

DATACOLOR AG

ANNUAL REPORT

2009

Analogues translation of the original German version of "Geschäftsbericht 2009". In case of differences of interpretation arising in comparison to the German version, the wording of the original German version is valid.

DATACOLOR AG

ANNUAL REPORT 2009

Financial year from October 1, 2008, through September 30, 2009

Board of Directors Datacolor AG	
Report of the Board of Directors	3
Datacolor Share Information	4
Key Figures Group	5
Corporate Governance	
Group Structure	6
Management Structure	7
Information for investors	12
Commentary to the Business Year 2008/2009	14
Financial Reporting	
Datacolor Group	17
Datacolor AG	42
Addresses	48

Report of the Board of Directors

With the sale of Eichhof Beverage and Eichhof Immobilien AG, in fiscal 2008/09 the Eichhof Group focused systematically on the continuing operations of the globally active color management company Datacolor. Eichhof Holding AG was renamed Datacolor AG at the 2009 General Meeting.

The measures introduced by the Board of Directors to streamline and reorganize Datacolor to meet the standards required of a company listed on the Swiss Exchange have largely been completed. The holding company's management was integrated into the Datacolor organization. The management team surrounding CEO Albert Busch, who was appointed on January 1, 2009, has been considerably rejuvenated and enhanced by new industry-savvy members. The company's resources have been bundled and development efficiency significantly increased. Datacolor concentrated manufacturing on the new operations and production site in the Suzhou Industrial Park (China) and reduced headcount substantially. The measures introduced by the Board of Directors have been consistently implemented, appreciably strengthening Datacolor's earning power already in the second half of the year under review.

Under the impact of the economic crisis, in fiscal 2008/09 Datacolor posted a decline in net sales to CHF 51.2 million in line with market development for color management solutions. Thanks to the substantial sum of CHF 5.5 million that the sale of the Eichhof real estate portfolio contributed to earnings, consolidated net profit came to CHF 2.6 million.

Datacolor has a strong, debt-free balance sheet, an attractive product range geared to the needs of its customers and a well-filled development pipeline with highly innovative color measurement technologies, ensuring a steady flow of new product launches in the coming year. Datacolor is therefore well prepared for the expected economic recovery and over the medium term will be able – with the aid of targeted acquisitions – to achieve the Board of Directors' ambitious sales and return targets.

Thanks to Datacolor's sustainable growth potential and the initial positive market trends seen towards the end of the fiscal year, the Board of Directors of Datacolor AG has decided to propose to the AGM a dividend of CHF 3 per registered share for fiscal 2008/09.

I would like to thank the Board of Directors and all staff for their support during the successful reorganization of Datacolor and for their great commitment in what has been an extremely challenging fiscal 2008/09.



Werner Dubach
Chairman of the Board of Directors

DATACOLOR SHARE INFORMATION

Stock exchange information

Expected dividend date 2010 (Subject to approval by AGM)	16.01.2010
Listing	SIX Swiss Exchange (Zurich)
Security ID	853 104
ISIN	CH0008531045
Reuters	DCN.S
Bloomberg	DCN
Investdata	DCN

Capital structure	30.09.2009	30.09.2008
Share capital in CHF	168 044	168 044
Conditional share capital in CHF	4 580	4 580
Number of registered shares	168 044	168 044
Nominal value per share in CHF	1	1
Registration restrictions	none	none
Voting restrictions	none	none
Opting out/opting up	none	none

Major shareholders (in %)	30.09.2009	30.09.2008
Dubach family	33,2	33,2
Keller family	10,5	8,8

Shareholders by category (in %)	30.09.2009	30.09.2008
Major shareholders	43,7	42,0
Private investors	71,9	70,9
Corporate investors	28,1	29,1
Non-registered shareholders	9,7	10,6

Share distribution	30.09.2009	30.09.2008
Number of registered shares	No. of shareholders	No. of shareholders
1-100	1 845	2 047
101-1 000	72	84
1001-5 000	8	7
5 001-10 000	1	1
>10 000	3*	3*
Total	1 929	2 142

*including own shares of Datacolor AG

Share price data in CHF	2008/2009		2007/2008	
First trading day	410.00	(01.10.2008)	2 080.00	(01.10.2007)
Ex Eichhof Beverage (1 657.30)		n/a	302.70	(28.08.2008)
Low	181.00	(22.04.2009)	288.80	(04.07.2008)
High	410.00	(01.10.2008)	475.00	(02.09.2008)
Last trading day	320.00	(30.09.2009)	412.00	(30.09.2008)
Average	261.30		327.01	
Market capitalization in million as of 30.09.	53,8		69,2	

KEY FIGURES GROUP

in CHF million	2009	2008 Restated
Net sales	51,2	72,2
Change relative to previous year in %	-29,2%	n/a
EBIT	-2,0	2,7
Change relative to previous year in %	-175,1%	n/a
as a % of net sales	-4,0%	3,8%
Result (continued operations)	-2,9	-1,7
Change relative to previous year in %	-73,8%	n/a
as a % of net sales	-5,7%	-2,3%
as a % of average shareholders' equity	-10,9%	n/a
Cash flow from operating activities (continued operations)	10,1	8,8
Change relative to previous year in %	14,5%	n/a
as a % of net sales	19,7%	12,2%
Cash flow from investing activities (continued operations)	-0,3	-5,6
Change relative to previous year in %	-92,8%	n/a
as a % of cash flow from operating activities	3,0%	63,8%
Free Cash Flow	9,7	3,2
Change relative to previous year in %	205,2%	n/a
as a % of net sales	19,0%	4,4%
Average number of employees	254	326
Personnel expenses	21,4	29,1
Total assets	41,6	173,4
Shareholders' equity	24,8	28,7
as a % of assets	59,6%	16,6%
Net liquidity/Net debt	11,9	-73,8
Per share data (continued operations)¹⁾		
Average number of shares	156 575	156 438
Earnings per share in CHF (non diluted)	-18.55	-10.68
Free Cash Flow in CHF	62.14	20.38
Shareholders' equity in CHF	158.58	183.51
Dividend in CHF	3.00 ²⁾	30.00
Share price data as per 30.09 in CHF	320	412
Yield in % ³⁾	0,9%	7,3%

¹⁾ Calculated by the weighted average number of shares outstanding (issued shares less own shares).

²⁾ According to the proposal of the Board of Directors on November 12, 2009.

³⁾ Distribution in percentage of the share price as per September 30, 2009.

GROUP STRUCTURE

Functions and duties of Datacolor AG

Datacolor AG's role, following the disposal of Eichhof Real Estate AG in December 2008, is that of a "pure play" on the color measurement market. It manages its business by means of objectives, is involved in the planning process and monitors compliance with the budget. Once the three-year plan and the budget have been approved by the Board of Directors, the Executive Committee acts on its own authority within the limits of the budget and the rules of competence. It is responsible for consolidation, financing, controlling, asset management and investor relations.

Datacolor AG is a Swiss public limited company with its head office in Lucerne.

Refer to page 40 for a summary of shareholdings; details about the market capitalization are given on page 4.

Strategy

Datacolor provides worldwide products and services for industrial as well as professional and hobby applications for color measurement, management, communication and calibration. Datacolor's largely debt-free balance sheet structure will put it in a position to achieve its long-term growth targets through an aggressive acquisitions policy, allied with organic growth.

It aims to achieve dynamic growth by providing innovative hardware and software products, increasing market penetration, expansion of service and support developing new markets, alliances and acquisitions. Its range comprises products and systems solutions that are competitive in terms of quality and performance, tailored to customer requirements and able to offer a large potential for generating added value. The provision of services for hardware and software products constitutes a core activity.

It aims for market leadership in defined customer segments as well as geographical markets.

Its corporate performance is achieved by a flexible, lean and customer-oriented organization.

The production depth is restricted to what is strategically necessary.

In addition to maintain a stable shareholder base to pursue long-term goals, Datacolor also aims to have Datacolor shares held by a broad public.

MANAGEMENT STRUCTURE

Board of Directors

Werner Dubach, 1943, CH
Chairman, Member of the Board since 1981, elected until AGM 2010
Dipl. Ing. Chem. ETH Zurich, MBA from the Wharton School of the University of Pennsylvania

Until January 2009, CEO and Chairman of Eichhof Holding AG
Until 1981, Director of the Eichhof Group's Beverages division
1975 –1979 Technical Director of the Eichhof Brewery
1971–1975 Management Assistant

Conzzeta AG, Zurich, Member of the Board

Peter Beglinger, 1945, CH
Board member since 1992, elected until AGM 2011
Dr. iur. University of Zurich

Until 2007 law office in Zurich, Counsel
From 1979 to 2006 own law office in Zurich
1976–1978 legal adviser to the executive management of Jacobs AG
1974–1976 law office Wenger & Vieli, Zurich
1974 admitted to the bar

Altin AG, Baar, Chairman of the Board

Hans Peter Wehrli, 1952, CH
Board member since 2001, elected until AGM 2012
Dr. oec. publ. University of Zurich
Prof., Faculty of Business Administration, University of Zurich

Belimo Holding AG, Wetzikon, Chairman of the Board

Swiss Prime Site AG, Olten, Chairman of the Board

Fritz Gantert, 1958, CH
Board member since 2004, elected until AGM 2010
Dr. sc. techn., Dipl. Masch.Ing. ETH Zurich

Since 2007 General Manager Security Solutions Division Ascom Holding AG
2001-2006 CEO of Schaffner Group
1998–2001 Sarna Kunststoff Holding AG,
1988-1998 Ascom



Fritz Gantert, Peter Beglinger, Werner Dubach, Hans Peter Wehrli

Elections and term of office

Members of the Board of Directors are elected by the Annual General Meeting of Shareholders for an individual term of office of three years. Newly elected members complete the terms of their predecessors. There are no limitations on terms of office.

Internal organization

The Board of Directors is self-constituting. It appoints committee members and the secretariat.

Duties

The Board of Directors is the supreme executive body of the holding company. It adopts resolutions which determine the company's fundamental direction and oversees the work of senior management.

Committees

The Board of Directors has established committees to support its work. The primary role of these committees is to prepare certain issues and oversee the implementation of Board resolutions. Furthermore, the Board of Directors may delegate the final handling of certain issues to the committees, provided that delegation of such tasks is not prohibited by law. The Board of Directors has established two committees: the Finance Committee and the Human Resources and Compensation Committee, as well as the steering committee used as a supervisory and control instrument, (see page 13).

