 100% of distributor Maskin AB Sipano in Sweden. We refer to note 23 for more details on this acquisition.

All these consolidation differences are subject to a yearly impairment test.

In 2010, the Group accounted for an impairment cost on the goodwill of JENSEN DENMARK amounting to 2,0 million euro. This goodwill was related to the production of a line of flat work ironers. As this line has been gradually replaced by new ones, no future cash flows will be generated to justify the goodwill.

Goodwill is allocated to the Group's cash-generating units identified according to country of operation. We assess each unit on its cash generated in the whole group.

In 2011, the impairment test on goodwill did not reveal any impairment.

Goodwill by cash-generating unit is as follows:

(in thousands of euro)	2011 Goodwill	2010 Goodwill
JENSEN France	763	763
JENSEN Switzerland	114	114
JENSEN Australia	152	152
JENSEN Italia	1.945	1.945
JENSEN Benelux	802	802
JENSEN SIPANO	918	934
Total	4.694	4.710

Licenses

The licenses relate to the capitalization of the license costs of the new ERP system.

Development costs of 5,9 million euro (5,2 million euro in 2010) were expensed during the year.

5.2. Property, plant & equipment

(In thousands of euro)	Land & Buildings	Plant machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction	Total
Gross carrying amount January 1, 2010	30.819	18.908	5.124	383	0	55.234
Translation differences	1.445	538	508	0	0	2.491
Additions	670	517	229	13	242	1.671
Disposals	0	-105	-1.167	0	0	-1.272
Gross carrying amount December 31, 2010	32.934	19.858	4.694	396	242	58.124
Translation differences	489	273	115	149	0	1.026
Additions	279	1.457	546	1.455	0	3.737
Disposals	-25	-2.365	-500	0	0	-2.890
Transfers	0	0	0	0	-242	-242
Gross carrying amount December 31, 2011	33.677	19.223	4.855	2.000	0	59.755
Accumulated depreciation, write down and impairment January 1, 2010	12.779	13.527	3.630	295	0	30.231
Translation differences	579	370	381	0	0	1.330
Depreciation	1.024	1.314	566	40	0	2.944
Disposals	0	-74	-1.021	0	0	-1.095
Accumulated depreciation, write down and impairment December 31, 2010	14.382	15.137	3.556	335	0	33.410
Translation differences	278	114	64	6	0	462
Depreciation	1.502	1.221	593	92	0	3.408
Disposals	-19	-2.549	-508	0	0	-3.076
Transfers	0	0	0	0		0
Accumulated depreciation, write down and impairment December 31, 2011	16.143	13.923	3.705	433	0	34.204
Net carrying amount December 31, 2010	18.552	4.721	1.138	61	242	24.714
Net carrying amount December 31, 2011	17.534	5.300	1.150	1.567	0	25.551

During 2011, the net carrying amount of tangible fixed assets increased by 0,8 million euro. Excluding depreciation charges in the income statement of 3,4 million euro, tangible fixed assets increased by 4,3 million euro.

The capital expenditures relate mainly to the new plant in China (3,2 million euro) and equipment upgrades.

The financial leasing covers mainly machinery and equipment of JENSEN GmbH.

Disposals of fixed assets did not result in significant gains or losses.

The carrying value of the property, plant and equipment pledged as security for liabilities amounts to 31,6 million euro.

Machinery includes the following amounts where the Group is a lessee under a finance lease:

(In thousands of euro)	December 31, 2011	December 31, 2010
Cost capitalized finance leases	1.507	1.505
Accumulated depreciation	-833	-742
Net book amount	674	763

Note 6 - Deferred taxes

Deferred tax assets and liabilities are attributable to the following items:

(In thousands of euro)	December 31, 2009	Charged/credited to the income statement	Charged/credited to equity	Exchange differences	December 31, 2010
Inventories	-357	-580	0	0	-937
Fixed assets	-668	-349	0	0	-1.017
Provisions	854	-191	297	0	960
Tax losses	4.425	-146	0	-306	3.973
Deferred taxes on differences between tax and local books	725	1.421	0	0	2.146
Financial instruments	250	-42	-41	0	167
Total deferred tax assets (net)	5.229	113	256	-306	5.292

(In thousands of euro)	December 31, 2010	Charged/credited to the income statement	Charged/ credited to equity	Exchange differences	December 31, 2011
Inventories	-937	689	0	0	-248
Fixed assets	-1.017	-459	0	0	-1.476
Provisions	960	-395	264	0	829
Tax losses	3.973	-338	0	-444	3.191
Deferred taxes on other differences between tax and local books	2.146	253	0	0	2.399
Financial instruments	167	-143	245	0	268
Total deferred tax assets (net)	5.292	-394	508	-444	4.962

The deferred tax assets originate mainly from JENSEN USA (1,7 million euro), JENSEN-GROUP (1,2 million euro) and JENSEN GmbH (0,9 million euro).

Deferred tax assets have been recorded because Management and the Board are convinced that, in accordance with the Company's valuation rules, the assets can be realized within a reasonable time frame.

The deferred tax assets decreased due to deferred tax assets recognized on timing differences.

A major part of the deferred tax assets (1,7 million euro) is in the USA. Management has taken measures to ensure the realization of the deferred tax assets. A further reason for the deferred tax assets in the USA has been the deterioration of the USD. All our sales from Europe to the US are billed in USD. This improves the predictability of the profits in JENSEN USA. Finally, more production has been shifted to the USA with the move of Futurail to JENSEN USA. This increases the activity in JENSEN USA and this company's ability to recover the operating losses from the past.

Note 7 - Contracts in progress

(In thousand of euro)	December 31, 2011	December 31, 2010
Contract revenue	216.174	226.977
Balance sheet information of pending projects:		
Gross amounts due from customers for contract work	27.437	22.576
Advances received	11.655	12.342

Construction contracts are valued based on the percentage of completion method. At December 31, 2011 gross amounts due from customers for contract work included 4,1 million euro of accrued profit (3,7 million euro at December 31, 2010).

Note 8 - Trade and other receivables

(In thousand of euro)	December 31, 2011	December 31, 2010
Trade debtors	54.991	63.370
Provision for doubtful debtors	-3.278	-3.861
Taxes	1.747	474
Other amounts receivable	2.345	2.042
Gross amounts due from customers for contract work	27.437	22.576
Deferred charges and accrued income	949	683
Derivative financial instruments	201	743
Total trade and other receivables	84.392	86.027
Less non-current portion		
Trade debtors	260	288
Other amount receivable	635	610
Non-current portion	895	898
Current portion	83.497	85.129

Non-current portion

The other amounts receivable include cash guarantees in an amount of 0,6 million euro.

Current portion

Advances received from customers, mainly on project activities, are recognized in "Accounts and notes payable" in accordance with the accounting principle whereby receivables and payables may not be netted off.

The Group has factored 1 million euro of its receivables in France with a financial institution under a factoring program. The corresponding debt is accounted for under current borrowings.

Note 9 – Equity

Issued capital

At December 31, 2010, share capital was 42,7 million euro, represented by 8.039.842 ordinary shares without nominal value. There are no preference shares. All shares are fully paid.

During its meeting on November 3, 2009, the Board of Directors approved the purchase of 36.874 shares of the Company that were held by Baillie Gifford and offered for sale. The buyback was completed with an investment bank acting as intermediary, at a price per share of 6,9 euro on the Euronext stock exchange. The extraordinary shareholders' meeting of November 30, 2011 resolved to cancel the 36.874 treasury shares, thereby reducing the total shares outstanding to 8.002.968 shares.

