MONBERG & THORSEN A/S

30.08.11
Announcement No.16, 2011

Interim financial report – First half 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 June 2011. The interim financial report is unaudited.

Søborg, 30 August 2011
Board of Directors and Executive Board

Monberg & Thorsen A/S

Anders Colding Friis	Jørgen Nicolajsen
Chairman	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.

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Interim financial report – First half 2011

On 5 May 2011, the Monberg & Thorsen Group signed a conditional agreement to sell all shares in Dyrup A/S. The transaction is expected to be completed in the third quarter of 2011. In future, the core activity will therefore be the ownership of MT Højgaard.

Under IFRS, Dyrup has therefore been accounted for in accordance with the rules on assets classified as held for sale.

- **Monberg & Thorsen** reported an operating loss of DKK 9 million from its continuing operations compared with a DKK 6 million profit in the first half of 2010.
- **MT Højgaard** delivered higher revenue with an operating result in line with expectations.
- **Dyrup** reported revenue and results slightly below expectations.

The outlook for 2011 in the interim financial report for the first quarter is reaffirmed. Revenue is consequently expected to be DKK 4.4 billion with earnings before interest – pre-tax margin - of 1% from the continuing operations.

THE GROUP
Financial highlights for Monberg & Thorsen

DKK million	Q2 2010	Q2 **2011**	YTD 2010	YTD **2011**
Revenue: MT Højgaard (46%)	969	**1,006**	1,778	**1,992**
Operating profit (loss) (EBIT): MT Højgaard (46%)	11	**1**	10	**-4**
Parent company	-1	**-3**	-4	**-5**
Operating profit (loss) (EBIT)	10	**-2**	-6	**-9**
Profit (loss) before tax from continuing operations	13	**-1**	22	**-12**
Profit (loss) after tax from continuing operations	8	**-3**	15	**-12**
Profit after tax from assets classified as held for sale, Dyrup	42	**19**	38	**11**
Profit (loss) after tax	50	**16**	53	**-1**

Income statement

Consolidated revenue from continuing operations was 12% ahead of the first half 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, but in line with expectations.

Net finance costs were DKK 3 million in the first half compared with net income of DKK 16 million in the first half of 2010. The difference primarily consisted of price adjustment of the securities portfolio and exchange rate changes.

The results before and after tax were therefore slightly lower than expected.

MT Højgaard's revenue was DKK 4.3 billion compared with DKK 3.9 billion in the first half of 2010, up 12%, matching expectations.

The operating result was in line with expectations. The result before tax was a loss of DKK 21 million, of which Monberg & Thorsen's share was 46%. The result was slightly lower than expected due to capital losses on the securities portfolio and exchange rate changes.

Stock Exchange Announcement No. xx 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 reported revenue of DKK 820 million, up 3% despite delivery problems due to difficulties in connection with insourcing of the inventory in France with effect from 1 January 2011.

The operating result was a profit of DKK 29 million after extraordinary costs of DKK 13 million compared with a profit of DKK 63 million in the first half of 2010.

Dyrup's first-half 2011 results are described in the attached appendix, which gives a detailed account of the development.

Statement of cash flows

Operating activities of continuing operations generated a cash outflow of DKK 256 million during the reporting period, mainly reflecting the activities in MT Højgaard. Investing activities generated a cash inflow of DKK 4 million, predominantly due to MT Højgaard's sale of securities.

The Group's financial resources are 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 slightly higher than at 30 June 2010 primarily due to the increase in work in progress. There were no major changes in the balance sheet composition, and the consolidated equity ratio was 35%.

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 IFRS (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 Group still expects the sale of Dyrup to be completed in the third quarter of 2011. As a consequence of this and the reclassification for accounting purposes of Dyrup's operations to assets classified as held for sale consolidated revenue is expected to be around DKK 4.4 billion, as stated in the interim financial report for the first quarter of 2011. The revenue outlook corresponds to the proportionate share of MT Højgaard's expected revenue

MT Højgaard still expects revenue of approximately DKK 9.5 billion and a pre-tax margin of around 1%.

The consolidated result before tax from the continuing operations is also unchanged and expected to be a pre-tax margin of around 1%.

As a consequence of the effect on the result after tax of Dyrup until closing and the effect of the sale, Monberg & Thorsen expects a break-even result after tax. The result will depend on the date of closing and the consequences of the guarantee commitments undertaken in connection with the sale.

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 quarter under review. The portfolio of treasury shares is still 2,645 nos.

