MONBERG & THORSEN A/S

22.11.11
Announcement No. 21, 2011

Interim financial report – Q3 2011

At its meeting today, the Board of Directors of Monberg & Thorsen A/S approved the interim financial report for the period 1 January - 30 September 2011. The interim financial report is unaudited.

Søborg, 22 November 2011
Board of Directors and Executive Board

Monberg & Thorsen A/S

Anders Colding Friis
Chairman

Jørgen Nicolajsen
President and CEO

Questions relating to this announcement should be directed to Jørgen Nicolajsen, President and CEO, on telephone +45 3546 8000.

The interim financial report can also be viewed at www.monthor.com

This announcement is available in Danish and English. In case of doubt, the Danish version shall prevail.

CVR No. 12 61 79 17

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Interim financial report – 1 January to 30 September 2011

On 17.10.2011, the Monberg & Thorsen Group signed a final and binding agreement on the divestment of all shares in Dyrup A/S with closing on 5 January 2012 according to Stock Exchange Announcement No. 18. In future, our core activity will therefore be our ownership of MT Højgaard.

Under IFRS, Dyrup has been accounted for in accordance with the rules on assets classified as held for sale. Dyrup will be included in the balance sheet at 31.12.2011 at the expected net price for the shares.

- **The Monberg & Thorsen Group's** third-quarter result before tax from its continuing operations was a loss of DKK 29 million compared with a profit of DKK 14 million in 2010. The YTD result before tax from the continuing operations was a loss of DKK 41 million compared with a profit of DKK 36 million in the same period in 2010.

- **MT Højgaard** posted a lower third-quarter result than in 2010, as the result was affected by considerable downward adjustments on particular projects. The YTD result was a loss of DKK 93 million compared with a profit of DKK 52 million in the same period last year.

- **Dyrup** delivered third-quarter revenue and results below expectations, primarily due to delivery difficulties in connection with the insourcing of the inventory in France with effect from 1 January 2011. YTD profit before tax was DKK 20 million versus DKK 83 million in the same period in 2010. Non-recurring items amounted to an expense of DKK 35 million YTD in 2011 compared with nil in 2010.

The Monberg & Thorsen Group's overall result after tax, including Dyrup's result, was consequently a loss of DKK 19 million YTD compared with a profit of DKK 86 million in the same period in 2010.

The outlook for 2011 remains unchanged, as stated in our Stock Exchange Announcement No. 19 dated 11 November 2011, i.e. revenue of approximately DKK 4.4 billion and a pre-tax loss with a pre-tax margin of around 0 to - 1% from the continuing operations and an expected loss after tax of approximately DKK 300 million, when including the effect on profit of Dyrup and the consequences of the divestment of Dyrup.

THE GROUP

Financial highlights for Monberg & Thorsen

DKK million	2010	Q3 2011	Change	2010	YTD 2011	Change
Revenue: MT Højgaard (46%)	984	**1,059**	8%	2,762	**3,051**	10%
Operating profit (loss) (EBIT): MT Højgaard (46%) Parent company	12 -2	**-36** **-1**	-48 1	22 -5	**-40** **-6**	-62 0
Operating profit (loss) (EBIT) from continuing operations	10	**-37**	47	17	**-46**	-63
Profit (loss) before tax from continuing operations	14	**-29**	-43	36	**-41**	-77
Profit (loss) after tax from continuing operations	9	**-22**	-31	24	**-34**	-58
Profit (loss) after tax from assets classified as held for sale, Dyrup	24	**4**	-20	62	**15**	-47
Profit (loss) after tax	33	**-18**	-51	86	**-19**	-105

Income statement

Consolidated revenue was 10% ahead of the same period last year, and corresponded to the proportionate share of MT Højgaard's revenue.

The operating result from the continuing operations was lower than last year, overall, and did not match expectations.

YTD net finance costs amounted to net income of DKK 5 million compared with net income of DKK 19 million in the same period in 2010. The difference primarily reflected value adjustment of the securities portfolio and changes in foreign exchange rates.

The results before and after tax therefore did not match expectations.

MT Højgaard's revenue was DKK 6.6 billion compared with DKK 6.0 billion YTD 2010, up 10%, matching expectations.

Despite a generally stable development in activities, the third-quarter result was hit by considerable downward adjustments on particularly projects. The YTD result before tax was a loss of DKK 93 million, of which Monberg & Thorsen's share was 46%.