At December 31, 2011, the issued share capital was 42,7 million euro and was represented by 8.002.968 ordinary shares without nominal value. There were no preference shares. All shares are fully paid.

Detailed information on the capital statement as per December 31, 2011 is set out below.

Capital Statement (position as at December 31, 2011) Amounts (In thousands of euro) Number of shares

A. Capital		
1. Issued capital		
- At the end of the previous year	42.715	
- Changes during the year	0	
- At the end of this year	42.715	
2. Capital representation		
2.1 Shares without nominal value	42.715	8.002.968
2.2 Registered or bearer shares		
· Registered		4.120.910
· Bearer/dematerialized		3.882.058

B. Own shares held by

· the company or one of its subsidiaries	0	0
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C. Commitments to issue shares

1. As a result of the exercise of CONVERSION RIGHTS	0	0
2. As a result of the exercise of WARRANTS	0	0

D. Authorized capital not issued 42.715

The following declarations have been received of holdings
in the company's share capital:

Jensen Invest A/S, JF Tenura ApS, Mr. Jørn M. Jensen, Mr. Jesper M. Jensen, The Jørn M. Jensen and Lise M. Jensen Family Trust, Mrs. Anne M. Jensen and Mrs. Karine Munk Finser

JENSEN INVEST A/S, Ejnar Jensen Vej 1, 3700 Rønne, Denmark

	Number of shares	Total shares	%
· number of shares	4.131.576	8.002.968	51,63%
· voting rights	4.131.576	8.002.968	51,63%

The chain of control is as follows: 51,48% of the shares in JENSEN-GROUP are held by Jensen Invest A/S, 0,02% by Mr. Jørn M. Jensen and 0,12% by Mr. Jesper M. Jensen. JF Tenura ApS holds 100% of the shares in Jensen Invest A/S. Mr. Jesper M. Jensen holds and controls 51% of the shares in JF Tenura ApS. The other 49% of the shares in JF Tenura ApS are held by Mrs Anne Munch Jensen and Mrs Karine Munk Finser as the ultimate beneficial owners of the Jørn Munch Jensen and Lise Munch Jensen Family Trust.

Petercam NV		Total	%
Petercam NV, Place Sainte Gudule 19, 1000 Brussel, Belgium			
	Number of shares	Total shares	%
· number of shares	693.344	8.002.968	8,66%
· voting rights	693.344	8.002.968	8,66%

The chain of control is as follows: Petercam NV has 100% participation in PMS. Petercam NV has 100% participation in Petercam Luxembourg.

Each share has one vote. The voting rights are in line with the Companies' Code. The articles of association do not include other regulations with respect to voting rights.

The regulations with respect to transfer of shares are in line with the Companies' Code. The articles of association do not include other regulations with respect to transfer of shares.

Share premium

The share premium results primarily from the merger of LSG, which then took the name of JENSEN-GROUP.

The ending balance of the share premium is 5,8 million euro.

Treasury shares

The articles of association (art. 11) allow the Board of Directors to buy back own shares.

During its meeting on November 3, 2009, the Board of Directors approved the purchase of 36.874 shares of the company that were held by Baillie Gifford and offered for sale. The buyback was completed through an investment bank as intermediary, at a price per share of 6,9 euro on the Euronext stock exchange. The extraordinary shareholders' meeting of November 30, 2011 resolved to cancel the 36.874 treasury shares. As a result of this transaction, JENSEN-GROUP currently does not hold treasury shares.

Translation differences

In this annual report the consolidated financial statements are expressed in thousands of euro. All balance sheet captions of foreign companies are translated into euro, which is the Company's functional and presentation currency, using closing rates at the end of the accounting year, except for capital and reserves, which are translated at historical rates. The income statement is translated at average rates for the year. The resulting translation difference, arising from the translation of capital and reserves and the income statement, is shown in a separate category of equity under the caption 'translation differences'.

The exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. In total, 0,1 million euro of currency gains are transferred from financial result to other comprehensive income.

The exchange rates used for the translation were as follows:

Currency	Average rate (per euro)			Closing rate (per euro)		
	2011	2010	2009	2011	2010	2009
USD	1,3920	1,3257	1,3948	1,2939	1,3362	1,4406
DKK	7,4507	7,4473	7,4462	7,4342	7,4535	7,4418
GBP	0,8679	0,8578	0,8909	0,8353	0,8608	0,8881
SEK	9,0289	9,5373	10,6191	8,9120	8,9655	10,2520
SGD	1,7492	1,8055	2,0241	1,6819	1,7136	2,0194
CHF	1,2332	1,3803	1,5100	1,2156	1,2504	1,4836
AUD	1,3485	1,4423	1,7727	1,2723	1,3136	1,6008
CNY	8,9968			8,1588		

Hedging reserves

The Group designates foreign exchange contracts and interest rate swaps as 'cash flow hedges' of its foreign currency and interest exposure. Any change in fair value of the hedging instrument and the hedged item (attributable to the hedged risk), as of inception of the hedge, is deferred in equity if the hedge is deemed effective (note 21).

During the year, an amount of 1,1 million euro was deferred in equity.

Gains and losses recognized in the hedging reserve in equity on forward foreign exchange contracts as of December 31, 2011 will be released to the income statement at various dates between one and six months.

Gains and losses recognized in the hedging reserve in equity on interest rate swap contracts as of December 31, 2011 will be continuously released to the income statement until the repayment of the bank borrowings.

Actuarial gains and losses on Defined Benefit Plans

The JENSEN-GROUP has four defined benefit plans. The Group has chosen to adopt the amended IAS 19 'Employee Benefits' and to recognize all actuarial gains and losses directly in equity. The accumulated loss of the four plans amounts to 2,8 million euro.

Dividend

The Board proposes to distribute a dividend of 0,25 euro per share on the results of 2011, amounting in total to 2.000.742,00 euro.

Capital risk management

JENSEN objectives when managing capital are to safeguard Jensen's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal structure to reduce the cost of capital.

Note 10 – Financial debt

The non-current and current borrowings can be summarized as follows:

(In thousand of euro)	December 31, 2011	December 31, 2010
Finance lease obligations	215	354
LT loans with credit institutions	8.406	12.646
Total non-current borrowings	8.621	13.000

(In thousand of euro)	December 31, 2011	December 31, 2010
Current portion of LT borrowings	4.446	2.562
Finance lease obligations	139	154
Credit institutions	2.783	6.198
Payments received (factoring)	995	827
Total current borrowings	8.363	9.741
Total borrowings	16.984	22.741

Total borrowings decreased from 22,7 million euro at December 31, 2010 to 17,0 million euro at December 31, 2011.

The Group factored trade receivables in a total amount of 1 million euro. As the risks and rewards are not substantially transferred to the related party, the factoring arrangement does not result in the derecognition of any item from the balance sheet.

The following table gives the maturities of the non-current debt:

(In thousand of euro)	December 31, 2011	December 31, 2010
Between 1 and 2 years	4.516	4.485
Between 2 and 5 years	1.263	5.356
Over 5 years	2.842	3.159
Total non-current borrowings	8.621	13.000

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates before and after the effect of the IRS (interest rate swaps) at balance sheet date is as follows:

(In thousands of euro)	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Credit institutions	7.229	4.374	1.190	2.842	15.635
Leasing	139	142	73	0	354
Payments received (factoring)	995	0	0	0	995
Total	8.363	4.516	1.263	2.842	16.984
IRS	1.209	4.166	1.208	2.246	8.828
Total	7.154	350	55	596	8.156

Management believes that the carrying value of the loans at fixed rate approximates to the fair value.

