

INTERIM REPORT

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HIGHLIGHTS 1ST HALF YEAR 2008

- FOR THE 1ST HALF YEAR OF 2008, SJÆLSØ POSTED A SATISFACTORY PROFITS BEFORE TAX OF DKK 292.2 MILLION AGAINST PROFITS BEFORE TAX OF DKK 594.0 MILLION FOR THE FIRST SIX MONTHS OF 2007.
- PROJECT CONTRIBUTION IN PERCENTAGE OF REVENUE WAS REDUCED TO 14.4% DUE TO RISING CONSTRUCTION COSTS RELATING TO PROJECTS SOLD IN PREVIOUS YEARS AND REDUCED SALES OF NEW PROJECTS.
- ON AUGUST 21, 2008 SJÆLSØ ANNOUNCED THAT THE COMPANY HAD SOLD 275 INDIVIDUAL RESIDENTIAL PROPERTIES TO ESSEX FOR DKK 900 MILLION. THE SALE TO ESSEX HAS RELEASED SIGNIFICANT RESOURCES TO OTHER ACTIVITIES.
- FOLLOWING THE SALE TO ESSEX, SJÆLSØ HAS NO COMPLETED, UNSOLD RESIDENTIAL UNITS IN 100% OWNED PROJECTS.
- UNCERTAINTY IN THE FINANCIAL MARKETS IS ALSO IMPACTING ON THE PROPERTY SECTOR. AS TENANTS AND INVESTORS' DECISION-MAKING PROCESSES ARE SLOWER, SOME OF SJÆLSØ'S PROJECTS ARE EXPECTED TO BE DEFERRED FROM 2008 TO 2009.
- SJÆLSØ IS FINANCIALLY WELL CONSOLIDATED AND MAINTAINS ONGOING FOCUS ON FINANCIAL AND MARKET-RELATED RISKS.
- AS AT 30 JUNE 2008, EQUITY AMOUNTS TO DKK 2,138.6 MILLION. DURING THE 1ST HALF YEAR 2008, RETURN ON SHAREHOLDERS' EQUITY WAS 20.2% P.A.
- AS AT 30 JUNE 2008, CASH AT BANK AND IN HAND TOTALLED DKK 1,128.6 MILLION OF WHICH DKK 540.0 MILLION IS FREE AND AVAILABLE.
- SJÆLSØ CONTINUES TO REGISTER SIGNIFICANT CONFIDENCE AT THE FINANCIAL INSTITUTIONS AND CONTINUES TO HAVE ACCESS TO PROJECT FINANCING ON ACCEPTABLE TERMS.
- SJÆLSØ'S INTERNATIONALISATION IS PROCEEDING ACCORDING TO PLAN AND IS REDUCING EXPOSURE TO INDIVIDUAL MARKETS AND PROPERTY TYPES.
- SJÆLSØ HAS A PIPELINE OF NON-INITIATED PROJECTS WITH A PROJECT VALUE OF DKK 19 BILLION. APPROX. HALF OF THE PIPELINE RELATES TO PROJECTS OUTSIDE DENMARK.
- SJÆLSØ EXPECTS PROFITS BEFORE TAX OF DKK 500-700 MILLION FOR 2008 – BEFORE ANY VALUE ADJUSTMENTS.

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CONTENTS

SJÆLSØ 1ST HALF YEAR 2008

2 Highlights 1st half year 2008

MANAGEMENT REPORT

5 A hesitant market
 5 Sales of residential properties to Essex Invest
 5 Uncertainty in financial markets
 5 Consolidation and risk management
 6 Activities in Sweden and Poland
 6 The contracting market stabilises
 6 Change to purchasing price for IBI
 6 Share buy back programme
 6 Copenhagen Towers
 6 Strategic partnerships
 7 Pipeline of DKK 19 billion
 7 Profit forecast for 2008
 9 Key figures and ratios - the Group
 10 Development in revenue and profit
 10 Equity development
 10 Liquidity development
 10 Balance sheet development
 11 Project financing and contingent liabilities
 11 Accounting policies
 11 Shareholders and ownership

