

First quarterly report 2010



Danfoss is a global industrial group which focuses on supplying energy-efficient and climate-friendly solutions for a number of selected industries. The group is a world leader within research, development, production, sales and service of mechanical and electronic products for use in the refrigeration and air-conditioning industry, the indoor comfort and heating sector, and a wide range of industries where energy consumption plays a vital role. The Danfoss Group's activities are divided into three segments. Danfoss' fully-owned core businesses are consolidated in the Danfoss Climate & Energy segment. Meanwhile, Danfoss Development includes the activities that will undergo planned strategic reassessment over the next few years in preparation for divestment, joint ventures or other forms of alliances. Sauer-Danfoss is the third segment – Danfoss is the controlling shareholder in the publicly listed Sauer-Danfoss, one of the world's leading producers and suppliers of mobile hydraulics. Danfoss strives to reach its targets through the least possible consumption of raw materials and energy, the least possible impact on the surroundings and an efficient utilisation of resources. Danfoss has a long tradition of social responsibility towards employees and the external environment.

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“Following the first three months of 2010, we strongly believe that we have managed our operations in such a way that we can enjoy the full benefit now that the global crisis has subsided. We are now reaping the fruits of the thorough restructuring activities that we implemented at a time when the crisis had not yet peaked.

Generally, our business areas are performing better than expected, and it is particularly positive that our core businesses are once again showing upward growth rates. The most distinctive growth has taken place in the so-called ‘BRIC’ countries which, along with the USA, are Danfoss’ focus areas.

We can therefore conclude that the reasonable end to 2009 has been followed by an even better start to 2010, and we are already now adjusting our expectations for the whole of 2010, though the upward adjustment is a modest one. The first quarterly operating results might indicate that we should raise our expectations even more, but we believe that part of the considerable sales increase might be due to the customers building up stock, which cannot be expected to continue at the same rate throughout the rest of this year. At the same time, Danfoss is still in the process of carrying out restructuring measures outside its core businesses as a result of our new strategy. The full impact on the results is expected to be neutral, but the sequence of the implementation could give rise to shifts, which means that we will have both positive and negative extraordinary items in our quarterly reports throughout 2010 and 2011.”

Niels B. Christiansen, President and CEO, Danfoss A/S

Highlights from the first quarter of 2010:

- **Net sales** were 7.1bn DKK, which equals growth of 9%. When adjusted for acquisitions, divestments and foreign currency translations, growth was 11%, compared with a decrease of -16% the year before.
- **The profit before other income and expenses** was 395m DKK, compared with a loss of 379m DKK in 2009. The profit before other income and expenses at Danfoss Climate & Energy (Danfoss’ 100%-owned core businesses) was 415m DKK in the period.
- **The operating profit (EBIT)** was 384m DKK, compared with a loss of 447m DKK the year before. The operating profit (EBIT) of Danfoss Climate & Energy was 411m DKK.
- **The profit before tax** was 331m DKK, compared with -562m DKK the year before.
- **The free cash flow** was -269m DKK, compared with -353m DKK in 2009 (the normal business cycle in Danfoss involves a negative cash flow in the first quarters of the year).

Expectations for 2010:

As a result of the developments in the first quarter, Danfoss has adjusted the expectations for both the net sales and the profit of the entire accounting year.

- Net sales are expected to be between 27bn and 28bn DKK (previously 26-27bn DKK).
- The EBIT of the group is expected to be between 1.1bn and 1.4bn DKK (previously 0.75-1.25bn DKK).

The expectations do not include the impact of divestments or acquisitions of companies/activities.