For details on the IRS we refer to note 21.

The carrying amounts of the Group's borrowings are denominated in the following currencies:

(in thousand of euro)	December 31, 2011	December 31, 2010
EUR	4.672	9.758
USD	391	1.803
DKK	4.827	4.291
CHF	6.580	6.398
Other	514	491
Total	16.984	22.741

With respect to the Group's borrowings, a debt covenant is in place (equity ratio). During the year, there were no breaches of this covenant.

One of the credit facilities makes provision for an early termination of the facility in case of change of control.

DEBT COVERED BY GUARANTEES

(in thousand of euro)	December 31, 2011	December 31, 2010
Mortgages	7.658	8.716
Pledges on assets	391	1.302
Guarantee by parent company	5.189	8.597
Total	13.238	18.615

The carrying value of the property, plant and equipment pledged as security for liabilities amounts to 31,6 million euro.

Note 11 – Provision for employee benefit obligations

(in thousand of euro)	December 31, 2011	December 31, 210
Provisions for Defined Benefit Plan	9.072	9.710
Provisions for other employee benefits	724	777
Total provisions for employee benefit	9.796	10.487

The provision for other employee benefits relate to pre-pensions in Germany and in Benelux.

BENEFIT PLAN

JENSEN GmbH, JENSEN FRANCE, JENSEN ITALIA and JENSEN AG BURGDORF maintain retirement benefit plans. These plans generally provide benefits that are related to an employee's remuneration and years of service.

The Group has chosen to adopt the amended IAS 19 'Employee Benefits' and is recognizing all actuarial gains and losses directly in equity. The accumulated loss of the 4 plans amounts to 2,8 million euro.

The calculation of the provision for pension obligations in Switzerland includes the curtailment, taking into account the impact on future obligations related to the persons that will leave the company during 2012. The curtailment had an impact of 1,3 million euro on the result of the year.

At December 31, 2011, the total net liability amounted to 9,1 million euro.

The major assumptions made in calculating the provisions can be summarized as follows:

	Expected return assets		Expected rates of salary increase	
	2011	2010	2011	2010
Switzerland	3,50%	4,00%	1,50%	1,50%
France	-1**	-1**	3,00%	3,00%
Germany	-1**	-1**	2,50%	2,50%
Italy	-1**	-1**	0%	0%

	Discount rate		Rate of price inflation	
	2011	2010	2011	2010
Switzerland	2,75%	3,00%	1,00%	1,00%
France	4,40%	4,50%	2,00%	2,00%
Germany	4,40%	4,50%	2,00%	2,00%
Italy	4,40%	4,50%	2,00%	2,00%

* relates to the German and French pension plan for which no assets are allocated

For the defined benefit plans, the net outcome for 2011 was an income amount of 0,4 million euro.

(in thousand of euro)	2011	2010
Current service cost	521	461
Interest cost	646	642
Expected return on plan assets	-296	-291
Curtailement (gain)/loss	-1.265	14
Pension expenses	-394	826

The change in net liability recognized during 2011 and 2010 is set out in the table below:

(in thousand of euro)	2011	2010
Net (liability)/assets at the start of the year		
Unfunded status	-9.710	-8.826
Pension expenses recognized in the income statement	394	-826
Employer contribution or benefits paid by employer	448	390
Benefits paid directly by the company	583	508
Amounts recognised in OCI	-753	-695
Translation differences	-34	-261
Net (liability) at December 31	-9.072	-9.710

The changes in defined benefit obligations and plan assets can be summarized as follows:

(in thousand of euro)	2011	2010
Change in Defined Benefit Obligation (DBO)		
DBO at January 1	17.980	15.503
Current service costs	521	461
Interest cost	646	642
Benefits paid	-1.867	-966
Premiums paid	-217	-145
Participants' contribution	360	238
Actuarial (gains)/losses	478	691
Curtailment (gain)/ loss	-1.265	14
Plan settlement	0	0
Exchange rate differences	259	1.542
DBO at December 31	16.895	17.980

(in thousand of euro)	2011	2010
Change in Plan Assets		
Fair value of plan assets at January 1	8.270	6.677
Contributions	1.391	1.137
Actuarial gains/(losses)	-276	-3
Expected return on plan assets	296	291
Benefits paid	-1.867	-966
Premiums paid	-217	-144
Plan settlements	0	
Translation differences	226	1.278
Fair value of plan asset at December 31	7.823	8.270

(in thousand of euro)	2011	2010
Defined Benefit Obligation at the end of the period	-16.895	-17.980
Fair value of plan assets at the end of the period	7.823	8.270
Unfunded status	-9.072	-9.710

The percentage of plan assets by asset allocation is as follows:

Equity securities: 36,1%

Debt securities: 42,2%

Real estate: 9,4%

Other: 12,3%

The contributions expected to be paid to the plan during the annual period beginning after the reporting period is estimated to 1 million euro.

Note 12 - Provisions for other liabilities and charges

(in thousand of euro)	December 31, 2011	December 31, 2010
Provisions for warranties	8.104	7.744
Provisions for take-back obligations	189	212
Other provisions	5.232	3.592
Provisions for other liabilities and charges	13.525	11.548

Changes in provisions can be analyzed as follows:

(in thousands of euro)	December 31, 2010	Additions	Reversals (Utilizations)	Translation Differences	December 31, 2011
Provisions for warranties	7.744	1.817	-1.513	56	8.104
Provisions for take-back obligations	212	55	-78	0	189
Other provisions	3.592	2.904	-1.296	32	5.232
Total provisions	11.548	4.776	-2.887	88	13.525

Warranties

A provision is recorded for expected warranty claims on products sold during the year. Assumptions used to calculate the provision for warranty claims are based on current sales levels and current information on warranty calls under the standard warranty period (up to 18 months) for the main products.

Take-back obligations

A provision for take-back obligations is recorded when JENSEN-GROUP sells equipment to a customer for which the customer wants to enter into a leasing contract with a Leasing Company. In some cases, the Leasing Company requires a take-back clause.

Other provisions

The other provisions are set up for legal claims that, based on prudent judgment, are reasonably funded. Most of these claims are covered by insurance. Based on legal advice taken, management does not expect these claims to significantly impact the Group's financial position or profitability.

The other provisions increased because of the provision set up for restructuring (2,7 million euro) following the decision by the Board of Directors in 2011 to transfer the Swiss production to the Danish plant.

Note 13 - Trade and other payables

(in thousand of euro)	December 31, 2011	December 31, 2010
Trade debts	19.059	18.838
Advances received for contract work	11.655	12.342
Remuneration and social security	8.578	8.331
Other amounts payable	1.413	2.071
Accrued expenses	5.511	5.957
Derivative financial instruments	1.681	1.224
Total trade and other payables	47.897	48.763

Note 14 - Depreciation, amortization, write-downs of assets, impairments

(in thousand of euro)	December 31, 2011	December 31, 2010
Depreciation, amortization	3.715	5.266
Write downs on trade debtors	-424	953
Write downs on inventory	527	785
Change in provisions	797	860
Total depreciation, amortization, write downs of assets	4.615	7.864

In 2010, the Group accounted for an impairment cost on the goodwill of JENSEN DENMARK. This goodwill was related to the production of a line of flat work ironers. As this line has been gradually replaced by new ones, there are no future cash flows to justify the goodwill. The amortization amounts to 2,0 million euro. No cash flow impact is associated with this impairment.