FINANCIAL TARGETS AND RISKS

12 Financial targets
 12 Solvency targets
 12 Supplementary solvency target relating to sites

12 Liquidity targets
 12 Risks according to markets
 12 Market trends and price development
 12 Interest rate risks
 12 Currency risks

DENMARK

14 **COMMERCIAL**
 14 Stable demand for premises
 14 Investor demand
 15 **COPENHAGEN TOWERS**
 15 International hotel
 15 Office tower designed by Foster + Partners
 15 Flexibility and service
 16 **RETAIL**
 16 Sales of new projects in Denmark in 2008
 17 **RESIDENTIAL**
 17 Continued low level of activity in the residential market
 17 Good market for tenants
 17 Copenhagen Residential

ACTIVITIES OUTSIDE DENMARK

18 Focus on internationalisation
 18 **POLAND**
 18 New major office project in Warsaw
 19 The residential market in Poland
 19 First residential project in Poland initiated
 19 Retail in Poland

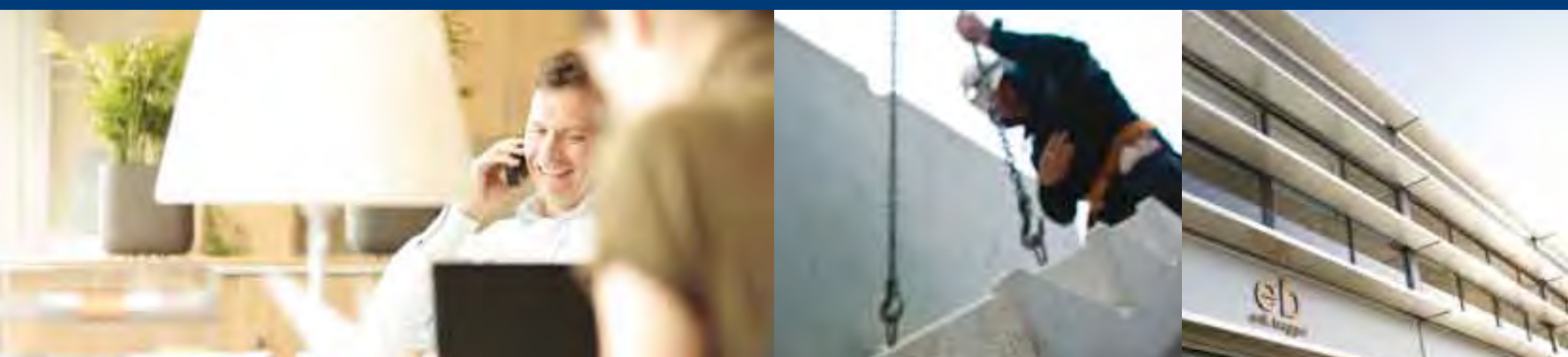
19 Retail project in Poland
 20 **SWEDEN**
 20 Retail in Sweden
 20 Residential market in Sweden
 20 New residential projects in Sweden
 20 Sjælsø secures new major commercial and residential projects in Stockholm
 21 **NORWAY**
 21 **FINLAND**

PIPELINE

24 **THE BOARD OF DIRECTORS' AND MANAGEMENT BOARD'S REPORTS**

INTERIM ACCOUNTS 2008

25 Income statement - the Group
 26 Assets - the Group
 27 Equity and liabilities - the Group
 28 Consolidated cash flow statement - the Group
 29 Statement of changes in equity - the Group



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John R. Frederiksen, Chairman
Torben Rønje, Vice-Chairman
Steen Raagaard Andersen
Jan Olav Braaten
Holger Dock
Henrik Kristian Moltke
Ib Henrik Rønje

MANAGEMENT BOARD

Flemming Joseph Jensen, CEO
Jørgen Junker, COO
Torben Black, CFO

The Interim Report for 2008 is a translation from the Danish version. If there is any doubt as to the understanding or interpretation of the English version, the Danish version of the Interim Report for 2008 shall prevail.