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Financial Highlights

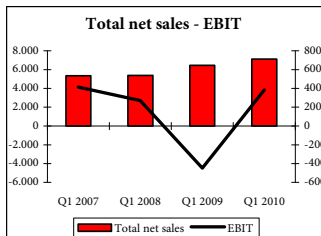
Mill. DKK (unless otherwise stated) All quarterly figures are unaudited.	Q1 2009 YTD	Q1 2010 YTD	Change in %	2009 YTD EUR	Q1 2010 YTD EUR
Profit and loss accounts:					
Net sales ^{*)}	6.510	7.118	9%	25.653	956
EBITDA	62	873	***	1.058	117
Operating profit excl. other income and expenses	-379	395	***	-270	53
Operating profit (EBIT)	-447	384	***	-1.990	52
Income from associates and joint ventures	-7	6	***	-37	1
Financial income/expenses	-108	-59	-45%	322	-9
Profit before tax (EBT)	-562	331	***	-1.705	44
Net profit	-398	255	***	-1.402	34
Real growth in %	-16%	11%		-12%	
Balance sheet:					
Total non-current assets	21.638	19.562	-10%	19.289	2.628
Assets	33.224	30.539	-8%	28.642	4.102
Total shareholders' equity	11.495	10.530	-8%	10.055	1.414
Net interest-bearing debt	10.436	9.724	-7%	9.301	1.306
Net assets	21.598	19.871	-8%	18.995	2.669
Capital expenditure	307	266	-13%	1.009	36
Cash flow statement:					
Cash flow from operating activities	-54	-39	-28%	2.721	-5
Cash flow from investing activities	-299	-230	-23%	-1.936	-31
hereof net investments of intangible/tangible assets	-273	-128	-53%	-937	-17
hereof net investments in companies	0	-92	0%	-894	-13
Free Cash flow	-353	-269	-24%	785	-36
Free cash flow before M&A	-333	-163	-51%	1.727	-22
Cash flow from financing activities	548	384	-30%	-741	51
Key figures:					
Number of employees (end of period)	29.004	25.443	-12%	25.740	
EBIT margin excl. other operating income etc.	-5,9%	5,5%	11,4	-1,1%	
EBIT margin	-6,9%	5,4%	12,3	-7,8%	
EBITDA margin	1,0%	12,3%	11,3	4,1%	
RONA ¹⁾	-2,1%	2,0%	4,1	-9,9%	
Return on equity	-4,2%	1,7%	5,9	-13,0%	
Equity ratio	34,6%	34,5%	-0,1	35,1%	
Leverage ratio	90,8%	92,3%	1,5	92,5%	

1) RONA (Return On Net Assets)

Result of operating profit as percentage of average net assets.

Net assets are total assets deducting investments in associates and joint ventures, cash and cash equivalents, total provisions and non-interest bearing debt.

Danfoss benefits from early measures during crisis



The positive trends from the fourth quarter of 2009, which reflected the early measures implemented against the global crisis, continued in 2010. In the first quarter of 2010, the Danfoss Group had growth of 9%, because the net sales increased to reach 7,118m DKK from 6,510m DKK in the same period in 2009.

When adjusted for acquisitions, divestments and foreign currency translations, growth amounted to 11%, compared with a fall of 16% in the same period the year before. Danfoss Climate & Energy (covering Danfoss' core businesses) grew by 13%, Danfoss Development grew by 10%, whereas growth in Sauer-Danfoss was 8%.

In the quarter, several areas and regions increasingly demanded the group's products and services. In particular, growth was generated by the markets in the BRIC countries (Brazil, Russia, India and China), which had decent, double-digit growth rates. There was a large demand in the Chinese market in particular. The markets in the EU and North America also improved, although not at the same high rate.

Although the group experienced an increased demand in the first quarter of 2010, many customers remain rather unsure whether the financial crisis has ended or whether more is in store.

“It is pleasant to see that Sauer-Danfoss has had a good start following the big loss in 2009. However, uncertainty still exists whether the positive development will continue throughout the rest of the year.”

Kim Fausing,
Executive Vice
President

All of the divisions in Danfoss Climate & Energy contributed to the growth increase, even though the group's sales to the construction industries, which are sensitive to financial trends, were hit in the first quarter by the long, harsh winter and the general reluctance caused by the financial crisis.

Sauer-Danfoss had a good start to 2010 as a result of the fine growth in net sales and the positive profit. The decent demand from customers, combined with the results of the extensive adjustment of costs in 2009, led to a substantially improved profitability in the company.

The restructuring activities implemented in 2009 had the anticipated impact on group profitability, and the profitability is expected to improve more over the next quarters. As a result of the positive developments during this quarter, the Sauer-Danfoss management has made an upward adjustment of the expectations of both the net sales and the profit in the whole of 2010.