Note 15 – Financial income and financial charges

Financial income and expenses and other financial income and expenses break down as follows:

(in thousand of euro)	December 31, 2011	December 31, 2010
Financial income	4.601	3.812
Interest income	1.374	651
Other financial income	393	425
Currency gains	2.834	2.736
Financial cost	-5.541	-6.487
Interest charges	-2.122	-1.329
Other financial charges	-956	-1.124
Currency losses	-2.463	-4.034
Total net finance cost	-940	-2.675

The net currency result (- 1,3 million euro in 2010, +0,4 million euro in 2011) includes:

- realized currency gains and losses on the hedging contracts (gain of 0,4 million euro);
- unrealized gains and losses on the translation of outstanding balances in foreign currencies (loss of 0,1 million euro).

The other financial charges relate especially to bank charges.

Note 16 - Income tax expense

Income tax expenses can be analyzed as follows:

(in thousand of euro)	December 31, 2011	December 31, 2010
Current taxes	-2.283	-4.285
Deferred taxes	-394	113
Total income tax expense	-2.677	-4.172

Relationship between tax expense and accounting profit as per December 31, 2011 and December 31, 2010:

Reconciliation of effective tax rate:

(in thousand of euro)	December 31, 2011	December 31, 2010
Accounting profit before taxes	7.502	12.754
Theoretical income tax expense	2.530	3.436
Theoretical tax rate	34%	27%
Tax effect of disallowed expenses	801	987
Tax effect of use of tax losses	-654	-251
Actual tax expenses	2.677	4.172
Effective tax rate	36%	33%

The theoretical tax rate is the weighted average of the theoretical tax rates of the different entities.

The theoretical tax rate increased from 27% in 2010 to 34% in 2011. This is because the percentage is the weighted average of the theoretical tax rates of all the individual entities. Profit increased in countries with a high theoretical tax rate whereas the result decreased in countries with a low theoretical tax rate.

The effective tax rate is higher in 2010 as the impairment loss on goodwill amounting to 2,0 million euro is not tax deductible.

Note 17 - Earnings per share

Basic earnings per share are calculated by dividing the Group share in the profit for the year of 4,7 million euro (8,5 million euro in 2010) by the weighted average number of ordinary shares outstanding during the years ended December 31, 2011 and 2010.

	2011	2010
Basic earnings per share (in euro):	0,60	1,06
Weighted avg shares outstanding	8.002.968	8.002.968

Note 18 - Operating leases

Most of the JENSEN-GROUP leases relate to buildings, vehicles and computer equipment under a number of operating lease agreements. The future lease payments under these operating leases are due as follows:

(in thousand of euro)	December 31, 2011	December 31, 2010
< 1 year	540	720
>1 year < 5 years	1.433	1.887
> 5 years	684	64
Total operating leases	2.657	2.671

The profit for the year includes operating lease expenses of 1,7 million euro.

Note 19 - Statement of cash flows

Cash, cash equivalents and bank overdrafts include the following for the purpose of the cash flow statement:

(in thousand of euro)	December 31, 2011	December 31, 2010
Cash and cash equivalent	2.449	9.534
Overdraft	-2.783	-6.198
Net cash and cash equivalents	-334	3.336

The consolidated statements of cash flows are presented on a consistent basis. As such, they do not isolate the effect of currencies on individual line items but only in total via the 'translation gains/(losses) on cash and bank overdrafts' caption. With respect to the evolution, the following comment can be made:

Net cash decreased because of lower activity, investment in the new production facility in China and higher project costs.

Note 20 - Commitments and contingencies

JENSEN-GROUP has given the following commitments.

(in thousand of euro)	December 31, 2011	December 31, 2010
Letters of intent	5.189	8.597
Bank guarantees	9.122	7.832
Mortgages	7.658	8.716
Repurchase agreements	1.898	2.121
Bank guarantees related to discontinued operations	0	5.000

Management does not expect these contingencies to significantly impact the Group's financial position or profitability.

In 2006, JENSEN-GROUP divested its Commercial Division. The related bank guarantee expired during the year.

Note 21 - Financial instruments – Market and other risks

Exposure to foreign currency, interest rate and credit risk arises in the normal course of the JENSEN-GROUP business. The Company analyzes each of these risks individually and defines strategies to manage the economic impact on the JENSEN-GROUP's performance in line with its internal policies.

Financial instruments are valued on the basis of the quoted prices for similar assets and liabilities on liquid markets. The financial instruments have level 1.

Foreign currency risk

The JENSEN-GROUP incurs currency risk on borrowings, investments, (forecasted) sales, (forecasted) purchases whenever they are denominated in a currency other than the functional currency of the subsidiary. The currencies giving rise to risk are primarily the US Dollar, Swiss Franc, Swedish Krona, Danish Krone, Chinese Yuan and Australian Dollar. The main derivative financial instruments used to manage foreign currency risk are forward exchange contracts.

It is the company's policy not to hold derivative instruments for speculative or trading purposes.

With respect to currencies, the JENSEN-GROUP adopts the policy of:

- Having hedges on all firm commitments in foreign currencies on a rolling 12 months basis;
- Hedging 50% of the difference between firm commitments and budgeted sales and purchases per currency on a rolling 12 months basis;
- For two smaller SSCs, JENSEN UK and JENSEN Australia, the Group deviated from this policy and only the exposure related to existing orders is hedged;
- All deviations from the policy need to be approved by the Audit Committee.

As such these hedges are considered as cash flow hedges. They are contracted as a matter of procedure regardless of any expectations with regard to foreign currency developments.

All foreign exchange contracts are centralized within the JENSEN-GROUP treasury department and are contracted purely on the basis of the input of the different subsidiaries.

The currency risks resulting from translations of the financial statements of non-euro based companies are not hedged (note 9 – Equity).

The table below provides an indication of the company's net foreign currency positions per December 31, 2011 and December 31, 2010 as regards firm commitments and forecasted transactions. The open positions are the result of the application of JENSEN-GROUP risk management policy. Positive amounts indicate that the Company has a long position (net future cash inflows) while negative amounts indicate that the Company has a short position (net future cash outflows).

2011 (in thousand of euro)	Total exposure	Total derivatives	Open position
USD/EUR	1.378	-439	938
GBP/EUR	2.157	-2.100	57
AUD/EUR	4.898	-5.625	-727
CHF/EUR	-574	4.500	3.926
SEK/EUR	-7.338	5.000	-2.338
CNY/EUR	-2.000	2.088	88
DKK/EUR	-29.719	0	-29.719
2010 (in thousand of euro)	Total exposure	Total derivatives	Open position
USD/EUR	1.324	-1.415	-91
GBP/EUR	1.806	-1.000	806
PLN/EUR	633	-579	54
JPY/EUR	97	-89	8
CAD/EUR	149	-148	1
AUD/EUR	3.086	-4.500	-1.414
CHF/EUR	-6.435	4.500	-1.935
SEK/EUR	-5.219	5.000	-219
DKK/EUR	-26.328	3.000	-23.328

Except for a part of the Washroom Technology, all production is generated in European subsidiaries of which the activities are conducted in euro (or euro related currencies) and in Swiss franc.