MANAGEMENT REPORT

A HESITANT MARKET

In general, the property market developed negatively during the first six months of 2008. This is most pronounced in the Danish market, although all Sjælsø's markets have been affected by the current trends to a greater or lesser degree.

Financial uncertainties and the expectation for lower growth have resulted in longer decision-making processes with both tenants and investors and have led to lower revenue in the market. Commercial enterprises' revenues and activities, however, continue to show generally positive trends. Consequently, Sjælsø expects to see an acceptable demand for new premises in the future.

Sjælsø expects the current market situation to continue for the remainder of 2008 and well into 2009 resulting in lower activity in the property market.

The changed market conditions, however, have also offered new business opportunities. Sjælsø has the financial strength and track record to enable the Group to implement projects under current market conditions.

SALES OF RESIDENTIAL PROPERTIES TO ESSEX INVEST

On August 21, 2008 Sjælsø signed an agreement with Essex Invest concerning the sale of 275 residential properties in Greater Copenhagen at a total sales price of DKK 900 million, cf. Stock Exchange announcement no. 30 - 2008.

The properties will be delivered in December 2008 and June 2009. Following the sale to Essex, Sjælsø has no completed, unsold residential units in 100% owned projects. In the Århus area, Sjælsø has 50 unsold units under construction which will be completed within the next 12 months. Furthermore, there are 50 unsold residential properties under construction in Greater Copenhagen. These are expected to be completed during the second half year of 2009 and in 2010. In addition, there are 166 units in the joint venture project at Havneholmen which are now being offered for rent.

With the sale of the properties to Essex, Sjælsø's exposure to the Copenhagen residential market has been substantially reduced. Moreover, the deal releases liquidity and resources for the development of other projects.

Sjælsø has also signed an agreement with Essex regarding the acquisition of a site in Ørestad Syd for DKK 152 million. 30,500 m², residential and commercial property can be constructed here.

The sale of the residential units to Essex was at a limited profit. The company's gross margin will, therefore, decline for the current year. By contrast, the liquidity in the projects will be released for other investments.

The sale of the units will be recognised in the income statement in line with their delivery and will have no influence on the result for the 1st half year of 2008.

UNCERTAINTY IN FINANCIAL MARKETS

The uncertainty in the financial markets has impacted on the property sector. In general, the sector is finding it tougher to achieve the desired financing of property investments.

Sjælsø, therefore, has noted that property investors have recently been more hesitant with regard to the purchase of new investment projects. As a result, sales negotiations for several of the company's projects have been extended beyond what is customary. Consequently, earnings from new sales of projects have declined.

The hesitancy on the part of the investors combined with higher financing costs have meant that, in particular, properties in secondary locations are being traded at a somewhat higher initial yield than before. Demand for attractive, well-located properties, however, remains good from a broad selection of investors. The yield requirement for this type of property has consequently risen relatively less.

Sjælsø expects this situation to continue for some time and that institutional investors, together with well consolidated private investors and property companies, will play a larger role at the cost of investors with a higher level of gearing.

Sjælsø has also noted that financial institutions continue to have great confidence in Sjælsø's ability to implement projects. As a result, Sjælsø can still obtain project financing at acceptable terms under the current conditions.

Rising interest rates are impacting on Sjælsø's revenue due to increased project costs. This, however, is in part counter-balanced by the agreements signed in 2007 concerning interest swaps at fixed rates. Based on the interest rate level prevailing at 30 June 2008, the value of the interest swap agreements totalled DKK 26 million which is directly included in the equity.

CONSOLIDATION AND RISK MANAGEMENT

As a result of the financial unrest and greater uncertainty as well as declining activity and revenue in the private residential and investor markets, Sjælsø has only invested in a few new project opportunities in Denmark. Instead, Sjælsø has focused on the implementation of projects in the current pipeline.

The purchase of properties for project development has, therefore, been highly selective in recent months with focus on future earnings opportunities and a reasonable lead time in relation to the project's size and complexity.

