

Interim financial report – First quarter 2015

At its meeting today, the Board of Directors of Monberg & Thorsen A/S approved the interim financial report for the period 1 January – 31 March 2015. The interim financial report has not been audited or reviewed by the company's auditor.

Questions relating to this announcement should be directed to Niels Lykke Graugaard, Chairman, 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.

Yours faithfully
MONBERG & THORSEN A/S

CVR No 12 61 79 17
Knud Højgaards Vej 9
2860 Søborg
Denmark

Interim financial report – First quarter 2015

The first-quarter operating result was in line with expectations.

The share of MT Højgaard's result after tax was a profit of DKK 12 million compared with a loss of DKK 108 million in the first quarter of 2014. In 2014, this item included Monberg & Thorsen's share of special items, DKK 90 million, which related to old offshore disputes. In the first quarter of 2014, the share of the operating result was consequently a loss of DKK 18 million.

Monberg & Thorsen's administrative expenses were in line with expectations.

The outlook for the full-year operating result for 2015 as announced in the 2014 annual report is reaffirmed. Subject to the appeal case ruling in favour of MT Højgaard not being appealed, see Stock Exchange Announcement No 8 of 30 April 2015, special items in MT Højgaard will amount to income of approx. DKK 195 million, of which Monberg & Thorsen's share will be 46%.

The accounting policies are unchanged from the 2014 annual report.

Financial highlights

DKK million	Year 2014	Q1 2014	2015
Income statement			
Share of profit (loss) after tax and non-controlling interests in jointly controlled entities, MT Højgaard (46%)	-154	-108	12
Administrative expenses in Monberg & Thorsen	-10	-1	-1
Operating profit (loss) EBIT	-164	-109	11
Net finance costs	0	0	3
Profit (loss) before tax	-164	-109	14
Profit (loss) after tax	-164	-109	14
Balance sheet			
Interest-bearing assets	230	286	232
Interest-bearing liabilities	0	0	0
Invested capital	353	366	364
Equity	583	652	596
Balance sheet total	587	690	601
Cash flows			
From operating activities	-50	-2	1
For investing activities**	-208	0	22
From financing activities	-7	0	0
Net increase (decrease) in cash and cash equivalents	-265	-2	23
**Portion relating to inv. in property, plant and equipment (gross)	0	0	0
Financial ratios (%)			
Return on invested capital (ROIC)	-40	-26*	3*
Return on equity (ROE)	-24	-15*	2*
Equity ratio	99	94	99
Share ratios (DKK per DKK 20 share)			
Earnings per share (EPS)	-46	-30	4
Cash flow from operations	-14	0	0
Book value	163	182	166
Market price	260	285	332
Market price/book value	1.6	1.6	2.0
Market capitalisation in DKK million	932	1,022	1,190

*Not converted to full-year figures.

The interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting and additional Danish disclosure requirements for interim financial reports of listed companies.

The financial ratios have been calculated in accordance with 'Recommendations & Financial Ratios 2010' published by the Danish Society of Financial Analysts. Financial ratios are defined in the 2014 annual report.

Management's review

Income statement

MT Højgaard's first-quarter operating result matched expectations. The result before special items was a profit of DKK 50 million compared with a loss of DKK 30 million in the first quarter of 2014, reflecting a satisfactory development. The first-quarter 2015 operating result thus showed a fair improvement in earnings with an increase to 3.0% in the operating margin, reflecting the fact that MT Højgaard is now producing on contracts of the desired quality.

As stated in our Stock Exchange Announcement No 8 of 30 April 2015, the Court of Appeal in London found in favour of MT Højgaard, ruling that the Group is not liable for the costs related to grouted connections on the Robin Rigg offshore project. Subject to the ruling not being appealed, special items in MT Højgaard will amount to income of approx. DKK 195 million.

A detailed account of the development in the jointly controlled entity **MT Højgaard**, in which Monberg & Thorsen has a 46% ownership interest, is given in Stock Exchange Announcement No 9, which has just been released and to which reference is made.

Monberg & Thorsen's operating result was in line with expectations.

Statement of cash flows

Cash flow from operating activities was an inflow of DKK 1 million and related to Monberg & Thorsen's result. The cash inflow from investing activities related to the redemption of corporate bonds. The portfolio of listed corporate bonds was DKK 186 million. Cash and cash equivalents in Monberg & Thorsen amounted to DKK 46 million, including DKK 4 million that is still lodged as security in respect of the guarantees provided in connection with the divestment of Dyrup.

Total financial resources were at the same level as at the end of 2014 and are still considered to be satisfactory.

Balance sheet

At DKK 601 million, the balance sheet was somewhat lower than at the end of the first quarter of 2014 and slightly higher than at 31 December 2014 due to MT Højgaard's operating result. The equity ratio was 99%, corresponding to the level at 31.12.2014.

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. The accounting policies are unchanged from the 2014 annual report.

Related parties

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

Related parties with significant influence comprise members of the Board of Directors and Executive Board.