The result before other income and expenses was 395m DKK, compared with -379m DKK the year before. The result before other income and expenses at Danfoss Climate & Energy is 415m DKK, compared with -31m DKK in 2009.

The operating profit (EBIT) was 384m DKK, compared with -447m DKK in 2009. The increase was caused by, among other things, an improved capacity utilisation as a result of the implemented restructuring activities. The operating profit (EBIT) at Danfoss Climate & Energy amounted to 411m DKK, compared with -47m DKK in 2009.

The profit before tax was 331m DKK, compared with -562m DKK the year before. **The profit after tax** was 255m DKK, compared with -398m DKK in the year before. The result is considered very satisfactory.

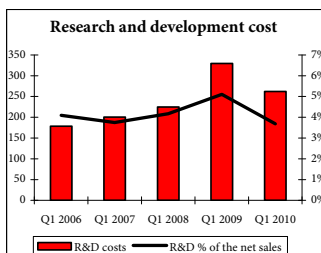
Balance sheet and cash flows

The equity was 10,530m DKK, compared with 10,055m DKK at the end of 2009. The increase in equity was primarily due to the recognition of the positive quarterly result. The total amount of assets amount to 30,539m DKK, compared with 28,642m DKK at the end of 2009.

The net interest-bearing debt was 9,724m DKK, compared with 10,436m DKK the year before. At December 31, 2009, the net interest-bearing debt was 9,301m DKK. The increase in debt that has taken place since the turn of the year was primarily caused by the accumulation of working capital, including receivables, as a result of the increased activity level. It is Danfoss' policy to dispose of considerable long-term financial resources. On March 31, 2010, the group had unused irredeemable credit commitments, including cash funds, amounting to 6.3bn DKK, compared with 3.7bn DKK the year before.

It is important for Danfoss to generate a positive cash flow. One of the means to achieve this has been to improve the group's cash flows and hold back on investments.

The free cash flow, which is a combination of cash flow from operating activities of -39m DKK and cash flow from investing activities of -230m DKK, was -269m DKK, compared with -353m DKK in 2009. The free cash flow before acquisitions and divestment of activities was -163m DKK, compared with -333m DKK in 2009.



In the first quarter of 2010, Danfoss spent 3.7% (262m DKK) on research and development, compared with 5.1% (329m DKK) the year before. The scope of investments is in line with the implemented plans set out in the new strategy. At the same time, Sauer-Danfoss has adjusted its research and development costs to better match the new market situation.

Changes in employee numbers

At the end of the quarter, the Danfoss Group had 25,443 employees, a decrease of 3,561 compared with 2009. The employees are distributed as follows: 10,939 in Europe, excl. Denmark (2009: 12,336); 3,505 in North America, incl. Mexico (4,392); Latin America 389 (458); 4,246 in Asia-Pacific, incl. China (3,659); and 64 in other regions (69). In Denmark, 6,300 were employed at the end of the quarter, compared with 8,090 the year before.

At the Annual General Meeting on April 23, 2010, Björn Rosengren was elected as a new member of the Board. Subsequently, the Board elected Jørgen M. Clausen as its Chairman and Hans Michael Jebsen as the Vice-Chairman.

Risk management

Please refer to the Danfoss Annual Report 2009, page 23, for details about the Danfoss Group's risk management and reporting.

Events after the end of the quarter

On April 30, Danfoss A/S announced that the company did not have sufficient shareholders accepting the acquisition of the remaining shares in Sauer-Danfoss. The tender offer was therefore withdrawn.

In May, Danfoss decided to relocate production of heat exchangers and substations from its factory in Leppävirta, Finland, to Slovenia and Poland, respectively. The relocation will affect 124 employees. At the same time, plans continue to strengthen the existing sales organisation in Finland.

Expectations for 2010:

On the basis of the development during the first quarter, which proved to be better than anticipated, the group will adjust the expectations for net sales and the profit for 2010.