- The Finance Committee prepares the financial plan, the budgets and the statements for submission to the Board of Directors. Among other things, it issues instructions and monitors the appropriation of liquidity and the execution of asset management operations.
- The Human Resources and Compensation Committee drafts proposals for the remuneration of the Board of Directors. It also submits proposals to the Board for appointments to the position of CEO and CFO. The Committee sets the fixed and variable components of remuneration for the top levels of management, taking account of the situation on the labour market, performance and achievement of the targets that have been set. If the Committee deliberates on the remuneration of a member of the Human Resources and Compensation Committee, this member shall abstain from the proceedings..

Finance Committee: Werner Dubach, Albert Busch, Stefan Dobler

Human Resources and Compensation Committee: Dr. Peter Beglinger

Operating principle of the Board of Directors and its Committees

The Board of Directors meets as often as business requires, but at least four times a year. Committee meetings are held in addition to Board meetings. Board meetings usually last for between half a day and a day.

In 2009, the following number of meetings were held:

- | | |
|--|----|
| - Board of Directors | 8 |
| - Finance Committee | 10 |
| - Human Resources and Compensation Committee | 6 |

Areas of responsibility

Board of Directors

The Board of Directors represents the company externally and manages all company activities unless responsibility for these has been transferred to another company body in accordance with the law, the Articles of Association or regulations.

In particular, the Board of Directors has the following non-transferable and inderogable duties:

- a) acting as the company's most senior management body and issuing the necessary directives;
- b) establishing the organizational framework;
- c) designing accounting, financial controls and financial planning;
- d) appointing and dismissing persons entrusted with senior management roles;
- e) ultimate oversight of persons entrusted with senior management roles, specifically with regard to compliance with the law, the Articles of Association, regulations and directives;
- f) producing the annual report, preparing for the Annual General Meeting, executing the resolutions passed by the AGM;
- g) informing the judge in the event of excessive indebtedness.

Unless the law, the Articles of Association or the directives issued by the Board of Directors provide otherwise, the Board of Directors delegates the operational management of the company to the CEO, together with the authority to delegate this task. The company's Organization Regulations govern the division of responsibility between the Board of Directors and the Executive Committee.

Executive Committee

Executive Committee members are appointed by the Board of Directors, the Human Resources and Compensation Committee and the CEO.

Information and control instruments vis-à-vis the Executive Committee

The Executive Committee informs the Board of Directors about the current status of the business, the balance sheet and the income statement on a monthly basis. The following also contribute to the regular decision-making process:

- External auditor KPMG AG, Root/Lucerne (auditor for Datacolor AG), which conducts its audit in accordance with Swiss law and Swiss auditing standards
- Internal Audit and Risk Management, which monitor the internal control system and the risks and also the measures to improve the controls or reduce the risks.

Executive Committee

Albert Busch, 1967, NL
CEO
BS/MS in Electrical Engineering
MS in Industrial Management
Joined Datacolor in February 2008,
since January 2009 CEO
1991-2008, management roles at
NV Bekaert SA

Gary Brennan, 1962, USA
Human Resources
BS in Business Administration
Since 2001 at Datacolor
2000-2001 Director HR Global
Metro Networks
1996-2000 Manager HR Teleglobe
Communications Inc.

Brian Levey, 1957, USA
Business Unit Industrial
BS in Chemistry
Since 1996 management roles,
Datacolor
1984-1996 management roles,
Beckmann Instruments

Doris Brown, 1958, USA
Global Marketing
BS in Technology
Joined Datacolor in May 2008
2001-2008 Global Marketing
Pantone Inc.
1999-2001 CEO Indocs Online
1991-1999 Senior Manager Agfa
Graphics Bayer Corporation

Christoph Gamper, 1970, IT
Business Unit Consumer
MCI Innsbruck, Austria
Since 2002 management roles
Datacolor
2000 - 2002 management roles
Koch Media AG
1997 - 2000 management roles
kdg mediatech ag

Rico Sauerborn, 1970, DE/IT
Global Operations
Business Administration & Engi-
neering (Dipl. Wirtschafts-Inge-
nieur)
Joined Datacolor in January 2009
2005 - 2008 Rieter Textile Instru-
ments (Changzhou) Co., Ltd.,
China
2003 - 2005 Spindelfabrik Suessen
GmbH, Germany (Rieter Group)
1998 - 2003 ebm Werke GmbH &
Co. KG, Germany

Stefan Dobler, 1972, CH
CFO
Certified accountant
Since December 2008 to Novem-
ber 2009 CFO
Since May 2008, interim Group
CFO
2006 - 2008, Head of Group Con-
trolling and Internal Audit
1999 - 2006 PricewaterhouseCoop-
ers, Zurich



Brian Levey, Christoph Gamper, Doris Brown, Rico Sauerborn, Gary Brennan, Stefan Dobler, Albert Busch

Executive Committee

Other activities and functions

The Executive Committee members have no permanent management and consulting functions for significant interest groups and hold neither administrative nor political offices.

Management contracts

There are no management contracts.

Compensation, shareholdings and loans

Content and method of determining the compensation and the shareholding programs

The Board of Directors sets the compensation of the Board members based on the suggestion of the Human Resources and Compensation Committee. The Human Resources and Compensation Committee also sets the compensation paid to the Executive Committee members.

The principles governing the compensation and shareholdings of members of the Board of Directors and the Executive Committee are as follows:

Compensation for acting members of governing bodies

Board of Directors

The non-executive members of the Board of Directors receive a fixed fee plus a variable bonus depending on the company's performance. Board members may receive a portion of the compensation set by the Board in the form of options on registered shares of Datacolor AG.

The compensation paid to members of the Board of Directors is shown in Note 22, on page 36.

Executive Committee

Executive Committee members receive a variable bonus in addition to their fixed salaries. The amount of the variable bonus depends on attainment of company objectives and personal performance targets. The amount of cash bonus payments and options for Executive Committee members is determined by the Human Resources and Compensation Committee. The compensation paid to the members of the Executive Committee is shown in Note 22, on page 36.

Share allotment in the year under review

No shares were allotted during the year under review.

Shareholdings and options

The holdings of shares and options as at September 30, 2009, are shown in Note 22, on page 36. The purpose of the option plan is to promote investment by Executive Committee members in Datacolor AG in order to achieve greater identification with company goals and to align the interests of management with those of shareholders. The share options are locked for three years and entitle the holder to purchase registered shares at a ratio of 1:1. Refer Financial Report, page 34, note 20 for details.

Loans granted to governing bodies

There are no outstanding loans granted to members of the governing bodies.

Compensation for former members of governing bodies

No compensation was paid to former members of governing bodies.

Additional fees and remunerations

No additional fees and remunerations are paid to members of the Board of Directors, Executive Committee members or related parties in an amount equal to or greater than the regular compensation for the given member.

INFORMATION FOR INVESTORS

Share capital

The share capital amounts to CHF 168 044 consisting of 168 044 registered shares with a nominal value of CHF 1 each. The registered shares entitle the holder to one vote at the General Meeting, provided that the shareholder is entered with voting rights in Datacolor AG's share register.

Authorized and conditional capital

There is no authorized capital.

The share capital was increased at the 2003 Annual General Meeting by a maximum amount of CHF 8 800 by issuing 8 800 registered shares with a nominal value of CHF 1 each. This conditional capital increase was implemented to enable the exercise of option rights by the members of the Board of Directors and the Executive Committee. As of September 30, 2009, the conditional capital amounts to CHF 4 580.

Changes in capital

Capital changes caused by exercised options are shown in note 20 on page 34 and statement of changes in equity on page 21.

Jouissance shares ("Genussscheine") and participation certificates

There are no jouissance shares or participation certificates.

Limitations on transferability and nominee registrations

There are no limitations with regard to transferability and nominee registrations.

Convertible bonds and options

Datacolor AG has no outstanding convertible bonds. Regarding options, refer to "Compensation" above and note 20 on page 34 of the Financial Report.

Share listing

Datacolor AG's shares are listed on SIX Swiss Exchange Zurich under security number 853 104. See Information about Datacolor Share on page 4 for an overview of the stock market listing and details of the market capitalization.

Legal status of shareholders

Shareholders in Swiss public limited companies are granted extensive statutory participation and protection rights. The shareholding provisions of these participation rights are further supplemented by the company Articles of Association. These ensure that, pursuant to the Code of Obligations, the Annual General Meeting of Shareholders is convened by placing a one-time announcement in the Swiss Commercial Gazette (Schweizerisches Handelsamtsblatt) and by sending a written invitation to the registered shareholders; that an item may be added to the agenda of the Annual General Meeting of Shareholders no later than 40 days before the date of the meeting; and that every shareholder may, besides the independent proxy provided for by law, allow his or her shares to be represented at the Annual General Meeting by a shareholder with a written proxy form.

Voting rights limitations

Every shareholder entered with voting rights in the share register is entitled to vote. No new entries in the share register are made during the 20 days before the Annual General Meeting of Shareholders. There are no limitations on voting rights.

Entry in the share register

Entry of purchasers in Datacolor AG's share register is not subject to any conditions.

Cross-shareholdings

There are no cross-shareholdings.

Shareholdings in companies

There are no shareholdings in listed companies. Percentage shareholdings in unlisted companies are given on page 40.

Significant shareholders

Refer to Datacolor share information on page 4.

Duty to make an offer

The company's Articles contain no provisions regarding a duty to make an offer.

Clauses on changes of control

There are no clauses on changes of control.

Auditors

Duration of the engagement and term of office of the lead auditor

Datacolor AG has appointed KPMG AG, Root/Lucerne as auditor. In each case, the mandate is granted by Datacolor AG's Annual General Meeting of Shareholders for a period of one year. The mandate was first given to KPMG in 1992. Thomas Studhalter has been auditor in charge since financial year 2007/08.

Auditing fee

KPMG received an audit fee of TCHF 345 for the 2008/09 reporting year.

Additional fees

In addition to the audit fee, KPMG provided other services for TCHF 164.

Supervisory and control instruments vis-à-vis the auditors

The Board of Directors holds at least two meetings a year with the auditor in charge of the mandate. The matters dealt with at these meetings include the planning and conduct of audits, the focus points of the audits and the findings thereof, the main points arising from management letters, the reports on special audits and the reports of the auditor and the group auditor. The Board of Directors has appointed a Steering Committee to manage the audits and to monitor implementation of the auditors' proposals. This committee is made up of the Chairman of the Board, the CEO and the CFO of Datacolor AG and the auditor in charge of the mandate and meets regularly while audit work is being carried out.

Information policy

Publications

Datacolor AG publishes a semi-annual report and an annual report in accordance with Swiss GAAP FER. Additionally, shareholders and the capital market are kept informed of current changes and developments through press releases. As a company listed on SIX Swiss Exchange, Datacolor AG is cognizant of its duty to disclose events relevant to its share price (ad hoc disclosure of price-sensitive information). The website www.datacolor.com is available for further information on Datacolor Group.

