

11.11.13
Announcement No 35, 2013

Interim financial report - Third quarter 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 September 2013. The interim financial report is unaudited.

Søborg, 11 November 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 - Third quarter 2013

- **Monberg & Thorsen** reported a loss before tax of DKK 23 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 2.4 billion, as expected, compared with DKK 3.6 billion in the same period in 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.

As expected, **MT Højgaard** delivered revenue of DKK 5.1 billion compared with DKK 7.7 billion in the same period last year.

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. 34, which has just been released and to which reference is made.

As previously announced, MT Højgaard's capital was increased by DKK 300 million in the first quarter 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 141 million in the period under review, reflecting the lower level of activity and the resulting decrease in financing from construction contracts in progress and production from previously contracted orders with low or zero earnings, as well as cash resources for settlement of disputes. Investing activities generated a net cash inflow of DKK 285 million due to the sale of securities.

The Group's financial 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 30 September 2012 and at 31 December 2012 due to the lower level of activity in MT Højgaard. The Group's equity ratio was 34% compared with 31% at 31.12. 2012.

Accounting policies

The interim financial statements 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. 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 September 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 September 2013 and of the results of the Group's operations and cash flows for the period 1 January – 30 September 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, 11 November 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 | 3,554 | 2,354 |
| Operating profit (loss) (EBIT) | -245 | -70 | -16 |
| Net finance costs | 1 | 5 | -7 |
| Profit (loss) before tax from continuing operations | -244 | -65 | -23 |
| Profit (loss) after tax from continuing operations | -243 | -55 | -33 |
| Profit (loss) after tax from discontinuing operations, Dyrup | -12 | - | - |
| Profit (loss) after tax | -255 | -55 | -33 |
| Balance sheet | | | |
| Interest-bearing assets | 615 | 617 | 447 |
| Interest-bearing liabilities | 249 | 289 | 245 |
| Invested capital | 413 | 650 | 542 |
| Equity | 780 | 978 | 745 |
| Balance sheet total | 2,499 | 2,652 | 2,204 |
| Cash flows | | | |
| From operating activities | -100 | -150 | -141 |
| For investing activities** | 162 | 172 | 285 |
| From financing activities | -128 | -112 | 11 |
| Net increase (decrease) in cash and cash equivalents | -66 | -90 | 155 |
| **Portion relating to inv. in property, plant and equipment (gross) | -31 | -4 | -29 |
| Financial ratios (%) | | | |
| Operating margin (EBIT margin) | -6 | -2 | -1 |
| Pre-tax margin | -5 | -2 | -1 |
| Return on invested capital (ROIC) | -4 | -10* | -3* |
| Return on equity (ROE) | -3 | -5* | -4* |
| Equity ratio | 31 | 37 | 34 |
| Share ratios (DKK per DKK 20 share) | | | |
| Earnings per share (EPS), continuing operations | -68 | -26 | -9 |
| Earnings per share (EPS), total | -71 | -26 | -9 |
| Cash flows from operating activities, continuing operations | -28 | -42 | -39 |
| Book value | 218 | 273 | 208 |
| Market price | 142 | 174 | 259 |
| Market price/book value | 0.7 | 0.6 | 1.2 |
| Market capitalisation in DKK million | 509 | 623 | 928 |

*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 | 69 |
| Property, plant and equipment | 296 | 309 | 281 |
| Investments | 162 | 142 | 164 |
| Total non-current assets | 526 | 508 | 514 |
| Inventories | 315 | 347 | 304 |
| Receivables | 1,043 | 1,180 | 939 |
| Cash and cash equivalents and securities | 615 | 617 | 447 |
| Total current assets | 1,973 | 2,144 | 1,690 |
| Total assets | 2,499 | 2,652 | 2,204 |
| EQUITY AND LIABILITIES | | | |
| Equity | 780 | 978 | 745 |
| Non-current provisions | 125 | 131 | 125 |
| Non-current liabilities, interest-bearing | 64 | 71 | 83 |
| Construction contracts in progress | 402 | 429 | 335 |
| Current liabilities, interest-bearing | 185 | 218 | 161 |
| Other current payables | 943 | 825 | 755 |
| Total equity and liabilities | 2,499 | 2,652 | 2,204 |

| Statement of comprehensive income (DKK million) | Year | YTD | |
|---|------|------|------------|
| | 2012 | 2012 | 2013 |
| <i>Items that may be reclassified to the income statement</i> | | | |
| Foreign exchange adjustments, foreign enterprises | -2 | -2 | 1 |
| Value adjustments of hedging instruments | -1 | -3 | 4 |
| Tax on other comprehensive income | 0 | 0 | 0 |
| Comprehensive income recognised directly in equity | -3 | -5 | 5 |
| Profit (loss) for the period | -255 | -55 | -33 |
| Total comprehensive income | -258 | -60 | -28 |

| 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 | -60 | -28 |
| Dividends to shareholders | -108 | -108 | -7 |
| End of period | 780 | 978 | 745 |

Quarterly statements

| DKK million | Q1 | Q2 | 2013 Q3 | Q4 | Total |
|---------------------------------------|-----|-----|------------|----|-------|
| Income statement | | | | | |
| Revenue | | | | | |
| MT Højgaard (46%) | 695 | 815 | 844 | | 2,354 |
| Operating profit (loss) (EBIT) | | | | | |
| MT Højgaard (46%) | -32 | 12 | 11 | | -9 |
| Parent company's operations | -2 | -3 | -2 | | -7 |
| Total operating profit (loss) (EBIT) | -34 | 9 | 9 | | -16 |
| Net finance costs | 0 | -3 | -4 | | -7 |
| Profit (loss) before tax | -34 | 6 | 5 | | -23 |
| Profit (loss) after tax | -28 | -7 | 2 | | -33 |

| DKK million | Q1 | Q2 | 2012 Q3 | Q4 | Total |
|---|-------|-------|------------|------|-------|
| 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 |