Stock Exchange Announcement No. 20 concerning MT Højgaard issued earlier today gives a detailed account of the development in the contracting activities.

The parent company's operating result was on a par with expectations.

Dyrup posted YTD revenue of DKK 1,242 million, up 3% despite delivery problems as a result of difficulties in connection with the insourcing of the inventory in France with effect from 1 January 2011. Delivery performance rose markedly during August, and has now reached the normal level.

The YTD operating result was a profit of DKK 39 million net of extraordinary costs of DKK 35 million versus DKK 101 million YTD in 2010.

YTD profit after tax was DKK 15 million compared with DKK 62 million in the same period in 2010.

Dyrup's results are described in the attached appendix, which gives a detailed account of the development.

Statement of cash flows

The operating activities of the continuing operations generated a cash outflow of DKK 249 million, mainly reflecting MT Højgaard's activities. Investing activities generated a cash inflow of DKK 7 million, predominantly due to MT Højgaard's sale of securities.

The Group's financial resources were lower than at the end of 2010, but are still considered to be satisfactory.

Balance sheet

At DKK 4.4 billion, the balance sheet total was approximately 15% higher than normal, principally reflecting an increase in receivables, including higher value of work in progress at MT Højgaard. Apart from this, there were no significant changes in the balance sheet composition, when excluding the changed accounting treatment of assets and liabilities in Dyrup A/S.

The Group's equity ratio was 35% compared with 42% at the end of 2010.

Accounting policies

The interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed companies. IFRSs and IFRICs with an effective date of 1 January 2011, including IAS 24, amendments to IFRIC 14 and improvements to IFRSs (May 2010), have been implemented. The new accounting standards and interpretations have not had any effect on recognition and measurement in the interim financial report. The accounting policies are unchanged from those set out in the 2010 annual report.

Due to the expected sale of Dyrup, Dyrup has been accounted for in accordance with the rules on assets classified as held for sale, see the accounting policies in the 2010 annual report, page 29. The comparative figures for 2010 have been restated in the income statement and the statement of cash flows, but not in the balance sheet, see the relevant IFRS rules.

Related parties

The company has a controlling related party relationship with Ejnar og Meta Thorsens Fond.

Apart from intragroup transactions that have been eliminated in the consolidated financial statements, and normal management remuneration, no transactions have been effected during the period with major shareholders, members of the Board of Directors or Executive Board or other related parties.

Transactions between Monberg & Thorsen and its subsidiaries and jointly controlled entities are on an arm's length basis.

Outlook for 2011

The Monberg & Thorsen Group expects consolidated revenue of around DKK 4.4 billion, as stated in the interim financial report for the first half of 2011. The revenue outlook corresponds to the proportionate share of MT Højgaard's expected revenue.

MT Højgaard's outlook of revenue of approximately DKK 9.5 billion is reaffirmed, but, as stated in our Stock Exchange Announcement No. 19 dated 11 November 2011, with a pre-tax loss with a pre-tax margin of around 0 to -1% instead of the previously expected pre-tax margin of around 1% in the interim financial report for the first half of 2011.

The Monberg & Thorsen Group's result before tax from its continuing operations is similarly expected to be a pre-tax loss with a pre-tax margin of around 0 to -1% from the continuing operations.

Due to the effect from Dyrup on the result after tax until closing on 5 January 2012 and the effect of the divestment, Monberg & Thorsen expects a loss after tax of approximately DKK 300 million as stated in Stock Exchange Announcement No. 19 dated 11 November 2011.

The projections concerning future financial performance are subject to uncertainties and risks that may cause the performance to differ from the projections. The general financial unrest in the international markets, in particular, may influence earnings performance in 2011. Significant risks are described in the ‘Risk factors’ section in the 2010 annual report. Significant risks and uncertainties remain unchanged compared with the description in the annual report. The outlook is based on relatively stable interest rate and exchange rate levels.

Other information

Monberg & Thorsen did not buy back any treasury shares in the three quarters under review. The portfolio of treasury shares is still 2,645 nos.

The financial calendar for 2012 will be issued separately after this interim financial report.

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today discussed and approved the interim financial report of Monberg & Thorsen A/S for the period 1 January - 30 September 2011.

The interim financial report is unaudited and has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and additional Danish disclosure requirements for interim financial reports of listed companies.