Key dates

Shareholders' meeting:	January 14, 2010
Semi-annual report:	May 4, 2010
Press release:	November 5, 2010
Press conference:	November 30, 2010
Shareholders' meeting:	January 13, 2011

DATACOLOR IN FISCAL 2008/09

Positive operating result before one-off restructuring costs

In fiscal 2008/09, Datacolor's sales declined by 29.2 percent (CHF 28.9 percent in local currencies) in line with the international color management industry as a whole. On its continuing operations Datacolor posted net sales of CHF 51.2 million, an EBITDA of CHF 1.7 million, as well as an EBIT of CHF 0.3 million – corresponding to an EBITDA margin of 3.3 percent and an EBIT margin of 0.5%. After deduction of the extraordinary charge of CHF 2.3 million for the reorganization of Datacolor, EBIT came to CHF -2.0 million. Thanks to the substantial sum of CHF 5.5 million that the sale of the Eichhof real estate portfolio contributed to profits, consolidated net profit for fiscal 2008/09 came to CHF 2.6 million.

With the sale of Eichhof Beverage and the real estate portfolio, the Eichhof Group focused on the continuing operations of the globally active color management company Datacolor. The measures introduced by the Board of Directors to streamline and realign Datacolor's organizational and staffing structures to meet the standards required of a company listed on SIX Swiss Exchange are proving a success. As part of the process of reorganization, the average headcount has been reduced by 72 to 254 full-time equivalents. Thanks to the measures systematically implemented in all areas, Datacolor succeeded in significantly increasing its operating margins already in the second half of the year. Adjusted for extraordinary costs, the EBITDA margin came to 8.7% and the EBIT margin 5.9% in the second half of the fiscal year.

Datacolor is debt-free, has a substantial net cash position of CHF 11.9 million at the balance sheet date and a high equity ratio of around 60%. In view of the company's very good financial situation, the positive sustainable direction that earning power is taking and the initial encouraging market trends seen towards the end of fiscal 2008/09, the Board of Directors proposes to the AGM that a dividend of CHF 3 per registered share be paid.

After a difficult start, trend turned positive in second half

Datacolor's Industrial Business Unit reported a 31.7% decline in sales of instruments and software packages to CHF 39.5 million in fiscal 2008/09 as customers' investment programs were abruptly halted in response to the onset of the economic crisis in fall 2008. By contrast, the Service and Support arm increased the previous year's solid sales figure by 2.6% to CHF 13.1 million. With this range of offerings, the Industrial Business Unit helps customers keep their Datacolor instruments and software packages up-to-date with the latest developments over the long term.

The Consumer Business Unit, comprising the innovative Datacolor Spyder products for color calibration of cameras, monitors, printers and projectors, posted an 18.8% decrease in sales to CHF 11.7 million, mainly because of cautious ordering and inventory reductions on the part of major retail chains specializing in photographic products and electronics.

Having slumped considerably at the beginning of the fiscal year, sales stabilized during the course of the year and signs of a recovery in demand began to emerge in the second half. This positive trend was witnessed in all business units. Despite a slight decline in share to 43% (previous year 46%), Region Europe once again made the largest contribution to Datacolor's sales during the year under review. The USA increased its share to 29% (28%) and Asia/Pacific to 28% (26%).

Substantial investment in long-term corporate development

During the challenging financial year 2008/09, Datacolor made countercyclical investments in the development of new products and software solutions, as well as in innovative sensor technology and the expansion of its service and support offering. Six new products were launched during the year under review. The Industrial Business Unit's product range was expanded to include a completely new release of the software package for color management in the supply chains of customers in the paint, plastics and cosmetics industries. The next generation of the user-friendly spectrophotometer DatacolorCheck II, an innovative spectrophotometer for mobile use, was also unveiled.

A number of attractive, easy-to-use instruments and software solutions was added to the Consumer Business Unit's successful Datacolor Spyder product family with the launch of the SpyderCube for keen amateur and professional photographers, the Spyder 3 Express for simple color calibration of monitors and the Spyder 3 - Studio SR, a solution for precise color matching of cameras, monitors and printers.

The relocation of manufacturing to Datacolor's efficient operations and production site in the Suzhou Industrial Park in China was largely completed during the year under review. Only the development and production of

the strategically important color sensors remains based at Datacolor's operational headquarters in Lawrenceville, USA. Manufacturing the instruments centrally in China brought about a decisive reduction in production costs.

Gratifying consolidated net profit

The consolidated net profit of CHF 2.6 million for 2008/09 consisted mainly of the contribution to profits of CHF 5.5 million from the sale of the real estate portfolio, less extraordinary costs of CHF 2.3 million for the reorganization of Datacolor. The financial result of CHF -0.7 million was impacted by foreign currency positions and the valuation of securities on the balance sheet date. At CHF 0.2 million, the tax burden was low in line with revenue trends.

At the end of the year under review, total assets amounted to CHF 41.6 million. At CHF 14.0 million, cash and cash equivalents, together with financial assets, accounted for a high 33.7 percent of total assets. Even after the repayment of all financial borrowings, Datacolor had a very good net cash position of CHF 11.9 million. Shareholders' equity stood at CHF 24.8 million and the high equity ratio corresponded to around 60 percent of the balance sheet total.

New Swiss GAAP FER accounting standard

As part of the simplification of workflows and processes, the Board of Directors decided to switch from the highly labor-intensive IFRS (International Financial Reporting Standards) accounting standard to Swiss GAAP FER, which is appropriate for a company of Datacolor's size. In the course of the changeover with retroactive effect to October 1, 2007, goodwill and intangible assets from acquisitions amounting to CHF 10.3 million were offset against shareholders' equity and pension obligations in the amount of CHF 0.8 million, and deferred taxes amounting to CHF 0.2 million were dissolved. The change of accounting standard necessitated a move to a different segment on the Swiss Exchange. Since September 15, 2009, the registered shares of Datacolor AG have been traded according to the Domestic Standard of SIX Swiss Exchange. Detailed information on the impact of the change of accounting standard can be found in the financial report on page 21.

Datacolor AG (Holding)

In fiscal 2008/09, Datacolor AG (holding company for Datacolor investments in subsidiaries) posted a profit of CHF 21.4 million on the sale of Eichhof Immobilien AG. Net profit at the level of the separate statutory financial statements amounted to CHF 19.4 million. As a result of the contribution that the sale of Eichhof Immobilien AG made to profit, the shareholders' equity of Datacolor AG increased significantly to CHF 28.1 million (previous year: CHF 13.4 million).

Ready for the upturn

With a rejuvenated, industry-savvy management team, a strong, debt-free balance sheet, a successful product range and an attractive development pipeline featuring innovative technological solutions ensuring a steady flow of new product launches, Datacolor is well prepared for a global economic recovery. By concentrating on fast-growing market segments and with the benefit of its very good financial position, Datacolor will – over the medium term and in conjunction with targeted acquisitions – be able to achieve its ambitious targets for growth and returns.

FINANCIAL REPORT

Financial year from October 1, 2008, through September 30, 2009

Datacolor Group

Consolidated Income Statement	18
Consolidated Balance Sheet	19
Consolidated Cash Flow Statement	20
Consolidated Statement of Changes in Equity	21
Notes to the Consolidated Financial Statements	22
Notes	26
Report of the Statutory Auditors on the Consolidated Financial Statements	41

Datacolor AG

Income Statement	42
Balance Sheet	42
Statement of Changes in Equity	43
Notes	44
Proposed Appropriation of the Available Earnings	46
Report of the Statutory Auditors on the Financial Statements	47

CONSOLIDATED INCOME STATEMENT

in TCHF		2008/2009	2007/2008 Restated ¹⁾
Gross sales		51 491	73 026
Sales deductions		-315	-781
Net sales		51 176 100,0%	72 245 100,0%
Cost of goods sold		-22 182	-25 879
Gross profit		28 994 56,7%	46 366 64,2%
Sales and marketing expenses		-15 337	-23 734
Administrative expenses		-8 601	-12 333
Research and development expenses		-4 866	-6 753
Other operating income		84	0
Special charges	4	-2 321	-821
EBIT		-2 047 -4,0%	2 725 3,8%
Financial income	6	2 108	3 790
Financial expenses	6	-2 806	-6 507
Profit before income taxes		-2 745 -5,4%	8 0,0%
Income taxes	7	-160	-1 679
Result from continuing operations		-2 905 -5,7%	-1 671 -2,3%
Profit from discontinued operations	27	5 492	189 552
Profit for the year		2 587	187 881
		CHF	CHF
Earnings per share			
non-diluted	21	16.52	1 200.99
diluted		16.22	1 200.99
Earnings per share (continuing operations)			
non-diluted	21	-18.55	-10.68
diluted		-18.21	-10.68

¹⁾ Prior year financial information has been restated in the context of the change of the accounting standards from IFRS to Swiss GAAP FER. Further information to this fact have been disclosed in the consolidated statement of changes in equity and in note 1 general policies for consolidated accounting.

CONSOLIDATED BALANCE SHEET

in TCHF		30.09.2009	30.09.2008 Restated ¹⁾
Assets			
Cash and cash equivalents	8	12 882	15 551
Financial assets	15	1 119	1 307
Trade receivables	9	6 643	9 754
Other receivables	10	2 464	22 079
Inventories	11	5 190	8 817
Tax credits		209	48
Prepaid expenses		88	67
Assets classified as held for sale		0	100 899
Current assets		28 595 68,8%	158 522 91,4%
Property, plant and equipment	12	8 750	10 042
Intangible assets	13	3 405	3 776
Financial assets	15	140	160
Deferred tax assets	7	678	873
Non-current assets		12 973 31,2%	14 851 8,6%
Assets		41 568 100,0%	173 373 100,0%
Liabilities and shareholders' equity			
Financial liabilities	16	946	109 004
Trade payables		1 766	2 313
Current tax liabilities	7	1 660	2 291
Other liabilities	17	1 487	2 095
Accrued liabilities		9 536	22 817
Liabilities classified as held for sale		0	5 420
Current liabilities		15 395 37,1%	143 940 83,0%
Other liabilities	17	405	357
Non-current provisions	18	770	202
Deferred tax liabilities		168	166
Non-current liabilities		1 343 3,2%	725 0,4%
Liabilities		16 738 40,3%	144 665 83,4%
Share capital		168	168
Own shares		-11	-11
Capital reserves		10 051	10 051
Retained earnings		14 622	18 500
Shareholders' equity		24 830 59,7%	28 708 16,6%
Liabilities and shareholders' equity		41 568 100,0%	173 373 100,0%

¹⁾ Prior year financial information has been restated in the context of the change of the accounting standards from IFRS to Swiss GAAP FER. Further information to this fact have been disclosed in the consolidated statement of changes in equity and in note 1 general policies for consolidated accounting.