In 2011, a 13% weakening of the USD against the euro would have given a 0,4 million lower EBIT and a 13% strengthening of the USD against the euro would have given a 0,5 million higher EBIT.¹

In 2011, a 6% weakening of the SEK against the euro would have given a 0,3 million higher EBIT and a 6% strengthening of the SEK against the euro would have given a 0,4 million lower EBIT.¹

In 2011, a 28% weakening of the CHF against the euro would have given a 2,7 million higher EBIT and a 28% strengthening of the CHF against the euro would have given a 5,0 million lower EBIT.¹

In 2011, a 12% weakening of the AUD against the euro would have given a 0,4 million lower EBIT and a 12% strengthening of the AUD against the euro would have given a 0,6 million higher EBIT.¹

In 2011, a 9% weakening of the GBP against the euro would have given a 0,07 million lower EBIT and a 9% strengthening of the GBP against the euro would have given a 0,08 million higher EBIT.¹

¹ The estimation is based on the standard deviation of daily volatilities of the foreign exchange rates during the past 360 days at December 31, 2011 and using a 95% confidence interval.

These calculations are a purely theoretical calculation and do not take into account the gain or loss of sales resulting from the increased relative weakness or strength of currencies.

At December 31, 2011, the Group held the following foreign exchange contracts. Balances due within 12 months equal their carrying balances as the impact of the discount is not significant.

Curr	Sell	Avg exchange rate	Maturity	Fair value (in thousands of euro)
USD	7.300.000	1,44	20/05/12	-331
GBP	1.775.730	0,85	18/03/12	-22
AUD	7.565.884	1,35	31/03/12	-217
CNY	19.000.000	9,10	29/06/12	-199

Curr	Buy	Avg exchange rate	Maturity	Fair value (in thousands of euro)
CHF	5.460.129	1,21	10/07/12	38
SEK	45.751.028	9,15	10/06/12	93
USD	6.150.000	1,33	17/05/12	147

All of these foreign exchange contracts are designated and effective as cash flow hedges. The changes in fair value over 2011 amounting to 0,3 million euro after taxes have been deferred in equity. No ineffectiveness has been recorded.

At December 31, 2010, the Group held the following foreign exchange contracts. Balances due within 12 months equal their carrying balances as the impact of the discount is not significant.

Curr	Sell	Avg exchange rate	Maturity	Fair value (in thousands of euro)
USD	8.820.000	1,31	30/04/11	121
GBP	867.041	0,87	18/03/11	-7
PLN	2.340.000	4,04	28/03/11	-7
JPY	10.500.000	117,89	1/09/11	-8
CAD	193.303	1,31	4/03/11	-2
AUD	6.464.636	1,44	22/05/11	-430

Curr	Buy	Avg exchange rate	Maturity	Fair value (in thousands of euro)
CHF	6.119.010	1,36	27/05/11	404
SEK	46.674.258	9,33	15/05/11	181
USD	7.110.000	1,34	21/07/11	-4
DKK	22.304.594	7,43	6/02/11	-8

All of these foreign exchange contracts were designated and effective as cash flow hedges. The changes in fair value over 2010 amounting to 0.09million euro after taxes were deferred in equity. No ineffectiveness was recorded.

Interest rate risk

The Company uses derivative financial instruments to reduce exposure to adverse fluctuations in interest rates. It is the Company's policy not to hold derivative instruments for speculative or trading purposes.

With respect to interest rates, the JENSEN-GROUP adopts the policy of having:

- between 40 and 70% of the total outstanding loans with long-term maturities;
- between 40 to 70% of the loans with fixed interest rates (this include the combinations of floating rate loans with Interest Rate Swaps (IRS);
- to increase the portion of debt at floating interest rates in times of decreasing interest rates and vice-versa;
- to match the currency of the loans with the operations being funded to improve natural balance sheet hedging.

All financing within the JENSEN-GROUP is centralized in the treasury department. This makes it easier for the JENSEN-GROUP to respect its policy of hedging using IRS.

In respect of interest-bearing financial liabilities, the table below indicates their effective interest rates at balance sheet date as well as the periods in which they roll over. Balances due within 12 months equal their carrying balances as the impact of the discounting is not significant.

2011 (in thousands of euro)	Effective interest rate	Carring amount	< 1 month	> 1 month < 3 months	> 3 months < 12 months	1–5 years	> 5 years
Floating rate							
EUR	2,3%-2,9%	3.517	2.165	160	477	715	0
USD	1,6-1,9%	1.110	1.110	0	0	0	0
DKK	1,26%-1,77%	3.297	0	73	218	1.028	1.978
CHF	0,02%-0,17%	3.290	0	0	0	3.290	0
SEK	2,3%-2,9%	509	509	0	0	0	0
Total		11.723	3.784	233	696	5.033	1.978
Fixed rate							
EUR	1,32%	1.160	0	15	44	238	864
USD	5,76%	391	0	34	101	256	0
DKK	2,50%	420	0	42	126	252	0
CHF	4,55%	3.290	0	0	3.290	0	0
Total		5.261	0	90	3.561	746	864

2010 (in thousands of euro)	Effective interest rate	Carring amount	< 1 month	> 1 month < 3 months	> 3 months < 12 months	1–5 years	> 5 years
Floating rate							
EUR	1,4%-2,15%	9.030	7.025	164	490	1.352	0
USD	1,78-1,86%	1.303	0	326	977	0	0
DKK	1,4%-2,15%	3.703	0	103	309	1.055	2.236
CHF	0,1775%-0,28%	3.199	0	0	0	3.199	0
Total		17.235	7.025	592	1.776	5.606	2.236
Fixed rate							
EUR	1,32%	1.218	0	14	43	238	923
USD	5,76%	501	0	31	92	378	0
DKK	2,50%	588	0	42	126	420	0
CHF	3,50%	3.199	0	0	0	3.199	0
Total		5.506	0	87	261	4.235	923

The following table sets out the conditions of the interest rate swaps:

2011 Curr	SWAP amount	Fixed interest	Maturity	Fair value (in thousands of euro)
EUR	875.000	0,99%	1/10/13	-6
USD	1.508.333	0,69%	30/12/11	-2
DKK	11.507.195	4,71%	30/12/22	-225
DKK	14.168.701	5,04%	30/12/24	-331
DKK	319.528	3,09%	15/02/12	0
CHF	4.000.000	3,50%	10/07/13	-428
Total	8.828.017			-992

The interest rate swaps are designated and effective as cash flow hedges. The changes in fair value over 2011 amounting to 0,2 million euro after taxes have been deferred in equity. No ineffectiveness has been recorded.

2010 Curr	SWAP amount	Fixed interest	Maturity	Fair value (in thousands of euro)
EUR	1.375.000	0,99%	1/10/13	3
USD	1.741.667	0,69%	30/12/11	-7
DKK	11.507.195	4,71%	30/12/22	-134
DKK	14.168.701	5,04%	30/12/24	-201
DKK	1.574.013	3,09%	15/02/12	-3
CHF	4.000.000	3,50%	10/07/13	-380
Total	9.533.412			-721

The interest rate swaps were designated and effective as cash flow hedges. The changes in fair value over 2010 amounting to 0,6 million euro after taxes were deferred in equity. No ineffectiveness was recorded.