In our opinion, the interim financial statements give a true and fair view of the Group's financial position at 30 September 2011 and of the results of the Group's operations and cash flows for the period 1 January - 30 September 2011.

Further, in our opinion, Management's review gives a fair review of the development in the Group's operations and financial matters, the results for the period and the Group's financial position and a description of the significant risks and uncertainty factors pertaining to the Group.

Søborg, 22 November 2011

Executive Board

Jørgen Nicolajsen
President and CEO

Board of Directors

Anders Colding Friis Chairman	Torben Ballegaard Sørensen Deputy Chairman	Lars Goldschmidt
Jannie Jensen Employee representative	Poul Lind	Michael Nielsen Employee representative
Pia Pilmark Employee representative	Christine Thorsen	Henriette Holmgreen Thorsen

Appendices: *Financial highlights*
Consolidated balance sheet, Statement of comprehensive income and Statement of changes in consolidated equity
Quarterly statements
Detailed report – Third quarter 2011 and YTD – Dyrup A/S

Financial highlights

DKK million	Year 2010	YTD 2010	YTD 2011
Income statement			
Revenue from continuing operations:			
MT Højgaard (46%)	3,819	2,762	**3,051**
Operating profit (loss) (EBIT)	34	17	**-46**
Net finance costs	20	19	**5**
Profit (loss) before tax from continuing operations	54	36	**-41**
Profit (loss) after tax from continuing operations	35	24	**-34**
Profit after tax from discontinuing operations, Dyrup	15	62	**15**
Profit (loss) after tax	50	86	**-19**
Balance sheet			
Interest-bearing assets	643	652	**470**
Interest-bearing liabilities	536	505	**356**
Invested capital	1,615	1,558	**1,419**
Equity	1,594	1,626	**1,533**
Attributable to equity holders of the parent	1,592	1,626	**1,533**
Balance sheet total	3,805	3,865	**4,386**
Cash flows			
From operating activities	-157	-104	**-249**
For investing activities**	110	43	**7**
From financing activities	-12	-10	**-2**
Cash flows from discontinuing operations, Dyrup	-78	-117	**-186**
Net increase (decrease) in cash and cash equivalents	-137	-188	**-430**
** Portion relating to investment in property, plant and equipment (gross)	-111	-20	**-21**
Financial ratios (%)			
Operating margin (EBIT margin) from continuing operations	1	1	**-2**
Pre-tax margin from continuing operations	1	1	**-1**
Return on invested capital (ROIC) from continuing operations	2	1*	**-3***
Return on equity (ROE)	3	5*	**-1***
Equity ratio	42	42	**35**
Share ratios (DKK per DKK 20 share)			
Earnings per share (EPS), continuing operations	10	7	**-10**
Earnings per share (EPS), total	14	24	**-5**
Cash flows from operating activities, continuing operations	-44	-29	**-70**
Book value	444	454	**428**
Market price	300	310	**292**
Market price/book value	0,7	0,7	**0,7**
Market capitalisation in DKK million	1,076	1,111	**1,047**

*) Not converted to full-year figures.

The interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting and Danish disclosure requirements for interim financial reports of listed companies.
The financial ratios have been calculated in accordance with the Danish Society of Financial Analysts' 'Recommendations & Financial Ratios 2010'. Financial ratios are defined in the 2010 annual report.

Consolidated balance sheet, Statement of comprehensive income and Statement of changes in consolidated equity

Consolidated balance sheet (DKK million)	Year	YTD	
	2010	2010	**2011**
ASSETS			
Intangibles	181	184	**56**
Property, plant and equipment	924	902	**358**
Investments	126	123	**87**
Total non-current assets	1,231	1,209	**501**
Inventories	592	541	**425**
Receivables	1,340	1,463	**1,428**
Cash and cash equivalents and securities	642	652	**470**
Assets related to operations classified as held for sale, Dyrup	-	-	**1,562**
Total current assets	2,574	2,656	**3,885**
Total assets	3,805	3,865	**4,386**
EQUITY AND LIABILITIES			
Equity	1,594	1,626	**1,533**
Non-current provisions	130	121	**105**
Non-current liabilities, interest-bearing	292	296	**77**
Construction contracts in progress	325	364	**347**
Current liabilities, interest-bearing	244	209	**279**
Other current payables	1,220	1,249	**1,094**
Obligations related to operations classified as held for sale, Dyrup	-	-	**951**
Total equity and liabilities	3,805	3,865	**4,386**