CONSOLIDATED CASH FLOW STATEMENT

in TCHF		2008/2009	2007/2008 Restated ¹⁾
Profit before income taxes		2 747	192 333
Depreciation of property, plant and equipment	12	896	7 105
Depreciation of investment properties		0	1 801
Amortization of intangible assets	13	507	2 378
Non-cash sales deductions		-188	3 697
Gain on disposal of Eichhof real estate business	27	-5 492	0
Gain on disposal of Eichhof Beverage	27	0	-180 737
Gain on disposal of non-current assets	12	28	4
Changes in provisions	18	581	-379
Other non-cash positions		103	-1 421
Interest expense, net	6	8	1 705
Dividends and income from securities, net	6	192	1 303
Interest paid		-11	-4 590
Income taxes paid		-828	-5 682
Cash flow before working capital changes		-1 457	17 517
Changes in trade receivables	9	3 405	-37
Changes in other receivables	10	19 594	6 515
Changes in inventories	11	3 951	-5 089
Changes in trade payables		-656	-2 698
Changes in other liabilities	17	-14 772	16 266
Cash flow from operating activities		10 065	32 474
Investments in property, plant and equipment	12	-387	-15 942
Investments in investment properties		0	-44 465
Investments in intangible assets	13	-22	-1 344
Investments in financial assets		0	-5 317
Acquisitions	26	0	-3 059
Disposal of Eichhof real estate	27	100 971	0
Disposal of cash and cash equivalents, Eichhof Beverage	27	0	-3 058
Divestments of property, plant and equipment	12	64	97
Divestments of financial assets		0	6 119
Interest and dividends received		52	171
Cash flow from investing activities		100 678	-66 798
Proceeds from financial liabilities	16	0	34 132
Repayment of financial liabilities	16	-109 004	0
Sale of own shares		0	19 007
Exercise of management share options		0	-195
Dividends paid		-4 697	-14 090
Cash flow from financing activities		-113 701	38 854
Decrease/Increase in cash and cash equivalents		-2 958	4 530
Cash and cash equivalents at beginning of the year		15 551	11 601
Effect of foreign currency translation on cash and cash equivalents		289	-37
Cash and cash equivalents at end of the year		12 882	16 094
Cash and cash equivalents, discontinued operations		0	543
Cash and cash equivalents, continuing operations	8	12 882	15 551

¹⁾ Prior year financial information has been restated in the context of the change of the accounting standards from IFRS to Swiss GAAP FER. The restatement had not impact on the cash flows from operations, cash flows from investing activities and cash flows from financing activities. Further information to this fact have been disclosed in the consolidated statement of changes in equity and in note 1 general policies for consolidated accounting.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in TCHF	Share capital	Treasury shares ²⁾	Capital reserves ³⁾	Retained earnings	Accumulated translation differences	Hedge Accounting	Total retained earnings	Total shareholders' equity
Balance as of 1.10.2007 IFRS	168	-12	12 547	103 384	-2 672	53	100 765	113 468
Effect on adoption of Swiss GAAP FER:								
Offset intangible assets				-10 323			-10 323	-10 323
Release IAS 19 liability pension obligation				772			772	772
Release deferred tax assets				-178			-178	-178
Balance as of 1.10.2007 Swiss GAAP FER	168	-12	12 547	93 655	-2 672	53	91 036	103 739
Adjustment of financial instruments to fair value ⁵⁾						-37	-37	-37
Dividends ⁴⁾				-14 090			-14 090	-14 090
Distribution to shareholders ⁴⁾				-259 492			-259 492	-259 492
Sale of own shares				19 007			19 007	19 007
Management share option plan ⁶⁾			-1 852	-4 527			-4 527	-6 379
Elimination of tax income from management share option plan ⁶⁾			-644				0	-644
Exercise of management share options		1	0	576			576	577
Translation differences					-1 854		-1 854	-1 854
Profit for the year (Restated)				187 881			187 881	187 881
Balance as of 30.09.2008 Swiss GAAP FER	168¹⁾	-11	10 051	23 010	-4 526	16	18 500	28 708
Balance as of 1.10.2008 Swiss GAAP FER	168	-11	10 051	23 010	-4 526	16	18 500	28 708
Deferred profits transferred to income statement						-16	-16	-16
Dividends ⁴⁾				-4 697			-4 697	-4 697
Translation differences					-1 752		-1 752	-1 752
Profit for the year				2 587			2 587	2 587
Balance as of 30.09.2009 Swiss GAAP FER	168¹⁾	-11	10 051	20 900	-6 278	0	14 622	24 830

1) The share capital as of September 30, 2009 consists of 168 044 (previous year: 168 044) registered shares with a nominal value of CHF 1 each.

2) Nominal value: total value deducted from consolidated shareholders' equity for treasury share holdings of TCHF 3 757 (previous year: TCHF 3 757) at historical acquisition costs.

3) The capital reserves contain legal reserves that are subject to certain legal restrictions with regard to their distributions.

4) A dividend of CHF 30 (previous year: CHF 90) has been paid out in the reporting period. Further, shareholders received a cash payment of CHF 1 657.30 in the context of the carve out and subsequent disposal of the Eichhof Beverage business in prior year.

5) The adjustment of financial instruments to fair value concerns the valuation of an interest rate swap.

6) In the context of the disposal of the Eichhof Beverage business in financial year 2007/2008 management share options for the purchase of Eichhof registered shares have been repurchased and the existing share option programme was terminated.

Datacolor Group has effected the change of financial accounting standards from International Financial Reporting Standards (IFRS) to Swiss GAAP FER (FER) in the reporting period. With regard to comparison purposes with prior year published financial statements, financial information disclosed for financial year 2007/2008 has been restated for the continued business. Prior year information relating to discontinued business can not be reconciled.

With the retrospective introduction of FER, acquisitions undertaken in the past have been assessed in the light of the accounting principles of FER (refer to note 2). The retrospective adoption of these accounting principles showed, that the theoretical amortization period ended prior to October 1, 2007. Consequently, intangible assets (trademarks, licences, patents and goodwill) amounting to TCHF 10 323 have been directly offset with shareholders' equity as per October 1, 2007.

As a further consequence of the change of the financial accounting standards, the IAS 19 pension liability amounting to TCHF 594 net of deferred tax assets as per October 1, 2007 has been released directly into shareholders' equity. While the pension liability of Datacolor Group in Switzerland represents under IFRS a defined benefit plan for which a pension liability is recorded in the balance sheet, no such liability is accounted for under FER given the existing contractual agreements. Based on actual circumstances neither an economic benefit nor an economic liability exists. Therefore, the IAS 19 pension liability has been released directly into shareholders' equity.

The profit for financial year 2007/2008 initially amounting to TCHF 186 919 has been increased to TCHF 187 881 for adjusting the IFRS based amortization of intangible assets (TCHF 890) that have been offset with shareholders' equity under FER and for the change of the IAS 19 pension liability (TCHF 72 net of deferred tax income) initially recorded under the IFRS accounting regime.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General policies for consolidated accounting

General

Datacolor AG (previously Eichhof Holding AG) is a Swiss limited company, domiciled in Lucerne (Waldstätterstrasse 12). It is the parent company of the Datacolor Group, a worldwide leading provider of color measurement solutions. The Datacolor Group is active in Europe, North America and Asia. As per end of August 2008 Eichhof Beverages and as per December 2008 Eichhof Real Estate business was disposed off. Both business units are disclosed as discontinued activities in the financial statements.

Basis of preparation

The consolidated financial statements were prepared in accordance with Swiss GAAP FER (FER) and comply with Swiss law. The Board of Directors decided to adopt FER for the preparation of the consolidated financial statements in August 2009. In this context, prior year financial statements have been restated as per October 1, 2007. The effects of the restatement are disclosed in the consolidated statement of changes in equity on page 21.

The consolidated financial statements have been prepared in Swiss Francs (CHF) and were rounded on thousand units. The consolidated financial statements are prepared on a historical cost basis, except for financial current assets and derivative financial instruments which are recorded at market value.

The preparation of consolidated financial statements in accordance with FER requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. In case that such estimates and assumptions, which are based on management's best judgment at the date of the financial statements, deviate in the future from the actual circumstances, the original estimates and assumptions will be modified as appropriate for the year in which the circumstances change.

Scope of consolidation

General

The consolidated financial statements include the financial statements of Datacolor AG and its subsidiaries that are controlled by Datacolor AG. Control is presumed to exist when Datacolor AG owns, directly or indirectly through subsidiaries, more than one half of the voting power of an enterprise or otherwise exercises management control.

The closing date for the financial statements of Datacolor AG and all its subsidiaries is September 30, with the exception of Datacolor Technology (Suzhou) Co., Ltd. China, having year end closing as per December 31.

Changes in the scope of consolidation:

In the context of the disposal of the Eichhof Beverage Business all subsidiaries forming part of the Eichhof Beverage Business have been deconsolidated in previous year. Based on the sales agreement, the disposed Eichhof Immobilien AG (the Real Estate Business) was deconsolidated as per October 1, 2008. Refer to note 27 for further disclosure. The overview of subsidiaries is disclosed in note 29.

Principles of consolidation

The assets and liabilities included in the consolidated financial statements are measured according to uniform principles.

Intragroup balances, intragroup transactions and material unrealized profits resulting from intragroup transactions are eliminated in the course of consolidation. Acquired (disposed) subsidiaries are consolidated (deconsolidated) upon the date of change of control.

Foreign currency translation

The financial statements of foreign subsidiaries are prepared in their respective local currency (functional currency) and translated into Swiss francs (reporting currency) for consolidation purposes.

Assets and liabilities of subsidiaries denominated in foreign currency are translated at the exchange rate in effect at the balance sheet date. Transactions in foreign currency are translated at the actual exchange rate into the functional currency. Foreign currency differences deriving from the translation of equity and results of subsidiaries, are recorded directly in retained earnings.

In the financial statements of the local subsidiaries transactions in foreign currencies are recorded at the exchange rate in effect at the date of transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All resulting differences are recognized as exchange gains or losses in the income statement of the local subsidiary.

Segment reporting

Segment information is based on two segment formats: the primary format reflects the business segments whereas the secondary format presents the geographical segments. Segment reporting based on business segments represents the management structure of Datacolor Group.

2 Accounting principles

The following accounting principles state the material accounting principles for the continued activities.

Net sales and revenue recognition

Net sales include all invoiced sales and services to third parties. Sales are recognized in the income statement when the economic benefits associated with the transaction will flow to the company and the amount of economic benefits can be measured reliably.