2010 is still expected to be a difficult year with many challenges. Despite the fact that many markets have stabilised and some once again show growth rates, many customers continue to be reluctant to initiate projects which depend on loan financing. Danfoss estimates that this trend will continue throughout 2010. Growth in 2010 is expected to show mainly on the markets in South America, Russia, India and China, while the development in the markets in Europe and North America is forecasted to be flat.

- Net sales are expected to be between 27bn and 28bn DKK, compared with the previous 26-27bn DKK.

The effect of the restructuring activities implemented in 2009 is expected to fully show in the 2010 accounts, which will increase the profit. Due to the development in the first quarter, the group has also raised its expectations for the profit of the Danfoss Climate & Energy segment. The company expects the EBIT to be between 1.2bn and 1.6bn DKK, compared with the previous 1.0-1.4bn DKK.

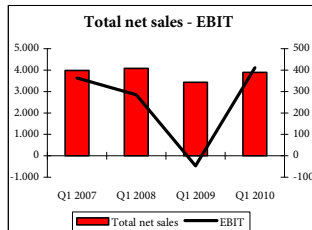
The results of Sauer-Danfoss in the first quarter were better than had been expected and the company has upwardly adjusted its expectations for 2010. The Groups' 2010 earnings will also be affected by accounting adjustments amounting to 250-350m DKK due to the purchase of the controlling interest in Sauer-Danfoss. Despite this, the group expects to improve the EBIT in 2010 by approximately 3bn DKK compared with 2009.

- EBIT is expected to be between 1.1bn and 1.4bn DKK, compared with the previous 0.75-1.25bn DKK.

The expectations do not include the impact of divestments or acquisitions of companies/activities.

Danfoss Climate & Energy

Net sales increased by 14% to 3,891m DKK from 3,428m DKK. When adjusted for acquisitions, divestments and foreign currency translations, growth in net sales was 13%.



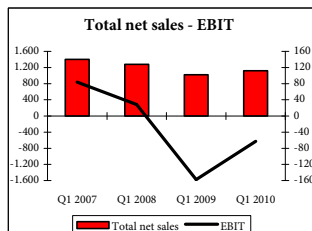
DKK Mill. (unless otherwise stated) All quarterly figures are unaudited.	Q1 2009 YTD	Q1 2010 YTD	Change in %	2009	Q1 2010 YTD EUR
Net sales	3.428	3.891	14%	15.112	523
Operating profit (EBIT)	-47	411	***	1.051	55
EBIT Margin	-1,4%	10,6%		7,0%	10,6%
Net Assets	9.869	9.104	-8%	8.562	1.223
Capital expenditure	143	185	29%	569	25
Number of employees	14.601	12.452	-15%	13.502	

The operating profit (EBIT) was 411m DKK, compared with a profit of 47m DKK in 2009. Thereby, the EBIT has returned to the level of 2007 and 2008.

The European markets showed moderate growth rates during the quarter. The German and Italian markets, however, showed decent double-digit growth rates. But it was primarily the BRIC countries (Brazil, Russia, India and China) which were the drivers of growth. The markets in North and Latin America showed moderate growth rates.

Danfoss Development

Net sales increased by 10% to 1,120m DKK from 1,021m DKK. When adjusted for acquisitions, divestments and foreign currency translations, growth also amounted to 10%.



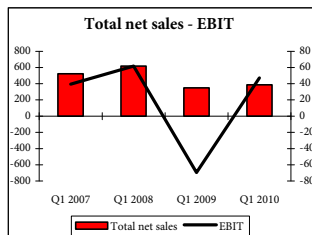
DKK Mill. (unless otherwise stated) All quarterly figures are unaudited.	Q1 2009 YTD	Q1 2010 YTD	Change in %	2009	Q1 2010 YTD EUR
Net sales	1.021	1.120	10%	4.177	151
Operating profit (EBIT)	-158	-63	-60%	-803	-8
EBIT Margin	-15,4%	-5,6%		-19,2%	-5,6%
Net Assets	2.539	2.191	-14%	1.809	294
Capital expenditure	26	51	96%	182	7
Number of employees	5.103	6.828	34%	5.172	

The operating profit (EBIT) was -63m DKK, compared with -158m DKK the year before.