As disclosed in the above table, 11,7 million euro of the Company's interest bearing financial liabilities bear a variable interest rate; 8,8 million euro are covered by an Interest Rate Swap resulting in a net exposure of 2,9 million euro of the interest bearing financial liability at variable interest rate. The Company estimates that the reasonably possible change of the market interest rates applicable to its floating rate debt is as follows:

(in thousands of euro)	Carring amount	Effective interest	Possible rates at December 31, 2011
Euro	2.895	0,02%-2,9%	0,08% – 3,5%

Applying the reasonably possible increase/decrease in the market interest rate mentioned above to our floating rate debt at December 31, 2011, with all other variables held constant, 2011 profit would have been 0,02 million euro lower/higher.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Under the Group's credit policy, project customers are required to either provide an advance payment or to provide a guarantee (ex. L/C, bank guarantees). We examine the creditworthiness of each new customer and of existing customers that start buying higher amounts.

There are no important concentrations above 15% of the total outstanding receivables with respect to a single (group of) customer(s).

The consolidated ageing balance of the trade receivables is as follows. Balances due within 12 months equal their carrying balances as the impact of the discounting is not significant.

2011 (in thousands of euro)	Current	< 60 days < 90 days overdue	> 60 days > 90 days overdue	> 90 days > 120 days overdue	> 120 days overdue	Total
Outstanding trade receivables	37.747	6.065	3.488	1.070	6.361	54.731
Collateral held as security	0	0	0	0	0	0
Net exposure	37.747	6.065	3.488	1.070	6.361	54.731
Provisions accounted for						-3.278
Total						51.453

2010 (in thousands of euro)	Current	< 60 days < 90 days overdue	> 60 days > 90 days overdue	> 90 days > 120 days overdue	> 120 days overdue	Total
Outstanding trade receivables	40.869	10.938	3.060	1.333	6.882	63.082
Collateral held as security	0	0	0	0	0	0
Net exposure	40.869	10.938	3.060	1.333	6.882	63.082
Provisions accounted for						-3.861
Total						59.221

Management reviews on a timely basis whether specific provisions are needed based on the ageing list. Trade receivables are recorded at their nominal value, less provision for impairment. The provision for impairment reflects both the likelihood of being paid and the timing of the cash flow. The total provision for doubtful debtors recorded as per December 31, 2011 amounts to 3,3 million euro.

The roll forward of the provision for doubtful debtors is set out below:

(in thousand of euro)

Provision Doubtful Debtors opening balance	3.861
Additions	178
Reversals	-486
Exchange difference	-275
Provision Doubtful closing balance	3.278

The bank credit ratings (Moody's) as per December 31, 2011 are as follows:

Nordea: Aa3
KBC: A1
Credit Suisse: Aa1

Note 22 – Assets held for sale

The assets held for sale amounting to 0,4 million euro relate to the building in Kentucky (prior CLD activities).

Note 23 - Acquisitions

JENSEN SIPANO

On April 30, 2010 the JENSEN-GROUP acquired 100% of the shares of its longstanding distributor Maskin AB Sipano in Sweden.

The JENSEN-GROUP took over the distribution of JENSEN machinery, the servicing of its equipment in Sweden and approximately 12 employees.

Revenues will remain nearly unchanged, as revenues from JENSEN machinery sold in Sweden are already included in the consolidated figures.

The table below gives an overview of the acquisition-date fair value of the total consideration transferred and the remaining amount of goodwill recognized for the acquisition:

(in thousands of euro)

Non current assets	859
Current assets	1.303
Non current liabilities	-122
Current liabilities	-1.200
Net assets acquired	840
Group share in net assets acquired	840
Goodwill	934
Purchase price	1.774
Net cash out for acquisitions of subsidiaries	1.774

Note 24 – Related party transactions

The shareholders of the Group as per December 2011 are:

JENSEN Invest:	51,48%
Petercam:	8,66%
Free float:	39,85%

JENSEN ITALIA holds a 49% participation in MILM Services SRL. This company is a service center with some technicians. The figures of MILM Services SRL are not included in the consolidated financial statements. This has no material impact on the true and fair view of the financial statements.

JENSEN INDUSTRIAL GROUP A/S and JENSEN DENMARK A/S are part of a tax consolidation in Denmark together with JENSEN INVEST, the majority shareholder of the group. The tax consolidation regime obliges all Danish resident companies that are members of the same domestic or international group to file a joint group tax return which enables them to manage the impact of tax losses in Denmark within the group. As a result of this, JENSEN INVEST received for 2011 a reimbursement of 0,08 million euro of taxes. This was not to the detriment of the JENSEN-GROUP shareholders in 2011.

Key management compensation can be summarized as follows:

(in thousands of euro)	2011	2010
Fees paid to Board members	277	254
Gross salaries paid to senior managers	1.513	1.397

In addition to their board fees, the Board member Mr. Jørn Munch Jensen received 22.500 euro for his ambassador role at trade fairs and to larger customer groups.

Mr. Nikolai Jensen, grandson of Mr. Jørn M. Jensen, was financial manager of JENSEN UK until the end of 2011 and starts in the sales organization in the USA. His remuneration is at arms' length.