Management share option plan

As part of the performance oriented, variable salary for certain members of senior Management and members of the Board of Directors, options for the purchase of Datacolor registered shares are granted.

The amount and strike price are determined by the Human Resources and Compensation Committee, whereby the option premium is fixed at CHF 125 or CHF 50 respectively depending on the place of residence of the beneficiary. The granted options carry the right to purchase one registered share of Datacolor AG per option. The options expire after ten years, have a blocking period of three years and can be sold back to Datacolor AG up to six years after the granting date at the option premium of CHF 125 or CHF 50 respectively. The strike price is determined in advance, respectively at the grant date, in accordance with the Black-Scholes-formula. The main parameters of the calculation are the following: a discount of 6% per blocking year on the share price, volatility (standard deviation), dividend yield, term of ten years and the risk free interest rate.

The vesting period equals the year of service (financial year). The number of the granted options depends on the individual performance of the entitled persons and on the performance of their business unit. The option premium of the expected number to be granted is recorded on an accrual basis as personnel expense in line with the vesting period.

Income taxes

Deferred income taxes are provided following the comprehensive balance sheet liability-method and reflect in general all future temporary differences. The measurement of the deferred taxes is based on current tax rates applicable for the respective taxable entity.

Deferred tax assets deriving from tax losses carried forward are only capitalized when the likelihood of recoverability is high and future taxable profits are sufficient to recover tax benefits stemming from the tax losses.

Research and development

Development expenses incurred are only capitalized on the basis of certain evidence that the present value of future economic benefits exceed the respective costs. Research costs are expensed as incurred.

Capitalized development expenditures include material and personnel expenses, depreciation of equipment and machinery and the overhead costs directly attributable to development undertakings.

Impairment of assets

The carrying amounts of non-current assets are reviewed for impairment at each balance sheet date or if there are indications that an asset may be impaired. If an indication of potential impairment exists, the recoverable amount of the respective asset is determined. If the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amounts. Impairment losses are recognized in the income statement. The recoverable amount is the higher of the estimated asset's net selling price and its value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between independent parties less the cost of disposal. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

Employee benefit obligations

The subsidiaries of Datacolor Group have different employee benefit plans in accordance with local regulations and customs in the respective countries. These plans are organized in financially independent and autonomous foundations. The plans cover most of the employees and provide benefits in case of death, disability, retirement, or termination of employment. Plans are funded predominantly by a combination of employee and employer contributions. Contributions are based on a certain percentage of the insured salary.

Employee benefits of Datacolor Group are organized with external pension insurance solutions or savings institutions respectively, where Datacolor is not exposed to any further contribution commitments beyond the regular contributions owed and recognized.

Cash and cash equivalents

Cash and cash equivalents include cash, bank accounts, deposits on demand, money market instruments as well as short-term deposits with terms not exceeding three months.

Current financial assets

Current financial assets are investments in marketable securities that can be permanently liquidated at efficient markets. They are measured at fair value, whereas unrecognized gains or losses are recorded in financial income/expense of the income statement.

Trade receivables

The net trade receivables balance represents invoiced amounts less economically determined allowance for specific debtor risk and less general allowance based on experience and reflection of the specific aging structure.

Inventories

Inventories are measured at the lower of acquisition or production cost respectively or net realizable value.

Property, plant and equipment

Property, plant and equipment are recorded at acquisition cost less accumulated depreciation and any impairment loss. Land is depreciated only if periodic appraisals reveal a sustained impairment loss. Material elements of specific fixed asset items with different useful lives, are depreciated as separate objects. Property, plant and equipment are depreciated on a straight-line basis according to economic criteria corresponding to the estimated useful life. Essentially, these are:

Buildings	30 – 40 years
Machinery and equipment	3 – 20 years
Vehicles	5 – 12 years

Property, plant and equipment with significant net book values are tested annually for a potential impairment.

Goodwill

Goodwill represents the difference between the cost of the acquisition and the fair value of the identifiable assets acquired less liabilities assumed. Goodwill is amortized on a straight-line-basis over a life time of five to a maximum of twenty years.

Trademarks, licenses, and patents

Trademarks, licenses, and patents are initially recorded at acquisition cost. Expenditures for internally generated trademarks are recognized as an expense in the current period. Acquired trademarks, licenses, and patents are amortized on a straight-line basis of five to ten years.

Other intangible assets

Other intangible assets primarily represent software and are capitalized at their acquisition costs and amortized on a straight-line basis of five to ten years.

Non-current assets held for sale and discontinued operations

A non-current asset or group of assets and liabilities are held for sale if the associated carrying amount is mainly realized through a sale transaction and not through continued use. This requires a high probability of sale and that the assets and group of assets and liabilities can be sold immediately in their current condition. Prior to their reclassification to "held for sale", the assets and the group of assets and liabilities are valued in accordance with current accounting principles. Following the reclassification, the assets are valued at the lower of carrying amount or fair value less the cost of disposal. Any impairment is recognized in the income statement.

Derivative financial instruments

Derivative financial instruments are recognized as current or non-current financial assets or liabilities, depending on the term. If Hedge Accounting is applied, gains and losses on the hedging instruments are recognized directly in equity until the realization of the hedged risk in the balance sheet. All other derivative financial instruments are recognized at fair value and not realized gains or losses are included in the financial result.

Provisions

Provisions are made for potential present obligations with uncertain timing or amounts as a result of a past event and for which a future outflow of resources is probable. The amount is based on the best possible estimate of the expected outflow of resources.

Treasury shares

Treasury shares are reported at par value and shown as a deduction from equity. Cost incurred or considerations received in excess of par value recognized in retained earnings.

Contingent liabilities

Contingent liabilities are measures on the basis of the respective probability and impact of future unilateral cash outflows and are disclosed in the notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The figures below are stated in thousands of Swiss francs (TCHF) unless otherwise indicated.

3 Segment reporting

Business segment

	Industrial		Consumer		Total Group	
	2008/2009	2007/2008 Restated	2008/2009	2007/2008 Restated	2008/2009	2007/2008 Restated
Net sales to third parties	39 510	57 875	11 666	14 370	51 176	72 245
in % of totals	77,2%	80,1%	22,8%	19,9%	100,0%	100,0%

Geographical segments

	2008/2009	As % of total	2007/2008 Restated	As % of total
	Net sales to third parties	51 176	100,0%	72 245
Europe	21 965	43,0%	32 992	45,7%
Americas	14 785	28,8%	20 191	27,9%
Asia Pacific	14 426	28,2%	19 062	26,4%
Assets	41 568	100,0%	72 474	100,0%
Europe	15 283	36,9%	45 971	63,4%
Americas	15 087	36,2%	16 043	22,2%
Asia Pacific	11 198	26,9%	10 460	14,4%

4 Special charges

The Group has undertaken certain measures for a structural and organisational realignment in areas of production, distribution and administration in the reporting period.

The special charges attributed to the realignment amounted to TCHF 2 321 (previous year: TCHF 821) and consisted primarily of expenses for headcount reductions, consulting fees and the provision for the abandonment of operationally used rental space, for which further rental obligations exist beyond the balance sheet date.

5 Personnel expenses

	2008/2009	2007/2008
Wages and salaries	16 616	23 648
Social security costs	3 721	4 095
Pension costs	19	638
Other personnel expenses	466	679
Personnel expenses	21 357	29 060

6 Financial result

	2008/2009	2007/2008
Interest income	41	1 348
Dividend income	11	67
Foreign exchange gains	2 056	2 375
Financial income	2 108	3 790
Interest expense	-49	-3 053
Expenses on securities	-203	-1 370
Foreign exchange losses	-2 554	-2 084
Financial expenses	-2 806	-6 507
Financial result, net	-698	-2 717

7 Income taxes

	2008/2009	2007/2008 Restated ¹⁾
Current income taxes	48	-3 981
Deferred income taxes	-208	-471
Effective tax expense	-160	-4 452
Effective tax expense, continuing operations	-160	-1 679
Effective tax expense, discontinued operations	0	-2 773
Effective tax expense	-160	-4 452

¹⁾ Following the introduction of Swiss GAAP FER the deferred tax expense for the financial year 2007/2008 increased by TCHF 21.

Deferred tax assets amounting to TCHF 678 (previous year: TCHF 873) consist primarily of capitalized tax assets deriving from tax losses carried forward. The total amount of tax losses carried forward is CHF 19,0 million (previous year: CHF 13,8 million) and where the predominant part is usable without any time restrictions. Deferred tax assets and liabilities are recorded on the basis of locally applicable tax rates (average tax rate of 23,0% for financial year 2008/2009 and 23,8% in 2007/2008).

8 Cash and cash equivalents

	30.09.2009	30.09.2008
Cash on hand, postal accounts	6	9
Cash at bank	12 876	15 542
Cash and cash equivalents	12 882	15 551

Bank accounts, postal accounts and short-term deposits generated interest at market rates.

9 Trade receivables

	30.09.2009		30.09.2008	
Trade receivables, gross	7 046	100%	10 412	100%
Allowance for doubtful debts	-403	-6%	-658	-6%
Trade receivables, net	6 643	94%	9 754	94%

10 Other receivables

	30.09.2009	30.09.2008
Other receivables from		
- third parties	270	20 335
- government	2 018	1 291
- pension funds	11	25
- Related parties	71	0
Prepayments to third parties	94	428
Other receivables	2 464	22 079

Other receivables from third parties as per 30.09.2008 include a receivable in the amount of CHF 19,7 million resulting from sale of Eichhof Beverage business.

11 Inventories

	30.09.2009		30.09.2008	
Work in progress	242	3%	386	3%
Semi-finished and finished goods	6 027	70%	7 969	61%
Trading goods	2 337	27%	4 708	36%
Gross inventories	8 606	100%	13 063	100%
Allowances	-3 416	-40%	-4 246	-33%
Net inventories	5 190	60%	8 817	67%

For better comparability with the current year figures, prior year information has been amended. Net inventory values remain unchanged.