Statement of comprehensive income (DKK million)	Year	YTD	
	2010	2010	**2011**
Foreign exchange adjustments, foreign enterprises	3	4	**-4**
Value adjustments of hedging instruments	-6	**-10**	**-12**
Tax on other comprehensive income	1	**2**	**2**
Comprehensive income recognised directly in equity	-2	**-4**	**-14**
Profit (loss) for the period	50	**86**	**-19**
Total comprehensive income	48	**82**	**-33**

Statement of changes in consolidated equity (DKK million)	Year	YTD	
	2010	2010	**2011**
Start of period	1,568	1,568	**1,594**
Comprehensive income for the period	48	82	**-33**
Dividend to shareholders	-24	-24	**-25**
Capital contribution, non-controlling interests	2	-	**-3**
End of period	**1,594**	1,626	**1,533**

Quarterly statements

DKK million	2011				
	Q1	Q2	**Q3**	Q4	**Total**
Income statement					
Revenue from continuing operations:					
MT Højgaard (46%)	986	1,006	**1,059**		**3,051**
Operating profit (loss) (EBIT)					
MT Højgaard (46%)	-5	1	**-36**		**-40**
Parent company's operations	-2	-3	**-1**		**-6**
Total operating profit (EBIT)	-7	-2	**-37**		**-46**
Net finance costs	-4	1	**8**		**-5**
Profit (loss) before tax from continuing operations	-11	-1	**-29**		**-41**
Profit (loss) after tax from continuing operations	-9	-3	**-22**		**-34**
Profit (loss) after tax, Dyrup	-8	19	**4**		**15**
Profit (loss) after tax, total	-17	16	**-18**		**-19**

DKK million	2010				
	Q1	Q2	Q3	Q4	Total
Income statement					
Revenue:					
Dyrup	336	458	416	230	1,440
MT Højgaard (46%)	809	969	984	1,057	3,819
	1,145	1,427	1,400	1,287	5,259
Operating profit (loss) (EBIT)					
Dyrup	1	62	38	-59	42
MT Højgaard (46%)	-1	11	12	22	44
Parent company's operations, etc.	-2	-1	-2	-5	-10
Total operating profit (loss) (EBIT)	-2	72	48	-42	76
Net finance costs	6	-3	-2	-4	-3
Profit (loss) before tax	4	69	46	-46	73
Profit (loss) after tax	3	50	33	-36	50
Cash flows					
From operating activities	-42	-70	-5	-3	-120
For investing activities*	-113	-12	61	53	-11
From financing activities	28	-31	-4	1	-6
Net increase (decrease) in cash and cash equivalents	127	-113	52	51	-137
*Portion relating to investment in property, plant and equipment	-26	-25	-20	-113	-184

Detailed statement - Third quarter of 2011 and YTD

- Third-quarter revenue was up 1% on 2010, and up 3% YTD.
- Delivery performance in France rose markedly in the third quarter and is now satisfactory.
- The operating result before extraordinary items was slightly lower than expected.

The Dyrup Group posted third-quarter revenue of DKK 422 million compared with DKK 416 million in the third quarter of 2010, up 1%. Consequently, YTD revenue was up 3% on 2010. Excluding the acquisition of Plus Paint in the first quarter, revenue was slightly ahead of last year's level, despite the significant decline in revenue in France and heavy rainfall in Germany and Denmark.

All countries except France reported revenue growth YTD, despite the fact that the season for outdoor products in Germany and Denmark was significantly shorter than expected due to heavy rainfall in the third quarter, and despite the general economic and financial crises in the Iberian Peninsula.

YTD, Dyrup reported a 6% decline in DIY, especially reflecting the development in France. Despite this, we held our market positions in our other markets and even won market shares in Germany. The market is estimated to have grown by around 3% within DIY. Within PRO, the market is estimated to have recorded a 2% increase, while Dyrup recorded an increase of around 12%.

The operating result before special items was a profit of DKK 74 million versus a profit of DKK 101 million in the same period last year. The result was lower than expected, primarily due to delivery problems in France and the short season for outdoor products in Germany and Denmark. The extraordinary items of DKK 35 million also primarily related to France. The running-in of the new warehouse and logistics set-up has been significantly more complicated than expected, but has now been resolved. Despite the delivery problems in 2011, Dyrup has not lost any customers, but has incurred costs in respect of compensation for non-delivery.