Danfoss Development includes the activities which will undergo strategic reassessment over the next few years in preparation for divestment, joint ventures or other forms of alliances. These are the areas that Danfoss will not be single-handedly allocating resources to to place them in a globally leading position. The implementation of the strategy is expected to have a neutral impact on the group results. It could, however, give rise to shifts, which could lead to both positive and negative extraordinary items in the quarterly reports throughout 2010 and 2011.

Sauer-Danfoss

Net sales increased by 11% to 387m USD from 350m USD. When adjusted for foreign currency translations and divestments, the increase amounted to 8%.



USD Mill. (US GAAP) (unless otherwise stated)	Q1 2009 YTD	Q1 2010 YTD	Change in %	2009	Q1 2010 YTD EUR
All quarterly figures are unaudited.					
Net sales	350	387	11%	1.159	
Operating profit (EBIT)	-70	47	***	-210	
EBIT Margin	-19,9%	12,2%		-18,2%	
Net Assets					
Capital expenditure	17	3		43	
Number of employees	8.224	5.739	-30%	6.117	

The operating profit (EBIT) was 47m USD, compared with a loss of 70m USD the year before.

Growth was primarily generated in the countries in Asia-Pacific, with China being the biggest driver of the growth. The markets in North and Latin America also showed increased growth rates, while the European markets were on a par with last year.

The positive development in the quarter convinced the management in Sauer-Danfoss to upwardly adjust the expectations for both the net sales and the profit for 2010. For more information: <http://www.sauer-danfoss.com>

Sauer-Danfoss is listed on the New York Stock Exchange and the company share price can be monitored using the code SHS. The figures in this paragraph are the official Sauer-Danfoss figures recorded according to US GAAP. They are not the figures recognised in the Danfoss Group accounts. The figures are recognised according to IFRS in Danfoss' accounts.

Profit & loss account

Mill. DKK (unless otherwise stated)	Q1 2009	Q1 2010	Change in	2009	Q1 2010
All quarterly figures are unaudited.	YTD	YTD	%	YTD EUR	YTD EUR
	6.510	7.118	9%	25.653	956
Cost of sales	-5.389	-5.363	0%	-20.456	-722
Gross profit	1.121	1.755	57%	5.197	236
	17,4%	24,7%		20,3%	24,7%
Distribution expenses	-1.140	-1.067	-6%	-4.425	-144
Administrative expenses	-360	-293	-19%	-1.042	-39
Operating profit excl. other income and expenses	-379	395	***	-270	53
	-5,9%	5,5%		-1,1%	5,5%
Other operating income and expenses	-68	-11	-84%	-1.720	-1
Operating profit (EBIT)	-447	384	***	-1.990	52
	-6,9%	5,4%		-7,8%	5,4%
Income from associates and joint ventures	-7	6	***	-37	1
Financial income/expenses	-108	-59	-45%	322	-9
Profit before tax	-562	331	***	-1.705	44
Corporate tax expenses	164	-76	***	303	-10
Net profit	-398	255	***	-1.402	34

Balance sheet

	Q1 2009	Q1 2010	2009	Q1 2010
Mill. DKK (unless otherwise stated)				EUR
All quarterly figures are unaudited.				
Assets				
Non-current assets				
Intangible fixed assets	10.769	9.337	9.094	1.254
Tangible fixed assets	9.192	8.225	8.267	1.105
Non-current financial assets	1.677	2.000	1.928	269
Total non-current assets	21.638	19.562	19.289	2.628
Current assets				
Inventories	5.137	4.236	3.848	569
Accounts receivable	5.649	5.969	4.889	801
Cash and cash equivalents	800	772	616	104
Total current assets	11.586	10.977	9.353	1.474
Total assets	33.224	30.539	28.642	4.102
Liabilities and shareholders' equity				
Total shareholders' equity	11.495	10.530	10.055	1.414
Non-current liabilities	14.593	11.917	11.970	1.579
Current liabilities	7.136	8.092	6.617	1.109
Total liabilities	21.729	20.009	18.587	2.688
Total liabilities and shareholders' equity	33.224	30.539	28.642	4.102