12 Property, plant and equipment

	Operating properties	Machinery, equipment, vehicles	Total property, plant and equipment
Acquisition or production costs			
Balance as of 1.10.2007	81 021	124 581	205 602
Additions	8 923	7 019	15 942
Reclassifications	-123	-1 130	-1 253
Disposals	-687	-908	-1 595
Reclassification to assets held for sale/ divestment of Eichhof Beverage	-76 270	-117 737	-194 007
Translation differences	-424	-634	-1 058
Balance as of 30.09.2008	12 440	11 191	23 631
Additions	141	246	387
Reclassifications	-104	-173	-277
Disposals	-7	-129	-136
Translation differences	-667	-735	-1 402
Balance as of 30.09.2009	11 803	10 400	22 203
Accumulated depreciation			
Balance as of 1.10.2007	46 178	100 485	146 663
Additions	1 180	5 925	7 105
Reclassifications	62	-62	0
Disposals	-648	-846	-1 494
Reclassification to assets held for sale/ divestment of Eichhof Beverage	-42 076	-95 850	-137 926
Translation differences	-289	-470	-759
Balance as of 30.09.2008	4 407	9 182	13 589
Additions	177	719	896
Reclassifications	153	-153	0
Disposals	0	-44	-44
Translation differences	-320	-668	-988
Balance as of 30.09.2009	4 417	9 036	13 453
Net carrying amount			
Balance as of 30.09.2008	8 033	2 009	10 042
Balance as of 30.09.2009	7 386	1 364	8 750

All investment properties were disposed off during the course of the sale of Eichhof real estate as at October 1, 2008. In the balance sheet as at September 30, 2008, the investment properties were disclosed as assets held for sale.

In the reporting period, the loss on the disposal of property, plant and equipment amounted to TCHF -28 (previous year: TCHF -4).

13 Intangible assets (Restated)¹⁾

	Capitalized development costs and other intangible assets ¹⁾	Trade marks, licenses, patents	Total
Acquisition or production costs			
Balance as of 1.10.2007	11 818	142	11 960
Additions	761	0	761
Reclassifications	1 253	0	1 253
Disposals	0	0	0
Reclassification to assets held for sale/ divestment of Eichhof Beverage	0	0	0
Translation differences	-422	-9	-431
Balance as of 30.09.2008	13 410	133	13 543
Additions	22	0	22
Reclassifications	277	0	277
Disposals	0	0	0
Translation differences	-561	-7	-568
Balance as of 30.09.2009	13 148	126	13 274
Accumulated amortization			
Balance as of 1.10.2007	9 541	2	9 543
Additions	518	2	520
Reclassifications	0	0	0
Disposals	0	0	0
Reclassification to assets held for sale/ divestment of Eichhof Beverage	0	0	0
Translation differences	-296	0	-296
Balance as of 30.09.2008	9 763	4	9 767
Additions	505	2	507
Disposals	0	0	0
Translation differences	-406	1	-405
Balance as of 30.09.2009	9 862	7	9 869
Net carrying amount			
Balance as of 30.09.2008	3 647	129	3 776
Balance as of 30.09.2009	3 286	119	3 405

¹⁾ Due to the change of the accounting standard from IFRS to Swiss GAAP FER, the previous year figures were restated. Further information on this topic is presented in the consolidated statement of changes in equity as well as in note 1 of the consolidated financial statements.

Capitalized R+D and other intangible assets include the group-wide utilized ERP system.

Out of the total development expenses of TCHF 4 866 (previous year: TCHF 6 753) no expenses were capitalized as in the previous year, because not all criteria for a capitalization were met.

14 Risk management and Internal controls

Due to its international business, the Datacolor Group is exposed to different operative and strategical risks which are assessed on an ongoing basis by a centralized risk management process. The risk classifications are based on the analysis of the probability and exposure. As a result, action plans to reduce or avoid risks are prepared. On a yearly basis, a consolidated risk report is presented to the Board of Directors for approval.

For identified risks relating to financial reporting and accounting, a risk assessment is performed. The group-wide internal controls framework for the financial reporting defines relevant key controls that reduce financial risks. Moreover, the Datacolor Group is targeting to develop a control environment that ensures a disciplined management of the existing risks. Measures therefore are guidelines and processes.

The financial risks include credit, illiquidity, foreign exchange and interest risks.

Credit risk

Credit risk arises when customers or a counterparty of a financial instrument are unable to meet their obligations as agreed. Credit risks are managed by observing the daily business and carrying out a risk assessment before entering a transaction. The default risk in terms of trade receivables is limited, since the customer base of the Datacolor Group consists of a large number of customers from various geographical regions. The extent of default risk is determined primarily by the individual characteristics of each individual customer. Customers who are badly in arrears are no longer supplied, or supplied only if they pay in advance.

Risk of illiquidity

The centralized cash management cares that the Datacolor Group has always enough liquidity to settle the liabilities punctually. The Group Executive Committee implemented guidelines and processes for a liquidity planning based on the needs.

Foreign currency risk

The Datacolor Group is exposed to foreign currency risks by virtue of its international focus. These risks occur in transactions which take place in currencies other than the functional currency of the company concerned, in particular when purchasing or selling goods. Such transactions are primarily settled in CHF, EUR, and USD. The individual companies plan their expected payment flows on a regular basis and report these to the Group Executive Committee.

The difference between incoming and outgoing payments in a specific foreign currency, particularly in USD, is considered moderate. Remaining net positions are monitored by the Group Executive Committee and hedged on a selective basis if necessary.

The following exchange rates of the most important currencies for the Group were used for conversion into Swiss francs:

Currency	Unit	Balance sheet		Income statement	
		30.09.2009	30.09.2008	2008/2009	2007/2008
USD	1	1.04	1.10	1.13	1.08
EUR	1	1.51	1.58	1.52	1.62
GBP	1	1.65	1.99	1.76	2.13

Interest rate risks

Interest rate risks comprise an interest-rate related cashflow risk, i.e. the risk that future interest payments will change due to fluctuations in the market interest rate, together with an interest-rate related risk of a change in fair value, i.e. the risk that the fair value of a financial instrument changes due to fluctuations in the market interest rate.

The consolidated financial statements as of September 30, 2009 of the Datacolor Group do not include any financial liabilities that are subject to an interest rate change risk.

To hedge the interest risks of the sold real estate business (on October 1, 2008), an interest rate swap was entered into on April 1, 2005. This swap will expire on April 1, 2010 and it secures fixed interest payments at a rate of 2.84% on the one hand and it generates variable interest income on the basis of the six-month CHF-Libor rate. With the sale of the real estate part, the hedging became ineffective and therefore, changes in the market value of the interest rate swap were recorded in the income statement. The negative fair value stated in the balance sheet amounts to TCHF -946.

Derivative financial instruments

To hedge exchange-rate and interest-rate risks, the following derivative financial instruments were outstanding as at the balance sheet date:

as of 30.09.	Contract value		Positive fair value		Negative fair value	
	2009	2008	2009	2008	2009	2008
Interest instrument						
Interest rate swap	40 000	40 000	0	16	-946	0

15 Financial assets

	30.09.2009	30.09.2008
Securities held for trading	1 119	1 307
Current financial assets	1 119	1 307
Other financial assets	140	160
Non-current financial assets	140	160
Financial assets	1 259	1 467

16 Financial liabilities

	30.09.2009	30.09.2008
Financial liabilities - banks	946	109 000
Financial liabilities - third parties	0	4
Current financial liabilities	946	109 004
Credit lines available	0	120 000
Unused credit lines	0	11 000

Due to the sale of the Eichhof real estate business (Eichhof Immobilien AG) as at October 1, 2008 existing financial liabilities in the amount of CHF 109 million were paid back. As a result of the sale of the real estate business, credit limits of CHF 120 million are not available as at September 30, 2009 anymore.

Datacolor Group is still counterparty of an interest rate swap in the amount of CHF 40 million to hedge the interest risks on the previous existing financial liabilities. This swap transfers variable interest payments (based on six-month CHF-Libor rate) to fixed payments. The interest rate swap will expire on April 1, 2010 and as per September 30, 2009 a negative fair value of TCHF -946 (previous year: positive fair value of TCHF 16) is stated on the balance sheet.

Further information is available in note 14.

17 Other liabilities

	30.09.2009	30.09.2008 Restated ¹⁾
Other current liabilities		
- third parties	116	465
- government	603	653
Prepayments from third parties	768	977
Other current liabilities	1 487	2 095
Other non-current liabilities	405	357
Other liabilities	1 892	2 452

1) Due to the change to Swiss GAAP FER other current liabilities as at September 30, 2008 were reduced by TCHF 865.

18 Long-term provisions

	Warranty	Other	Total
Balance as at 1.10.2007	462	152	614
Additions	7	112	119
Used	-52	-37	-89
Reversed	-296	-113	-409
Translation differences	-30	-3	-33
Balance as at 30.09.2008	91	111	202
Additions	24	575	599
Used	0	0	0
Reversed	0	-18	-18
Reclassifications	73	-73	0
Translation differences	-7	-6	-13
Balance as at 30.09.2009	181	589	770

Provisions for warranty cover potential warranty claims, which have not been reported to Datacolor Group, but based on past experience and observation of warranty cases, are likely to incur.

The calculation is based on probability of warranty cases and related costs as well as realized turnover for which a warranty promise has been given.

Other provisions cover future expenses resulting from the operational and structural changes within the Datacolor Group.

19 Employee benefits

Economic benefits/economic liabilities and staff pension expenses

	Surplus/ deficit according to pension plans under Swiss GAAP FER 26		Economic share of the company	Change compared to prior year, recognized in the period	Deferred contribu- tions for the period	Pension expenses in personnel expenses	
	30.09.2009	30.09.2009					
Pension schemes without own assets (foreign)	0	361	357	4	308	312	413
Pension schemes with sur- plus/deficit (Switzerland)	0	0	0	0	242	242	225
Total	0	361	357	4	550	554	638

Most pension schemes are financed through contributions from the employer and employee. Contributions are calculated as a percentage of the insured salary.

The liability of TCHF 361 (previous year: TCHF 357) originates from pension liabilities in Germany. The amount of service duration depending pension obligations is based on actuarial calculations. Other foreign plans are pure defined contribution plans.

In Switzerland the pension plan is regulated through a joint foundation ("Gemeinschaftsstiftung"). The plan obligations are covered by close to 100% as per 30.09.2009, by 93.2% as of 31.12.2008 and 115.6% as per 31.12.2007. Based on the long term orientation of the joint foundation and through the fact, that the assets of member companies are not allocated individually, no direct economic rights or obligations are disclosed for the company. The free movement liability ("Freizügigkeitsleistung") as per 30.09.2009 amount to TCHF 2 916 (previous year: TCHF 3 427) and the pension savings funds ("Altersguthaben") according to BVG amount to TCHF 1 337 (previous year: TCHF 1 544).

20 Management share option plan

In previous years, options to subscribe Datacolor (former Eichhof) registered shares were granted to members of the Board of Directors and certain members of the management as part of their performance-related bonuses. The option program "1998" was wound up in Summer 2008.

The strike price, respectively the buy-back price, based on an option premium of CHF 250 per option, has been calculated with the Black-Scholes valuation model. The outstanding options have been bought back from the employees following the disposal of Eichhof Beverage.

The new option program "2008" has the same purpose and contains the same elements as the option program "1998", only the option premium has been adjusted to CHF 125 or CHF 50 respectively depending on the place of residence of the plan participant.