Monberg & Thorsen's related parties also include the jointly controlled entity, MT Højgaard, in which Monberg & Thorsen has significant influence.

All related party transactions were entered into in the ordinary course of business and based on arm's length terms.

Outlook for 2015

The outlook for the operating result for 2015 as announced in the 2014 annual report is reaffirmed.

For 2015 the MT Højgaard Group consequently still expects revenue of DKK 7.0-7.5 billion and operating profit (EBIT) of DKK 300-375 million, corresponding to 4-5%.

Subject to the Court of Appeal ruling not being appealed, special items will amount to income of approx. DKK 195 million.

Monberg & Thorsen's share is 46% of the MT Højgaard Group's result after tax and non-controlling interests. From this should be deducted Monberg & Thorsen's operating expenses, which are still expected to be around DKK 5 million, to which should be added any further expenses related to the indemnities and guarantees provided in connection with the divestment of Dyrup.

The projections concerning future financial performance involve uncertainties and risks that may cause the performance to differ materially from the projections. Significant risks are described in the 'Risk factors' section in the 2014 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 own shares in the quarter under review. The portfolio of treasury shares is still 2,645 nos.

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 – 31 March 2015.

The interim financial statements, which have not been audited or reviewed by the company's auditor, have 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 financial position at 31 March 2015 and of the results of the operations and cash flows for the interim financial period 1 January – 31 March 2015.

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

Søborg, 13 May 2015

Executive Board

Mats Jönsson
President and CEO

Board of Directors

Niels Lykke Graugaard
Chairman

Henriette Holmgreen Thorsen
Deputy Chairman

Christine Thorsen

Lars Goldschmidt

Income statement in the individual financial statements (DKK million)	Year 2014	YTD	
		2014	2015
Share of profit (loss) after tax of jointly controlled entities, MT Højgaard	-154	-108	12
Administrative expenses in Monberg & Thorsen	-10	-1	-1
Operating profit (loss)	-164	-109	11
Net finance costs	0	0	3
Profit (loss) before tax	-164	-109	14
Tax	0	0	0
Profit (loss) after tax	-164	-109	14

Statement of comprehensive income in the individual financial statements (DKK million)	Year 2014	YTD	
		2014	2015
Profit (loss) after tax	-164	-109	14
Share of other comprehensive income after tax of jointly controlled entities, MT Højgaard	-9	1	-2
Total comprehensive income	-173	-110	12

Statement of cash flows in the individual financial statements (DKK million)	Year 2014	YTD	
		2014	2015
Operating profit (loss)	-164	-109	11
Share of profit (loss) of jointly controlled entities	-154	108	-12
Working capital changes	-41	-1	0
Cash flows from operations (operating activities)	-51	-2	-1
Net finance costs	1	0	2
Cash flows from operating activities	-50	-2	1
Purchase/sale of securities	-208	0	22
Cash flows for investing activities	-208	0	22
Cash flows before financing activities	-258	-2	23
Dividends paid	-7	0	0
Cash flows from financing activities	-7	0	0
Net increase (decrease) in cash and cash equivalents for the period	-265	-2	23
Cash and cash equivalents at 01.01.	288	288	23
Cash and cash equivalents at end of period	23	286	46

Balance sheet in the individual financial statements (DKK million)	Year	Q1	
	2014	2014	2015
ASSETS			
Investments in jointly controlled entities, MT Højgaard	351	404	362
Other securities	0	0	0
Total non-current assets	351	404	362
Receivables	6	0	7
Securities	207	0	186
Cash and cash equivalents	23	286	46
Total current assets	236	286	239
Total assets	587	690	601
EQUITY AND LIABILITIES			
Equity	583	652	596
Trade payables	0	1	1
Income tax	0	0	0
Other payables	4	37	4
Total current liabilities	4	38	5
Total equity and liabilities	587	690	601

Statement of changes in consolidated equity in the individual financial statements (DKK million)	Year	YTD	
	2014	2014	2015
Start of period	762	762	583
Comprehensive income for the period	-173	-110	12
Other	1	0	1
Dividends to shareholders	-7	0	0
End of period	583	652	596

Quarterly statements

DKK million	2015				
	Q1	Q2	Q3	Q4	Total
Income statement					
Share of profit (loss) after tax of jointly controlled entities, MT Højgaard	12				12
Administrative expenses	-1				-1
Operating profit (loss) EBIT	11				11
Net finance costs	3				3
Profit (loss) before tax	14				14
Profit (loss) after tax	14				14

DKK million	2014				
	Q1	Q2	Q3	Q4	Total
Income statement					
Share of profit (loss) after tax of jointly controlled entities, MT Højgaard	-108	8	-79	25	-154
Administrative expenses	-1	-2	-4	-3	-10
Operating profit (loss) EBIT	-109	6	-83	22	-164
Net finance costs	0	0	0		
Profit (loss) before tax	-109	6	-83	22	-164
Profit (loss) after tax	-109	6	-83	22	-164