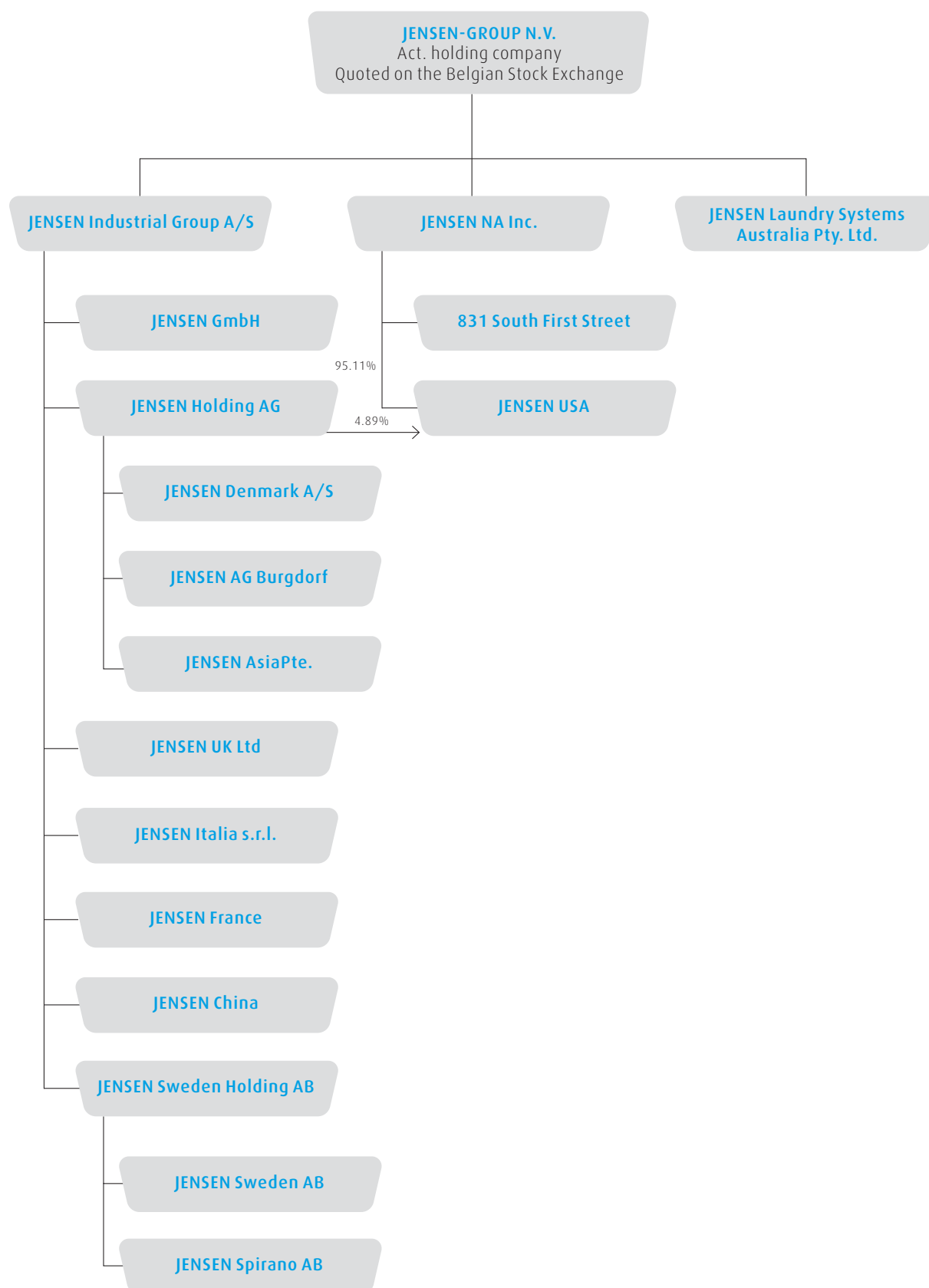
Note 25 – Non-audit fees

The statutory auditor received worldwide fees of 320.000 euro (excl. VAT) for auditing the statutory accounts of the various legal entities of the Group and the consolidated accounts of the JENSEN-GROUP. Apart from its mandate, it received during 2011 additional fees of 45.646 euro (excl. VAT). Of this amount, 12.000 euro was invoiced to JENSEN-GROUP NV and relates to tax advice. The JENSEN-GROUP has appointed a single audit firm for the whole Group.

Note 26 - Events after the Balance Sheet date

There are no significant post-balance sheet events.

Note 27- Legal structure



Note 28 - Consolidation scope as at December 31, 2011

Fully consolidated companies	Registered office	VAT or national number	Participating percentage
Belgium			
JENSEN-GROUP NV	Bijenstraat 6 9051 Sint-Denijs-Westrem	BE 440.449.284	Parent Company
US			
JENSEN NA Inc.	Corporation Trust Center Orange Street 1209 Wilmington - Delaware		100%
JENSEN USA, Inc.	Aberdeen loop 99 Panama City, FL 32405		100%
831 South 1st Street	831 South 1st Street KU 40203 Louisville		100%
United Kingdom			
JENSEN UK Ltd.	Unit 5, Network 11 Thorpe Way Industrial Estate Banbury, Oxfordshire OX16 4XS		100%
Singapore			
JENSEN Asia PTE Ltd.	No. 6 Jalan Kilang #02-01 Dadlani Industrial House Singapore 159406		100%
Denmark			
JENSEN Industrial Group A/S	Industrivej 2 3700 Rønne		100%
JENSEN Denmark A/S	Industrivej 2 3700 Rønne		100%
Switzerland			
JENSEN AG Burgdorf	Buchmattstrasse 8 3400 Burgdorf		100%
JENSEN AG Holding	Buchmattstrasse 8 3400 Burgdorf		100%

Sweden		
JENSEN Sweden AB	Företagsgatan 68 504 94 Borås	100%
JENSEN SIPANO AB	P.O. Box 1088 171 22 Solna	100%
JENSEN Sweden Holding AB	Box 363 503 12 Borås	100%
France		
JENSEN France SAS	2 "Village d'entreprises" Avenue de la Mauldre ZA de la Couronne des Près 78680 Epône	100%
Germany		
JENSEN GmbH	Jörn-Jensen-Straße 1 31177 Harsum	100%
Australia		
JENSEN Laundry Systems Australia PTY Ltd.	Unit 16, 38-46 South Street Rydalmere NSW 2116	100%
Italy		
JENSEN Italia s.r.l.	Strada Provinciale Novedratese 46 22060 Novedrate	100%
China		
JENSEN Industrial Laundry Technology (Xuzhou) Co., Ltd	Phoenix Avenue, Xuzhou Clean Technology Zone 221121 Xuzhou, Jiangsu Province, P.R. China	100%



Business Region IV – Americas

Surrounded by the largest oceans on earth, the American continent and its society has always been used to large dimensions: Big laundries demand big machines to handle big volumes. American laundries have encouraged JENSEN-GROUP to develop equipment that can handle larger volumes compared to other countries. With the widest range of handling and sorting systems, such as here the ContinuSort system at West Michigan Shared Hospital Laundry in the US, JENSEN-GROUP helps to optimize the flow of the linen in any laundry.



Summary balance sheet and income statements of JENSEN-GROUP NV

Assets as at (in thousands of euro)	December 31 2011	December 31 2010
Fixed assets	101.238	101.362
Intangible assets	321	481
Tangible fixed assets	134	172
Financial fixed assets	100.783	100.709
Current assets	32.206	6.217
Stocks and contracts in progress	2.874	865
Amounts receivable within one year	5.815	3.717
Treasury shares	-	254
Cash at bank and on hand	22.661	1.219
Deferred charges and accrued income	856	162
Total Assets	133.444	107.579

Liabilities as at (in thousands of euro)	December 31 2011	December 31 2010
Capital and reserves	123.701	90.399
Capital	42.715	42.715
Share premium account	5.814	5.814
Reserves	4.271	3.674
Accumulated profits	70.901	38.196
Provisions and deferred taxes	1.431	1.364
Provisions for liabilities and charges	1.431	1.364
Amounts payable	8.312	15.816
Amounts payable within one year	7.878	14.906
Accrued charges and deferred income	434	910
Total Liabilities	133.444	107.579

summary income statement JENSEN-GROUP NV

Financial year ended (in thousands of euro)	December 31 2011	December 31 2010
Operating income	23.843	22.017
Turnover	21.204	22.318
and in work and contracts in progress	1.855	-525
Other operating income	784	224
Operating charges	-23.521	-21.223
Raw materials, consumables and goods for resale	15.420	13.601
Services and other goods	5.662	5.110
Remuneration, social security and pensions	2.150	1.999
Depreciation	231	261
Write-downs	-17	78
Provisions for liabilities and charges	67	167
Other operating charges	8	7
Operating profit	322	794
Financial result	35.280	1.960
Financial income	35.735	2.543
Financial charges	-455	-583
Profit on ordinary activities for the year		
before taxes	35.602	2.754
Extraordinary result	0	-229
Extraordinary income	0	0
Extraordinary charges	0	-229
Profit for the year before taxes	35.602	2.525
Taxes	-43	2
Income taxes	-43	2
Profit for the year	35.559	2.527

APPROPRIATION ACCOUNT OF JENSEN-GROUP NV

Financial year ended (in thousands of euro)	December 31 2011	December 31 2010
Profit to be appropriated	73.755	40.323
Profit (loss) for the period available for appropriation	35.559	2.527
Profit (loss) brought forward	38.196	37.796
Appropriations to capital and reserves	-852	-126
to legal reserves	-852	-126
to reserves for own shares	-	-
Result to be carried forward	-70.902	-38.196
Profit to be carried forward	70.902	38.196
Distribution of profit	-2.001	-2.001
capital decrease	-	-
Dividends	-2.001	-2.001

(in euro)	2011 (12 months)	2010 (12 months)
Current profit per share after taxes (1)	4,44	0,34
Number of shares outstanding (average)	8.002.968	8.002.968
Number of shares outstanding (yearend)	8.002.968	8.002.968

(1) The current profit after tax is the same as the net profit excluding extraordinary gains and losses (both adjusted for taxes).