The expenses in the reporting period amount to TCHF 306 (previous year: TCHF 345) and the accrual under accrued liabilities amount to TCHF 651 (previous year: TCHF 345). No options have been exercised in the reporting period.

Grant	Quantity of	Exer-	Expiration	Expiration	Quantity	Quantity of	Quantity of
	outstanding						cise
	options	price	blocking	of	exercised	options purchased	options
	1.10.2008	(CHF) ¹⁾	period	exercise	2008/2009	2008/2009	and
	and ex-			period			expected
	pected						granting
	granting						
Financial year							
2008 (strike price CHF 220)	1 120	270	1.10.2011	1.10.2018	0	0	1 120
2008 (strike price CHF 50)	3 080	175	1.10.2011	1.10.2018	0	0	3 080
Total carry forward	4 200						
2009 (expected granting)		223	1.10.2012	1.10.2019			1 760
2009 (expected granting)		136	1.10.2012	1.10.2019			1 040
Total	4 200				0	0	7 000

¹⁾ including option premium of CHF 125 or CHF 50.

Grant	Quantity of	Exer-	Expiration	Expiration	Quantity	Quantity of	Quantity of
	outstanding						cise
	options	price	of block-	of	exercised	options purchased	standing
	1.10.2007	(CHF)	ing period	exercise	2007/2008	2007/2008	options
	and ex-			period			30.09.2008
	pected						
	granting						
Financial year							
2000	450	736	1.10.2003	1.10.2010	0	450	0
2001	40	212	1.10.2004	1.10.2011	0	40	0
2002	20	138	1.10.2005	1.10.2012	0	20	0
2003	20	232	1.10.2006	1.10.2013	0	20	0
2004	2 280	452	1.10.2007	1.10.2014	820	1 460	0
2005	3 040	745	1.10.2008	1.10.2015	0	3 040	0
2006	3 580	1 049	1.10.2009	1.10.2016	0	3 580	0
2007	4 100	1 626	1.10.2010	1.10.2017	0	4 100	0
Total	13 530				820	12 710	0

The value of options granted during the reporting period has been determined by using the Black-Scholes valuation model. The following significant input patterns were used in the model: the average share price of the financial year 2009 of CHF 264 (previous year: CHF 327), a discount of 6% per year of blocked period, the exercise prices shown above, standard deviation of expected share price returns of 31,9%, dividend yield of 5,0%, option life of ten years and annual risk-free interest rate of 2,06%. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of weekly share prices over the last ten years.

21 Earnings per share (EPS)

Earnings per share were calculated by dividing the Datacolor Group's profit for the year by the average number of shares outstanding (issued shares less own shares). Diluted earnings per share include the effect of dilution, which would arise as a result of exercising management share options.

	2008/2009	2007/2008 Restated
Profit from continuing operations	-2 905	-1 671
Average number of shares outstanding	156 575	156 438
Basic earnings per share from continuing operations in CHF	-18.55	-10.68
Effect of dilution: Number of share options	2 973	0
Adjusted average number of shares for diluted earnings per share	159 548	156 438
Diluted earnings per share from continuing operations in CHF	-18.21	-10.68
Earnings per share (discontinued operations), non-diluted	35.07	1 211.67
Earnings per share (discontinued operations), diluted	34.43	1 211.67

22 Related parties and companies

Datacolor AG has related party relationships with its subsidiaries, their pension plans and with Members of the Board of Directors and with the Executive Committee.

Group companies

A list of the Datacolor Group subsidiaries is included in note 29. Transactions between Datacolor AG and its subsidiaries and between subsidiaries of Datacolor Group are eliminated in the course of consolidation. There are no associated companies or joint ventures.

Total payments to non-executive Members of the Board of Directors were TCHF 1 308 in the reporting period (previous year: TCHF 359).

The remuneration paid to the Board of Directors and Executive Committee in the reporting year is shown below:

Remuneration of Members of the Board of Directors and Executive Committee

2008/2009	Remuneration paid in cash	Pension costs	Share based payments	Total
To four non-executive Members of the Board of Directors	1 003	0	305	1 308
To nine Members of the Executive Committee	1 795	76	71	1 942
Total	2 798	76	376	3 250

Remunerations paid to former Members of the Executive Committee in financial year 2008/2009 amounted to TCHF 278 (previous year: TCHF 1 819).

Remuneration paid to Board of Directors (non-executive Members)

	Remuneration paid in cash	Pension costs	Share based payments	Total
Werner Dubach, Chairman ¹⁾	823	0	200	1 023
Dr. Peter Beglinger, Deputy President	80	0	45	125
Prof. Dr. Hans Peter Wehrli, Member	50	0	30	80
Dr. Fritz Gantert, Member	50	0	30	80
Total	1 003	0	305	1 308

Highest total remuneration

	Remuneration paid in cash	Pension costs	Share based payments	Total
Werner Dubach ¹⁾	823	0	200	1 023

¹⁾ Total remuneration in financial year 2008/2009 (including activities as CEO until January 2009)

2007/2008	Remuneration paid in cash	Pension costs	Share based payments	Total
To one executive Member of the Board of Directors	1 751	69	620	2 440
To three non-executive Members of the Board of Directors	199	0	160	359
To sixteen Members of the Executive Committee	3 693	229	142	4 064
Total	5 643	298	922	6 863

Remuneration paid to Board of Directors (non-executive Members)

	Remuneration paid in cash	Pension costs	Share based payments	Total
Dr. Peter Beglinger, Deputy President	87	0	70	157
Prof. Dr. Hans Peter Wehrli, Member	56	0	45	101
Dr. Fritz Gantert, Member	56	0	45	101
Total	199	0	160	359

Highest total remuneration

	Remuneration paid in cash	Pension costs	Share based payments	Total
Werner Dubach	1 751	69	620	2 440

Holdings as at September 30

	2009 no. of shares	2008 no. of shares	2009 no. of options	2008 no. of options
Werner Dubach	55 875	55 859	1 600	0
Peter Beglinger	650	650	360	0
Hans Peter Wehrli	260	260	240	0
Fritz Gantert	220	85	240	0
Executive Committee	0	141	1 760	0
Total	57 005	56 995	4 200	0

The total number of shares held by the Board of Directors and Executive Committee amounted to 57 005 (previous year: 56 995).

In the reporting period 4 200 options were granted to the Board of Directors and Executive Committee.

No receivables or liabilities between the company and its related parties existed at the end of both the reporting period and the previous year, with the exception of pension plans.

Additional information on the governing bodies, together with the content and procedures for determining compensation and participation programs are described in the "Corporate governance".

23 Leasing liabilities

As in the previous year, no finance lease contracts existed at the balance sheet date.

The following overview shows future liabilities arising from non-capitalized operating lease contracts arranged in order of the due dates:

	30.09.2009	30.09.2008
Due in reporting period + 1 year	124	169
Due in reporting period + 2 years	60	143
Due in reporting period + 3 years	25	113
Due in reporting period + 4 years	10	88
Total operating lease liabilities	219	513

The leasing expenses in the financial year amount to TCHF 182 (previous year: TCHF 206).

24 Contingent liabilities

There were no sureties, guarantee obligations or pledgings in favor of third parties either in the reporting period or in the previous year.

The company is involved in legal disputes, lawsuits and court cases in the ordinary course of business. As far as the company can ascertain at the current point in time, such disputes are not expected to exceed existing provisions or otherwise exert a material influence on its financial situation or operating result.

25 Securing of own liabilities

No assets were pledged to secure own liabilities either in the reporting period or in the previous period.

26 Acquisitions

Acquisitions 2008/2009

There were no acquisitions in financial year 2008/2009.

Acquisitions 2007/2008

Eichhof Real Estate AG acquired in October 2007 two properties from the pension fund of the Eichhof Group in the amount of CHF 34,8 million. The acquisitions were financed through long-term bank loans. In the course of this acquisition, Eichhof Real Estate AG increased its share capital to CHF 20,0 million.

Effective May 26, 2008, Eichhof Beverage AG acquired Münsterkellerei AG, Berne, for around CHF 3,5 million (of which cash and cash equivalents TCHF 441). Thereof, approx. TCHF 300 was paid for the acquired customer base and TCHF 300 for the brand. The sales of the acquired business approximate CHF 7,0 million. The activities acquired generated a negligible contribution to sales and profits in the reporting year.

In connection with the disposal of Eichhof Beverage to Heineken, Münsterkellerei AG was also sold.

27 Discontinued operations

Disposals 2008/2009

Eichhof Real Estate AG has been sold retrospectively as per October 1, 2008 to BVK Personalvorsorge of Canton Zurich. The net proceeds of the sale of the real estate portfolio amount to CHF 105,9 million (excluding transaction costs), Datacolor achieved a profit of CHF 5,5 million. Following this transaction, financial liabilities of CHF 109,0 million have been paid back.

Disposals 2007/2008

The Board of Directors communicated in Spring 2008, that Eichhof Beverage will be sold to Heineken. As per August 29, 2008 the classification of relating assets and liabilities was changed to discontinued operations, as after the positive decree of the competition commission on August 21, 2008, as the sale has been immediately executed. With the completion of the spin-off/sale of Eichhof Beverage on August 29, the Board of Directors decided to sell Eichhof Real Estate AG, which consists of investment properties and development.

Additional information on the discontinued operations

	Eichhof Beverage		Eichhof Real Estate		Total	
	2008/2009	2007/2008 11 months	2008/2009	2007/2008	2008/2009	2007/2008
EBIT	n/a	12 423	0	987	0	13 410
Financial result, net	n/a	-64	0	-1 758	0	-1 822
Profit before tax	n/a	12 359	0	-771	0	11 588
Income taxes	n/a	-2 828	0	55	0	-2 773
Profit for the year	n/a	9 531	0	-716	0	8 815
Profit from spin-off Eichhof Beverage	n/a	180 737	0	0	0	180 737
Profit from sale of Eichhof Real Estate AG	n/a	0	5 492	0	5 492	0
Profit for the year of discontinued operations	n/a	190 268	5 492	-716	5 492	189 552

28 Post balance sheet events

The consolidated financial statements were approved for publication by the Board of Directors on November 12, 2009. They have yet to be approved by the general meeting.

The Board of Directors is to propose to the general meeting that a dividend of CHF 3 per share or TCHF 470 be paid in respect of financial year 2008/2009.

No further significant events which might have an influence on the information presented in the 2008/2009 annual financial statements or require disclosure in this report occurred between the balance sheet date and November 23, 2009.