Net finance costs were in line with expectations. The result before tax for the period was a profit of DKK 20 million versus a profit of DKK 83 million in the same period in 2010.

Market conditions

Consolidated revenue in the principal markets can be broken down as follows:

DKK million	YTD 2010	**YTD 2011**	Change %
Denmark	291	**338**	16
France	296	**262**	-11
Germany	196	**198**	1
Iberian Peninsula	243	**246**	1
Poland	106	**111**	5
Other	78	**87**	14
Total	1,210	**1,242**	3

In Denmark, Dyrup's revenue within DIY was down 1% on last year, mainly reflecting the wet summer. PRO revenue was up 7%, excluding the Plus Paint acquisition. Including the Plus Paint acquisition, Dyrup's PRO revenue increased by 37% in total.

In France, Dyrup reported a decline in DIY due to delivery problems in connection with insourcing of inventory.

In Germany, the third quarter was extremely wet, and Dyrup's around 4% increase in the first half was reduced to flat revenue, whereas PRO revenue rose in the third quarter, with an overall increase of 2% YTD.

The market in the Iberian Peninsula showed a significant decline in the third quarter as well as overall YTD. Overall, Dyrup delivered a 1% increase YTD, significantly exceeding the general market trend.

Revenue in Poland increased by 5% overall, driven by sound PRO sales.

Besides Austria, other markets include exports to a number of countries in the Far East, Africa and Europe. Exports to European markets, in particular, including Greece and Ireland, are very sluggish due to the general economic situation in these countries, whereas exports to Angola, Russia and Asia are growing.

Cash flows

Operating activities generated a cash outflow of DKK 132 million, partly due to higher working capital, which related in part to Plus Paint and the challenge in France.

The cash outflow for investing activities was somewhat lower than in the same period in 2010, as the investment in Plus Paint, around DKK 11 million, was significantly smaller than the investment in Malfarb.

Net interest-bearing debt was DKK 665 million, up from DKK 506 million at 30 September 2010, due in part to higher working capital, the investments made in the second half of 2010 and the acquisition of Plus Paint.

Financial resources are still considered to be satisfactory to underpin Dyrup’s continued development.

Balance sheet

The balance sheet total was DKK 1.6 billion higher than at 30 September 2010, partly due to the investments made in 2010 and the acquisition of Plus Paint A/S.

Equity stood at DKK 456 million, corresponding to an equity ratio of 29%.

Outlook for 2011 reaffirmed

The revenue outlook is now growth of 3% due to the relatively development in the third quarter versus the previous outlook of growth of around 6-7%.

The result after tax for 2011 is expected to be a loss of around DKK 50 million, which is significantly larger than stated in the interim financial report for the first half. This is principally due to the fact that the profit outlook in the interim financial report for the first half was based on expected closing in the third quarter. The closing date has subsequently been agreed as 5 January 2012, see our Stock Exchange Announcement No. 18 dated 17.10.11.

Financial highlights for Dyrup A/S

Financial highlights in DKK million	Year	Q3		YTD	
	2010	2010	**2011**	2010	**2011**
Income statement					
Revenue	1,440	416	**422**	1,210	**1,242**
Gross profit	622	189	**185**	538	**546**
Operating profit before special items	42	38	**34**	101	**74**
Special items	-	-	**-22**	-	**-35**
Operating profit	42	38	**10**	101	**39**
Net finance costs	-22	-6	**-5**	-18	**-19**
Profit before tax	20	32	**5**	83	**20**
Profit after tax	15	24	**4**	62	**15**
Balance sheet					
Interest-bearing assets	51			13	**28**
Interest-bearing liabilities	516			519	**693**
Invested capital	990			1,073	**1,198**
Consolidated equity	448			488	**456**
Balance sheet total	1,304			1,412	**1,562**
Cash flows					
From operating activities	38	99	**28**	-13	**-132**
For investing activities**	-121	-22	**-10**	-107	**-58**
From financing activities	6	0	**-7**	3	**4**
Net increase (decrease) in cash and cash	-78	77	**11**	-117	**-186**
**)Portion relating to investment in property, plant and equipment	-73	-16	**-15**	-52	**-56**
Financial ratios (%)					
Gross margin	43	45	**44**	44	**44**
Operating margin (EBIT margin)	3	9	**8**	8	**6**
Pre-tax margin	1			7	**1**
Return on invested capital (ROIC)	5			*8	***7**
Equity ratio	34			35	**29**