Statement of cash flow

	Q1 2009	Q1 2010	2009	Q1 2010
Mill. DKK (unless otherwise stated)				
All quarterly figures are unaudited.				
				EUR
Operating profit (EBIT)	-447	384	-1.990	52
Adjustments for non-cash transactions	453	323	3.466	43
Changes in working capital	199	-582	2.012	-78
Cash flow generated from operations before interest	205	125	3.488	17
Financial income	6	9	25	1
Financial expenses	-246	-98	-570	-13
Dividends received	0	0	0	0
Cash flow from operations before tax	-35	36	2.943	5
Paid tax	-19	-75	-222	-10
Cash flows from operating activities	-54	-39	2.721	-5
Acquisition of intangible fixed assets	-47	-18	-144	-2
Acquisition of tangible fixed assets	-244	-143	-882	-20
Proceeds from sale of tangible fixed assets	18	33	89	5
Acquisition of subsidiaries etc.	0	-99	-893	-13
Proceeds from disposal of subsidiaries etc.	0	7	-1	0
Acquisition (-) and sale of other investments etc.	-26	-10	-106	-1
Cash flow from investing activities	-299	-230	-1.936	-31
Free Cash flow	-353	-269	785	-36
Financing by non-shareholders:				
Financing by Repayment of (-)/ proceeds from interest bearing debt	625	395	-350	53
Financing by shareholders				
Issuing of shares	0	0	0	0
Repurchase/sale of own shares	-47	-6	-57	-1
Addition/disposal of minority interest	0	0	-8	0
Dividends paid	-30	-5	-326	-1
Cash flow from financing activities	548	384	-741	51
Net change in cash and cash equivalents	195	115	44	15
Cash and cash equivalents (beginning of period)	596	616	596	83
Foreign exchange adjustment of cash and cash equivalents	9	41	-24	6
Cash and cash equivalents (end of period)	800	772	616	104

Equity specification

Mill. DKK (unless otherwise stated)
All quarterly figures are unaudited.

	Share capital ¹⁾	Hedging reserve	Translation reserve	Reserve own shares	Other reserves	Reserves	Proposed dividend	Danfoss A/S' share of equity	Minoritet interest	Total equity
Balance at 1 January 2009	1.027	-93	-788	-47	9.503	8.575	205	9.807	2.060	11.867
Total recognised income and expense		21	-12		-1.261	-1.252		-1.252	-192	-1.444
Dividends to shareholders							-205	-205	-100	-305
Purchase of minority interest				1	-1	0		0		0
Shares issued/capital reduction					-5	-5		-5	-1	-6
Share based payments				-57		-57		-57		-57
Balance at 31 December 2009	1.027	-72	-800	-103	8.236	7.261	0	8.288	1.767	10.055
Total recognised income and expense		-90	155		310	375		375	111	486
Dividends to shareholders								0	-5	-5
Shares issued/capital reduction				-6		-6		-6		-6
Balance at 31 March 2010	1.027	-162	-645	-109	8.546	7.630	0	8.657	1.873	10.530

¹⁾ Distribution of shares:
A shares: DKK 425 Mill.
B shares: DKK 601.9 Mill.

Geographical segments

DKK Mill. (unless otherwise stated)
All quarterly figures are unaudited.

Group	EU	Rest of Europe	Asia	North America	Africa	Pacific	Latin America	Middle East	Total
Net sales Q1 2009 YTD	3.271	552	762	1.438	68	97	243	79	6.510
Net sales Q1 2010 YTD	3.389	611	1.039	1.459	80	116	306	118	7.118

Net sales are based on customer location.