29 Group entities

Company	Location	Currency	Share capital in '000	Ownership interest in %
Datacolor				
Datacolor Holding AG ¹⁾	CH-Lucerne	CHF	10 000	100
Datacolor AG Europe ²⁾	CH-Dietlikon	CHF	2 000	100
Datacolor Logistik AG	CH-Lucerne	CHF	1 000	100
Datacolor International France SAS	F-Paris	EUR	274	100
Datacolor GmbH	D-Marl	EUR	256	100
Datacolor Asia Pacific (HK) Ltd.	Hong Kong	HKD	10	100
Datacolor Inc.	USA-Lawrenceville	USD	35 808	100
Datacolor International Ltd.	GB-Altrincham	GBP	7 500	100
Datacolor Italia S.r.l.	I-Bergamo	EUR	20	100
Datacolor Technology (Suzhou) Co., Ltd.	China-Suzhou	USD	3 200	100

Other

MABAG AG ¹⁾	CH-Lucerne	CHF	100	100
------------------------	------------	-----	-----	-----

¹⁾ These companies are held directly by Datacolor AG.

²⁾ Former Datacolor AG

Company	Location	Currency	Share capital in '000	Ownership interest in %
Sold companies in 2008/2009				
Eichhof Immobilien AG	CH-Lucerne	CHF	20 000	100
Sold companies in 2007/2008				
Brauerei Eichhof AG	CH-Lucerne	CHF	15 000	100
Eichhof Getränke AG	CH-Lucerne	CHF	10 000	100
Bier-Import AG	CH-Lucerne	CHF	500	100
Münsterkellerei AG	CH-Berne	CHF	600	100
Kellerei St. Georg AG	CH-Lucerne	CHF	100	100
AG „Der fliegende Harass“	CH-Lucerne	CHF	50	100
Ulmer & Knecht AG	CH-Zurich	CHF	392	100



REPORT OF THE STATUTORY AUDITOR ON THE CONSOLIDATED FINANCIAL STATEMENTS

to the General Meeting of Shareholders of Datacolor AG (formerly Eichhof Holding AG), Lucerne

As statutory auditor, we have audited the accompanying consolidated financial statements of Datacolor AG, which comprise the income statement, balance sheet, cash flow statement, statement of changes in equity and notes, as set out on pages 18 to 40 for the year ended September 30, 2009.

Board of Directors' Responsibility

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Swiss GAAP FER and the requirements of Swiss law. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements for the year ended September 30, 2009 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER and comply with Swiss law.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of consolidated financial statements according to the instructions of the board of directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Thomas Studhalter
Licensed Audit Expert
Auditor in Charge

Sandro Masciarucci
Licensed Audit Expert

Lucerne, November 23, 2009

INCOME STATEMENT

in TCHF	2008/2009	2007/2008
Gain from sale of investment	21 418	0
Financial income	987	20 610
Financial expenses	-1 200	-5 251
Administrative expenses	-1 844	-11 473
Income taxes	8	-254
Profit for the year	19 369	3 632

BALANCE SHEET

in TCHF		30.09.2009		30.09.2008	
Assets					
Cash and cash equivalents		3 004		6 641	
Financial assets		1 119		1 307	
Other receivables					
- third parties		78		20 060	
- group companies		55		1 429	
Prepaid expenses		19		0	
Current assets		4 275	13,9%	29 437	22,1%
Investments in group companies	3	10 100		30 100	
Own shares	5	3 671		3 716	
Loans to group companies	3	12 608		70 112	
Non-current assets		26 379	86,1%	103 928	77,9%
Assets		30 654	100,0%	133 365	100,0%
Liabilities and shareholders' equity					
Financial liabilities	4	946		109 004	
Other current liabilities					
- third parties		49		0	
- group companies		404		0	
Accrued liabilities		1 142		10 920	
Current liabilities		2 541	8,3%	119 924	89,9%
Liabilities		2 541	8,3%	119 924	89,9%
Share capital	5	168		168	
Legal reserves		84		84	
Reserve for own shares	5	3 757		3 757	
Free reserves		0		15 009	
Available earnings/Accumulated losses		24 104		-5 577	
Shareholders' equity		28 113	91,7%	13 441	10,1%
Liabilities and shareholders' equity		30 654	100,0%	133 365	100,0%

STATEMENT OF CHANGES IN EQUITY

in CHF	Share capital	Legal reserves	Reserves for own shares	Free reserves	Balance sheet profit / loss	Total equity
As of 30.09.07	168 044	2 616 212	15 918 116	315 461	39 476 865	58 494 698
Dividends paid					-14 089 950	-14 089 950
Reclassification pursuant to resolution of general meeting		-2 532 190		2 532 190		0
Adjustment of reserves for own shares			-12 161 164	12 161 164		0
Spin-off of Eichhof Beverage					-34 595 723	-34 595 723
Profit for the year					3 631 991	3 631 991
As of 30.09.08	168 044	84 022	3 756 952	15 008 815	-5 576 817	13 441 016
Dividends paid					-4 697 250	-4 697 250
Reclassification pursuant to resolution of general meeting 15.01.09				-15 008 815	15 008 815	0
Profit for the year					19 368 963	19 368 963
As of 30.09.09	168 044	84 022	3 756 952	0	24 103 711	28 112 729

NOTES

1 Introduction

The general meeting on January 15, 2009 decided to rename Eichhof Holding AG to Datacolor AG.

2 Accounting and valuation principles

The financial statements of Datacolor AG comply with the Swiss Code of Obligations.

Financial assets

Current financial assets contain marketable, easily realizable securities held for trading. The fair value of these assets is the market value as of the balance sheet date.

Investments and loans

They are valued at acquisition cost less accumulated amortization.

3 Loans to and investments in Group companies

Loans to Group companies are granted to provide financing and are given on a long-term basis. The financial income of TCHF 20 610 in prior year included the reversal of an allowance on a loan to a Group Company of TCHF 10 000 which was no longer required.

The direct and indirect investments of Datacolor AG in significant Group Companies are presented on page 40 of this report.

4 Financial liabilities	30.09.2009	30.09.2008
in TCHF		
Current financial liabilities – third parties	946	109 004
Current financial liabilities	946	109 004

Due to the sale of the Eichhof Real Estate AG as at October 1, 2008 existing financial liabilities were paid back.

As per balance sheet date the negative current replacement value based on an interest swap was included in current liabilities. This interest swap fixes interest rates for a volume of CHF 40 millions. Since this hedging was entered into in connection with the financing of the real estate business, the resulting valuation adjustment was offset with the gain from the sales of the investment. The interest rate swap will expire on April 1, 2010.

5 Shareholders' equity

Share capital

The share capital of Datacolor AG of CHF 168 044 (previous year: CHF 168 044), is fully paid-in and consists of 168 044 registered shares (previous year: 168 044) with a par value of CHF 1 each.

In the year under review, no shares (previous year: 0) were issued out of the conditional share capital due to exercised management share options.

The shares are listed on the SIX Swiss Exchange Zurich under security no. 853 104.

Conditional share capital

As of September 30, 2009, there was conditional share capital of a maximum of CHF 4 580 (previous year: CHF 4 580) with a par value of CHF 1 each.

Own shares

Datacolor AG holds a total of 11 469 (previous year: 11 469) own shares, carried at TCHF 3 716 (previous year: TCHF 3 716). The voting rights for these shares are suspended.

The share capital entitled to dividend amounts to CHF 156 575 (previous year: CHF 156 575).

	2009			2008		
	Par value TCHF	Carrying amount TCHF	Number	Par value TCHF	Carrying amount TCHF	Number
Balance as of 1.10.	11	3 716	11 469	12	15 918	12 289
Shares purchased						
Shares sold				-1	-794	-820
Net proceeds from spin-off of Eichhof Beverage					-19 008	
Loss/gain		-45			7 600	
Balance as of 30.09.	11	3 671	11 469	11	3 716	11 469

Major shareholders

The Board of Directors of Datacolor AG has notice of the following individual shareholders and jointly voting shareholder groups whose holdings exceed 5 % of all voting shares:

Dubach family 33.2% (previous year: 33.2%), Keller family 10.5% (previous year: 8.8%).

Additional information

Information concerning compensation, loans and advances, as well as participations and options given to current and former Members of the Board of Directors and Members of the Executive Committee are disclosed in the notes to the consolidated financial statements, note 22.

6 Pledges and guarantees in favour of third parties

As of balance closing date, Datacolor AG had not provided any pledges (previous year: 0) on behalf of group companies.

7 Information about risk assessments

The assessment and control of risks within Datacolor Group is performed by applying a standardized, four level risk management approach that includes the following risk elements:

- risk identification
- risk analysis
- risk control
- risk reporting.

Please refer to note 14 Risk management and internal controls of the consolidated financial statements of Datacolor Group.

PROPOSED APPROPRIATION OF AVAILABLE EARNINGS

Proposal of the Board of Directors

Available earnings	CHF	24 103 711
--------------------	-----	------------

The Board of Directors proposes that the available earnings of CHF 24 103 711 of Datacolor AG are distributed as follows:

Dividend on dividend-entitled capital of CHF 156 575	CHF	469 725
Carry forward	CHF	23 633 986

Total	CHF	24 103 711
--------------	------------	-------------------

The total distribution of CHF 469 725 corresponds to a gross dividend of CHF 3 per dividend entitled share at a par value of CHF 1. If this earnings appropriation proposal is accepted, the date of the dividend payment will be January 21, 2010.



REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS

to the General Meeting of Shareholders of Datacolor AG (formerly Eichhof Holding AG), Lucerne

As statutory auditor, we have audited the accompanying financial statements of Datacolor AG, which comprise the income statement, balance sheet and notes, as set out on pages 42 to 45 for the year ended September 30, 2009.

Board of Directors' Responsibility

The board of directors is responsible for the preparation of the financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended September 30, 2009 comply with Swiss law and the company's articles of incorporation.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

Thomas Studhalter
Licensed Audit Expert
Auditor in Charge

Sandro Mascarucci
Licensed Audit Expert

Lucerne, November 23, 2009

ADRESSES

Headquarter Holding

Datacolor AG
Waldstätterstrasse 12
CH-6003 Luzern
www.datacolor.com

Datacolor

USA

Datacolor Inc.
5 Princess Road
08648 Lawrenceville NJ, USA
Tel. +1 609 924 21 89
Fax +1 609 895 74 72
www.datacolor.com

Europe

Datacolor AG Europe
Brandbachstrasse 10
CH-8305 Dietlikon
Tel. +41 44 835 37 11
Fax +41 44 835 38 35
www.datacolor.com

Asia

Datacolor Asia Pacific (HK) Limited
Room 4301, 43/F.
Metroplaza, Tower II
223 Hing Foug Road
Kwai Chung,
Hong Kong
Tel. +852 2 420 82 83
Fax +852 2 420 83 20
www.datacolor.com