MONBERG & THORSEN A/S

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 June 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 June 2011 and of the results of the Group's operations and cash flows for the period 1 January - 30 June 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, 30 August 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

Appendix: *Financial highlights*
Consolidated balance sheet, Statement of comprehensive income and Statement of changes in consolidated equity
Quarterly statements
Detailed statement – First half 2011 – Dyrup A/S

Financial highlights

DKK million	Year 2010	YTD 2010	YTD 2011
Income statement			
Revenue from continuing operations:			
MT Højgaard (46%)	3.819	1.991	**1.992**
Operating profit (loss) (EBIT)	34	6	**-9**
Net finance costs	20	16	**-3**
Profit (loss) before tax from continuing operations	54	22	**-12**
Profit (loss) after tax from continuing operations	35	15	**-12**
Profit after tax from discontinuing operations, Dyrup	15	38	**11**
Profit (loss) after tax	50	53	**-1**
Balance sheet			
Interest-bearing assets	643	760	**463**
Interest-bearing liabilities	536	572	**390**
Invested capital	1.615	1.483	**1.495**
Consolidated equity	1.594	1.592	**1.568**
Attributable to equity holders of the parent	1.592	1.592	**1.568**
Balance sheet total	3.805	4.117	**4.427**
Cash flows			
From operating activities	-157	-1	**-256**
For investing activities**	110	-40	**4**
From financing activities	-12	-5	**2**
Cash flows from discontinuing operations, Dyrup	-78	-194	**-197**
Net increase (decrease) in cash and cash equivalents	-137	-240	**-447**
** Portion relating to investment in property, plant and equipment	-111	-15	**-29**
Financial ratios (%)			
Operating margin (EBIT margin) from continuing operations	1	0	**0**
Pre-tax margin from continuing operations	1	1	**-1**
Return on invested capital (ROIC) from continuing operations	2	0*	**-1***
Return on equity (ROE)	3	3*	**0***
Equity ratio	42	39	**35**
Share ratios (DKK per DKK 20 share)			
Earnings per share (EPS), continuing operations	10	-3	**-3**
Earnings per share (EPS), total	14	0	**0**
Cash flows from operating activities, continuing operations	-44	0	**-72**
Book value	444	444	**438**
Market price	300	348	**305**
Market price/book value	0,7	0,8	**0,7**
Market capitalisation in DKK million	1.076	1.248	**1.093**

*) 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 2010	YTD 2010	**YTD 2011**
ASSETS			
Intangibles	181	185	**56**
Property, plant and equipment	924	910	**376**
Investments	126	104	**77**
Total non-current assets	1.231	1.199	**509**
Inventories	592	532	**382**
Receivables	1.340	1.626	**1.430**
Cash and cash equivalents and securities	642	760	**463**
Assests related to operations classified as held for sale, Dyrup	-	-	**1.643**
Total current assets	2.574	2.918	**3.918**
Total assets	3.805	4.117	**4.427**
EQUITY AND LIABILITIES			
Equity	1.594	1.592	**1.568**
Non-current provisions	130	110	**98**
Non-current liabilities, interest-bearing	292	298	**87**
Construction contracts in progress	325	520	**386**
Current liabilities, interest-bearing	244	274	**303**
Other current payables	1.220	1.323	**990**
Obl. related to operations classified as held for sale, Dyrup	-	-	**995**
Total equity and liabilities	3.805	4.117	**4.427**

Statement of comprehensive income (DKK million)	Year 2010	YTD 2010	**YTD 2011**
Foreign exchange adjustments, foreign enterprises	3	3	**2**
Value adjustments of hedging instruments	-6	-11	**1**
Tax on other comprehensive income	1	3	**0**
Comprehensive income recognised directly in equity	-2	-5	**3**
Profit for the period	50	53	**-1**
Total comprehensive income	48	48	**2**

Statement of changes in consolidated equity DKK million	Year 2010	YTD 2010	**YTD 2011**
Start of period	1.568	1.568	**1.594**
Comprehensive income for the period	48	48	**2**
Dividend to shareholders	-24	-24	**-25**
Capital contribution, non-controlling interests	2	-	**-3**
End of period	1.594	1.592	**1.568**

Quarterly statements

DKK million	2011 Q1	Q2	Q3	Q4	Total
Income statement					
Revenue from continuing operations:					
MT Højgaard (46%)	986	**1.006**			**1.992**
Operating profit (loss) (EBIT)					
MT Højgaard (46%)	-5	**1**			**-4**
Parent company's operations	-2	**-3**			**-5**
Total operating profit (loss) (EBIT)	-7	**-2**			**-9**
Net finance costs	-4	**1**			**-3**
Profit (loss) before tax from continuing operations	-11	**-1**			**-12**
Profit (loss) after tax from continuing operations	-9	**-3**			**-12**
Profit (loss) after tax, Dyrup	-8	**19**			**11**
Profit (loss) after tax, total	-17	**16**			**-1**

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 – First half 2011

- Revenue was 3% ahead of the first half of 2010.
- The operating result before extraordinary items was slightly lower than expected.