Statutory financial statements of JENSEN-GROUP NV

In accordance with article 105 of the Belgian Companies Act, a summary version of the statutory financial statements of JENSEN-GROUP NV is presented. These have been drawn up in accordance with Belgian Accounting Standards. The management report and statutory financial statements of JENSEN-GROUP NV and the report of the statutory auditor thereon are filed with the appropriate authorities, and are also available at the Company's registered offices.

The statutory auditor has issued an unqualified opinion on the statutory financial statements of JENSEN-GROUP NV

JENSEN-GROUP NV has both a holding function and a commercial function as the sales and service company for the Benelux area.

The financial income includes a dividend of 33 million euro received from JENSEN INDUSTRIAL GROUP A/S.

The full version of the statutory financial statements of JENSEN-GROUP NV is available on the corporate website www.JENSEN-GROUP.com.

Valuation rules

The valuation rules are in accordance with the Royal Decree of January 31, 2001.

Financial fixed assets

Since JENSEN-GROUP NV has a holding function, we emphasize that, in accordance with our valuation rules and accounting legislation in Belgium, financial fixed assets are valued at their initial acquisition price or paid-in capital. Write-offs on the financial fixed assets are taken when they are deemed to be of a permanent nature. If it appears that write-offs taken previously are no longer needed, they are reversed. Financial fixed assets are never valued above acquisition price or paid-in capital.

Intangible fixed assets

The intangible fixed assets include goodwill that arises from the acquisitions of the distribution activity in the Benelux. For statutory purposes, goodwill is amortized over a period of five years.

Tangible fixed assets

Tangible fixed assets are recorded at their acquisition value or construction cost, increased, where appropriate, by ancillary costs. Tangible fixed assets are depreciated on a straight-line basis over their estimated useful life from the month of acquisition onwards.

On tangible fixed assets, the depreciation rules are:

Caption	Method	Rate
Infrastructure	straight line	10%
Installations, machinery and equipment	straight line	20%
Office equipment and furniture	straight line	20%
Vehicles	straight line	20%

Inventories and contracts in progress

Inventories are valued at the lower of cost or net realizable value. Cost is determined by the first-in, first-out (FIFO) method. For produced inventories, cost means the full cost including all direct and indirect production costs required to bring the inventory items to the stage of completion at the balance sheet date. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and variable selling expenses.

The Company uses the 'percentage of completion method' to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

Amounts receivable

Trade amounts receivable and other amounts receivable are carried at nominal value. Allowances are made to

amounts receivable where uncertainty exists as to the receipt or payment dates of the whole or a part of the balance. Supplementary write-offs are also recorded where the realizable value at the balance sheet date is lower than the carrying value.

Investments and cash at bank and in hand

Deposits with financial institutions are carried at nominal value. Write-downs are applied where the realizable value at the balance sheet date is lower than the historical cost.

Provisions for liabilities and charges

Provisions for liabilities and charges are assessed on an individual basis to address the risks and future costs which they are intended to cover. They are maintained only to the extent that they are required following an updated assessment of the liabilities and charges for which they were created.

Amounts payable (after one year and within one year)

Amounts payable are carried at nominal value at the balance sheet date. The only elements which are recorded in the accrued charges and deferred income accounts are charges payable at the balance sheet date in respect of past or prior years.

Financial instruments

The Company uses derivative financial instruments to reduce its exposure to adverse fluctuations in interest rates and foreign exchange rates. It is the company's policy not to hold derivative instruments for speculative or trading purposes.

Derivative financial instruments are recognized initially at cost, their premium is amortized pro rata temporis. At year-end, the financial instruments are calculated at market value using the mark-to-market mechanism. The unrealized losses are recognized in the income statement whereas the unrealized gains are deferred.

The hedged balance sheet positions (outstanding receivables and payables) are recorded at the hedging rate.

General Information

1. Identification

- Name: JENSEN-GROUP NV
- Registered office: Bijenstraat 6, 9051 Sint-Denijs-Westrem.
- The Company was founded on April 23, 1990 and exists for an unlimited period of time.
- The Company has the legal form of a “naamloze vennootschap/société anonyme” and operates under Belgian Company Law.
- Purpose: The purpose of the Company consists in the following, both in Belgium and abroad, on its own behalf or in the name of third parties, for its own account or for the account of third parties:
 1. Any and all operations related directly or indirectly or connected with the engineering, production, purchase and sale, distribution, import, export and representation of laundry machines and systems and the manufacture thereof;
 2. Providing technical, commercial, financial and other services for affiliated businesses, including commercial and industrial activities in support;
 3. Obtaining an interest, in any manner, in any and all businesses that pursue the same, a similar or related purpose or that are likely to further its own business or facilitate the sale of its products or services, also cooperating or merging with these businesses and, in general, investing, subscribing, purchasing, selling and negotiating financial instruments issued by Belgian or foreign businesses;
 4. Managing investments and participations in Belgian or foreign businesses, including the standing of sureties, guaranteeing bills, making payments in advance, loans, personal or material sureties for the benefit of these businesses and acting as their proxy holder or representative;
 5. Acting in the capacity of director, providing advice, management and other services for the benefit of the management and other services for the benefit of other Belgian or foreign businesses, by virtue of contractual relations or statutory appointment and in the capacity of external consultant or governing body of any such business.

The Company may undertake both in Belgium and abroad, any and all industrial, trade, financial, bonds and stocks and real property transactions that are likely to extend or further its business directly or indirectly or that are related therewith. It may acquire any and all movable and real property items, even if these are related neither directly nor indirectly to the Purpose of the Company.

It may obtain, in any manner, an interest in any and all associations, ventures, business or companies that pursue the same, a similar or related purpose or that are likely to further its business or facilitate the sale of its products or services, and it may cooperate or merge therewith.

- The Company is registered in the Commercial Register of Ghent and is subject to VAT under the number BE 0440.449.284
- The articles of association of the Company can be consulted at the registered office of the Company and on its corporate website www.jensen-group.com. The annual accounts are filed with the National Bank of Belgium. Financial reports of the Company are published in the financial press and are also available on the website www.jensen-group.com. Other documents that are publicly available and that are mentioned in the reference document can be consulted at the registered office of the Company or on its corporate website www.jensen-group.com. The annual report of the Company is sent every year to the holders of registered shares as well as to the holders of bearer shares who wish to receive it.

2. Share Capital

- The registered capital amounts to 42.714.559,83 euro and is represented by 8.002.968 shares without nominal value. There are no shares that do not represent the share capital. All shares are ordinary shares; there are no preference shares. The shares are bearer (but only until 2013), dematerialized or registered shares, depending on the shareholder's preference. The dematerialized shares have been issued either by way of an increase of capital or by exchanging existing registered or bearer shares for dematerialized shares. Each shareholder may request the exchange of his/her shares either into registered shares or into dematerialized shares. Two directors at least will sign a bearer share. Signature stamps may replace the signatures.
- Evolution of the share capital:

Date	Share Capital	Currency	Number of shares
24/05/2002	42.714.560	euro	8.264.842
20/05/2008	42.714.560	euro	8.252.604
13/01/2009	42.714.560	euro	8.039.842
30/11/2011	42.714.560	euro	8.002.968

www.jensen-group.com



JENSEN-GROUP N.V. · Bijenstraat 6 · 9051 Sint-Denijs-Westrem (Gent) · Belgium
T +32 (0)9 333 83 30 · F +32 (0)9 333 83 39 · www.jensen-group.com