


28.08.13
Announcement No 27, 2013

Interim financial report - First half 2013

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 2013. The interim financial report is unaudited.

Søborg, 28 August 2013
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.

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Interim financial report - First half 2013

- **Monberg & Thorsen** reported a loss before tax of DKK 28 million, as expected.
- **MT Højgaard** reported revenue and result in line with expectations.

The profit outlook for 2013 is reaffirmed.

Income statement

Consolidated revenue amounted to DKK 1.5 billion, as expected, compared with DKK 2.5 billion in the first half of 2012.

The operating result was in line with expectations and ahead of last year.

The result before tax was also in line with expectations.

The Danish Parliament (*Folketinget*) has adopted a gradual reduction of the income tax rate from 25% to 22% in 2016. This will reduce the value of the Group's deferred tax asset by approx. DKK 9 million, which has been expensed in the first-half financial statements.

As expected, **MT Højgaard** delivered revenue of DKK 3.3 billion compared with DKK 5.5 billion in the first half of 2012.

A detailed account of the development in the Group's enterprise **MT Højgaard**, in which Monberg & Thorsen has a 46% ownership interest, is given in Stock Exchange Announcement No. 26, which has just been released and to which reference is made.

As previously announced, MT Højgaard's capital was increased by DKK 300 million during the period under review in order to strengthen the company's cash position and capital base. Monberg & Thorsen's share was 46%, equivalent to DKK 138 million.

The parent company's operating result was in line with expectations.

Statement of cash flows

Operating activities generated a cash outflow of DKK 105 million in the first half, reflecting the lower level of activity and the resulting decrease in financing from construction activities in progress and production from previously contracted orders with low or zero earnings, as well as cash resources for settlement of disputes and provisions for old warranty cases. Investing activities generated a net cash inflow of DKK 290 million due to the sale of securities.

The Group's capital resources were largely at the same level as at the end of 2012 and are still considered to be satisfactory.

Balance sheet

At DKK 2.2 billion, the balance sheet was somewhat lower than at the end of the first half of 2012 and at 31 December 2012 due to the lower level of activity in MT Højgaard. The Group's equity ratio was 33% compared with 31% at 31.12. 2012.

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 2012 annual report apart from the fact that, with effect from 1 January 2013, we have implemented the standards and interpretations that became effective for 2013. These have not had any effect on recognition and measurement in the interim financial report. Accounting estimates and judgements have been accounted for in the same way as in the 2012 annual report (note 2), to which reference is made.

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 were 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 jointly controlled entities are on an arm's length basis.

Outlook for 2013

The Group's outlook for 2013 as announced in the 2012 annual report is reaffirmed.

Consolidated revenue for 2013 is still expected to be around DKK 3.2 billion, with a small positive result before tax. To this should be added any costs in connection with the guarantees provided on the divestment of Dyrup. The result may also be impacted positively or adversely by the outcome of major disputes in MT Højgaard.

The projections concerning future financial performance are subject to 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 2012 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.

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 2013.

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 2013 and of the results of the Group's operations and cash flows for the financial period 1 January – 30 June 2013.

Further, in our opinion, the 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, 28 August 2013