The Dyrup Group recorded second-quarter revenue of DKK 488 million, up 7%. Excluding the Plus Paint acquisition, revenue was 3% ahead. YTD revenue was therefore DKK 820 million, up 3%, or, excluding the Plus Paint acquisition, up 1%.

Dyrup delivered a 3% increase in DIY revenue, despite delivery problems in France in connection with insourcing of the new inventory. It is estimated that the DIY market grew by around 3% in the second quarter. The PRO market is estimated to have grown by around 1%, whereas Dyrup reported an increase of around 2% when excluding the acquired Plus Paint revenue. Including this revenue, PRO revenue was 11% ahead.

The operating result before special items was a profit of DKK 41 million compared with a profit of DKK 63 million in the same period last year. The result did not live up to expectations, primarily due to delivery problems in France. The extraordinary items of DKK 13 million also primarily related to France. The running-in of the new warehouse and logistics set-up has been significantly more complicated than expected, and it is only here in August that the warehouse has only become fully functional, and the resolution of the remaining problems is expected to take another few weeks. 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 15 million against a profit of DKK 51 million in the first half of 2010.

Market conditions

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

DKKm	YTD 2010	**YTD 2011**	Change %
Denmark	185	225	22
France	205	173	-16
Germany	140	143	2
Iberia	143	149	4
Poland	67	74	10
Export	54	56	4
Total	**794**	**820**	3

In Denmark, Dyrup's DIY revenue was 8% ahead of last year. Excluding the Plus Paint acquisition, PRO revenue was up 10%. Including the Plus Paint acquisition, Dyrup's PRO revenue increased by 38% in total.

In France, Dyrup reported a decline in revenue in both DIY and PRO, primarily due to delivery problems in connection with insourcing of inventory.

In Germany, the DIY market showed progress, with Dyrup recording an increase of around 4%, whereas the PRO declined by around 2%.

The market in the Iberian Peninsula showed a significant decline in the second quarter as well as for the first half overall. Overall, Dyrup delivered a 4% increase YTD, significantly exceeding the general market trend.

Revenue in Poland increased by 9% overall in Polish zloty, driven by sound PRO sales. Converted to Danish kroner, revenue was up 10% due to the strengthened Polish currency.

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, were very sluggish due to the general economic situation in these countries.

Cash flows

Operating activities generated a cash outflow of DKK 160 million, partly due to higher working capital, which relates in part to Plus Paint and the challenge in France.

The cash outflow for investing activities was somewhat lower than in the first half of 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 684 million, up from DKK 532 million at 30 June 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 June 2010, partly due to the investments made in 2010 and the acquisition of Plus Paint A/S.

Equity stood at DKK 463 million, corresponding to an equity ratio of 28%.

Outlook for 2011

The revenue outlook of growth of around 6-7% is reaffirmed, partly due to the acquisition of Plus Paint and the price increases introduced.

Because of PPG's acquisition of Dyrup with expected closing in the third quarter of 2011, revenue under Monberg & Thorsen's ownership is expected to be around DKK 1 billion, with a result before tax of around 3-4% due to the season.

Financial highlights for Dyrup A/S

Financial highlights in DKK million	Year 2010	2nd quarter 2010	2nd quarter **2011**	1st half 2010	1st half **2011**
Income statement					
Revenue	1.440	458	**488**	794	**820**
Gross profit	622	214	**216**	349	**361**
Operating profit before special items	42	62	**41**	63	**41**
Special items	0	0	**-8**	0	**-13**
Operating profit	42	62	**34**	63	**29**
Net finance costs	-22	-6	**-8**	-12	**-14**
Profit before tax	20	56	**26**	51	**15**
Profit after tax	15	42	**20**	38	**11**
Balance sheet					
Interest-bearing assets	51			12	**36**
Interest-bearing liabilities	516			594	**720**
Invested capital	990			1.122	**1.224**
Consolidated equity	448			460	**463**
Balance sheet total	1.304			1.455	**1.643**
Cash flows					
From operating activities	38	-30	**-54**	-112	**-160**
For investing activities**	-121	-21	**-20**	-85	**-48**
From financing activities	6	-7	**3**	3	**11**
Net increase (decrease) in cash and cash equivalents	-78	-58	**-71**	-194	**-197**
**) Portion relating to investment in property, plant and equipment	-73	-12	**-23**	-36	**-41**
Financial ratios (%)					
Gross margin	43			44	**44**
Operating margin (EBIT margin)	3			8	**5**
Pre-tax margin	1			6	**2**
Return on invested capital (ROIC)	5			*6	***4**
Equity ratio	34			32	**28**

*) Not converted to full-year figures.