Financial highlights

Mill. DKK (unless otherwise stated)	Q1 2009	Q2 2009	Q3 2009	Q4 2009	Q4 2009 YTD	Q1 2010
Profit and loss accounts:						
Net sales ¹⁾	6.510	6.110	6.516	6.644	25.653	7.118
EBITDA	62	-324	784	536	1.058	873
Operating profit excl. other income and expenses	-379	-281	296	94	-270	395
Operating profit (EBIT)	-447	-803	194	-934	-1.990	384
Income from associates and joint ventures	-7	-18	-5	-7	-37	6
Financial income/expenses	-108	-75	-61	565	322	-59
Profit before tax (EBT)	-562	-895	129	-376	-1.705	331
Net profit	-398	-634	111	-482	-1.402	255
Real growth in %	-16%	-23%	-11%	3%	-12%	11%
Balance sheet:						
Total non-current assets	21.638	21.028	20.425	19.289	19.289	19.562
Assets	33.224	31.736	30.853	28.642	28.642	30.539
Total shareholders' equity	11.495	10.529	10.536	10.055	10.055	10.530
Net interest-bearing debt	10.436	10.201	9.218	9.301	9.301	9.724
Net assets	21.598	20.327	19.333	18.995	18.995	19.871
Capital expenditure	307	212	193	296	1.009	266
Cash flow statement:						
Cash flow from operating activities	-54	462	1.492	2.721	2.721	-39
Cash flow from investing activities hereof net investments of intangible/tangible assets	-299	-589	-785	-1.936	-1.936	-230
hereof net investments in companies	-273	-476	-644	-937	-937	-128
Free Cash flow	0	0	0	-894	-894	-92
Free cash flow before M&A	-353	-126	708	785	785	-269
Cash flow from financing activities	-333	-76	774	1.727	1.727	-163
Key figures:						
Number of employees (end of period)	29.004	27.152	26.098	25.740	25.740	25.443
EBIT margin excl. other operating income etc.	-5,9%	-4,6%	4,6%	1,4%	-1,1%	5,5%
EBIT margin	-6,9%	-13,2%	3,0%	-14,1%	-7,8%	5,4%
EBITDA margin	1,0%	-5,3%	12,1%	8,1%	4,1%	12,3%
RONA	-2,1%	-3,8%	1,0%	-4,9%	-9,9%	2,0%
Return on equity	-4,2%	-7,0%	2,9%	-2,9%	-13,0%	1,7%
Equity ratio	34,6%	33,2%	34,1%	35,1%	35,1%	34,5%
Leverage ratio	90,8%	96,9%	87,5%	92,5%	92,5%	92,3%
Geographical segments:						
Total net sales						
EU	3.271	2.967	3.152	3.295	12.558	3.389
Rest of Europe	552	570	731	709	2.563	611
Asia	762	912	1.006	1.014	3.694	1.039
North America	1.438	1.167	1.031	923	4.558	1.459
Africa	68	77	101	117	363	80
Pacific	97	93	119	146	455	116
Latin America	243	226	248	305	1.022	306
Middle East	79	98	128	135	440	118
Total	6.510	6.110	6.516	6.644	25.653	7.118
Nuber employees						
Europe excl. Denmark	12.336	11.788	11.482	11.437	11.437	10.939
North America incl. Mexico	4.392	3.787	3.578	3.494	3.494	3.505
Latin America	458	376	371	378	378	389
Asia-Pacific	3.659	3.694	3.858	3.853	3.853	4.246
Other regions	69	65	61	63	63	64
Denmark	8.090	7.442	6.748	6.515	6.515	6.300
Total	29.004	27.152	26.098	25.740	25.740	25.443

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Currencies used:

The accounts were prepared in Danish Kroner. The profit and loss account figures were translated into Danish Kroner at the average rate of the reporting period. The balance sheet figures were translated at the ending rates of the reporting period.

Currency	Q1 2009 Ending rates	Q1 2010 Ending rates	2009 Ending rates	Q1 2009 Average rates	Q1 2010 Average rates	2009 Average rates
EUR	7,45	7,44	7,44	7,45	7,44	7,45
GBP	8,00	8,37	8,23	8,20	8,39	8,36
USD	5,60	5,52	5,19	5,72	5,38	5,35

Accounting principles:

Since 2002, Danfoss has prepared the accounts according to IFRS (International Financial Reporting Standards). The accounting principles have been applied in this quarterly report and in the Annual Report 2009. For a detailed review of the principles, please refer to the 2009 Annual Report. This quarterly report was not prepared according to the principles included in IAS no. 34 regarding quarterly reports.