Executive Board

Jørgen Nicolajsen
President and CEO

Board of Directors

Anders Colding Friis
Chairman

Niels Lykke Graugaard
Deputy Chairman

Lars Goldschmidt

Curt Germundsson

Henriette Holmgreen Thorsen

Christine Thorsen

Appendices: Financial highlights

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

Quarterly statements

Financial highlights

DKK million	Year	YTD	
	2012	2012	2013
Income statement			
Revenue from continuing operations:			
MT Højgaard (46%)	4,478	2,531	1,510
Operating profit (loss) (EBIT)	-245	-71	-25
Net finance costs	1	5	-3
Profit (loss) before tax from continuing operations	-244	-66	-28
Profit (loss) after tax from continuing operations	-243	-54	-35
Profit (loss) after tax from discontinuing operations, Dyrup	-12	0	0
Profit (loss) after tax	-255	-54	-35
Balance sheet			
Interest-bearing assets	615	770	479
Interest-bearing liabilities	249	273	233
Invested capital	413	485	495
Equity	780	982	741
Balance sheet total	2,499	3,009	2,247
Cash flows			
From operating activities	-100	8	-105
For investing activities**	162	137	290
From financing activities	-128	-110	13
Net increase (decrease) in cash and cash equivalents	-66	35	198
**Portion relating to inv. in property, plant and equipment (gross)	-31	-4	-13
Financial ratios (%)			
Operating margin (EBIT margin)	-6	-3	-2
Pre-tax margin	-5	-3	-2
Return on invested capital (ROIC)	-4	-12*	-6*
Return on equity (ROE)	-3	-9*	-5*
Equity ratio	31	33	33
Share ratios (DKK per DKK 20 share)			
Earnings per share (EPS), continuing operations	-68	-15	-10
Earnings per share (EPS), total	-71	-15	-10
Cash flows from operating activities, continuing operations	-28	2	-29
Book value	218	274	207
Market price	142	160	197
Market price/book value	0.7	0.6	1.0
Market capitalisation in DKK million	509	574	706

*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 'Recommendations & Financial Ratios 2010' published by the Danish Society of Financial Analysts. Financial ratios are defined in the 2012 annual report.

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

Consolidated balance sheet (DKK million)	Year	YTD	
	2012	2012	2013
ASSETS			
Intangible assets	68	57	68
Property, plant and equipment	296	327	286
Investments	162	141	162
Total non-current assets	526	525	516
Inventories	315	344	313
Receivables	1,043	1,370	939
Cash and cash equivalents and securities	615	770	479
Total current assets	1,973	2,484	1,731
Total assets	2,499	3,009	2,247
EQUITY AND LIABILITIES			
Equity	780	982	741
Non-current provisions	125	129	125
Non-current liabilities, interest-bearing	64	74	85
Construction contracts in progress	402	549	327
Current liabilities, interest-bearing	185	199	148
Other current payables	943	1,076	821
Total equity and liabilities	2,499	3,009	2,247

Statement of comprehensive income (DKK million)	Year	YTD	
	2012	2012	2013
Foreign exchange adjustments, foreign enterprises	-2	-1	1
Value adjustments of hedging instruments	-1	-1	3
Tax on other comprehensive income	0	0	0
Comprehensive income recognised directly in equity	-3	-2	4
Profit (loss) for the period	-255	-54	-35
Total comprehensive income	-258	-56	-32

Statement of changes in consolidated equity (DKK million)	Year	YTD	
	2012	2012	2013
Start of period	1,146	1,146	780
Comprehensive income for the period	-258	-56	-32
Dividends to shareholders	-108	-108	-7
End of period	780	982	741

Quarterly statements

DKK million	2013				Total
	Q1	Q2	Q3	Q4	
Income statement					
Revenue					
MT Højgaard (46%)	695	815			1,510
Operating profit (loss) (EBIT)					
MT Højgaard (46%)	-32	12			-20
Parent company's operations	-2	-3			-5
Total operating profit (loss) (EBIT)	-34	9			-25
Net finance costs	0	-3			-3
Profit (loss) before tax	-34	6			-28
Profit (loss) after tax	-28	-7			-35

DKK million	2012				Total
	Q1	Q2	Q3	Q4	
Income statement					
Revenue from continuing operations:					
MT Højgaard (46%)	1,146	1,385	1,023	924	4,478
Operating profit (loss) (EBIT)					
MT Højgaard (46%)	-69	2	3	-169	-233
Parent company's operations	-2	-2	-2	-6	-12
Total operating profit (loss) (EBIT)	-71	0	1	-175	-245
Net finance costs	0	5	0	-4	1
Profit (loss) before tax, continuing operations	-71	5	1	-179	-244
Profit (loss) after tax, continuing operations	-54	0	-1	-188	-243
Profit (loss) after tax, Dyrup	0	0	0	-12	-12
Profit (loss) after tax	-54	0	-1	-200	-255