Sjælsø will continue to focus on the consolidation and elimination of risks with due consideration for the exploitation of business opportunities offered by the current market conditions.

MANAGEMENT REPORT

CONTINUED

ACTIVITIES IN SWEDEN AND POLAND

Sjælsø's international expansion continued in 2008 with special focus on the ongoing development of its business platform in Sweden and Poland.

Both markets offer substantial long-term potential and Sjælsø is focusing on developing its activities to comprise a full range of property projects.

Both in Sweden and Poland, Sjælsø strengthened its pipeline further by acquiring well-located properties for project development. Going forward, these are expected to make a substantial contribution to earnings.

THE CONTRACTING MARKET STABILISES

As the pressure on the construction industry diminishes, the potential for signing contracts at satisfactory price levels is improving.

Following a period when, to a significant extent, Sjælsø was forced to use individual subcontracts, Sjælsø is noting renewed interest in turnkey contracts in the contracting market and enters into such contracts wherever possible. Some of Sjælsø's projects, however, are of a size and complexity where it is difficult to sign turnkey contracts. Instead, main contracts and/or individual subcontracts are entered into. Sjælsø focuses on management tasks relating to individual subcontracts and earmarks substantial resources on an ongoing basis to enable the appropriate follow up.

CHANGE TO PURCHASING PRICE FOR IBI

The integration of the IBI Group into Sjælsø has proceeded according to plan and has provided Sjælsø with a sound business platform in Sweden, Norway and Finland as well as a strong position in respect of the development of retail properties in the Nordic countries.

As the integration has largely been completed, IBI's former group chief, Bo Olesen, has decided to resign his position in order to devote more time to other activities outside the field of property development.

In view of this, Sjælsø and the former owners of the IBI Group have deemed it appropriate to replace the previous sales conditions with a final and unconditional settlement of the purchase price for IBI.

At the time of the acquisition of IBI in 2006, a purchase price of DKK 800 million was agreed of which DKK 497 million was in the form of shares in Sjælsø and the remainder in the form of a debt certificate comprising certain options for the adjustment of the purchase sum. The final settlement will result in a reduction in the purchase price of DKK 69 million. The agreed adjustment of the purchase price reflects a negotiated agreement between the parties, including a changed form of payment, and does not reflect a change to the earnings expectations for the business areas generated by Sjælsø's acquisition.

As part of the final settlement, the former owners of IBI will receive approximately DKK 30 million cash and 675,000 shares in Sjælsø from Sjælsø's portfolio of own shares as at September 30, 2008. In addition, DKK 30 million cash will be paid on September 30, 2009.

The adjustment of the purchase sum has been recognised in the half-year accounts in accordance with IFRS 3 and has resulted in a reduction of booked goodwill as regards the purchase of IBI at DKK 58 million, and financial income of DKK 11 million, which relates to the adjustment of accrued interest on the debt certificate.

Apart from Bo Olesen, the other sellers of IBI will remain in their positions at Sjælsø.

SHARE BUY BACK PROGRAMME

In connection with the publication of the annual accounts for 2007, Sjælsø initiated a share buy back programme for up to 10% of the company's shares within a financial framework of DKK 200 million.

As at 19 August 2008, Sjælsø had purchased 1,034,528 shares for DKK 114,5 million equating to 4.0% of the company's share capital.

The repurchased shares have not been annulled, but are retained with a view to being used in connection with any future acquisitions, strategic partnerships etc. Of the repurchased shares, 675,000, as mentioned above, have been disposed of in connection with the final settlement of the IBI purchase.

COPENHAGEN TOWERS

In 2007, Sjælsø sold the first stage of Copenhagen Towers to SG Nord Holding. At the same time, Sjælsø and SG Nord Holding agreed to initiate stage 2 which includes an office tower in a 50:50 joint venture.

The construction of Copenhagen Towers, therefore, commenced in 2007 and the project is expected to be ready for occupancy during 2010.

The project and the concept have been further developed and are now at a stage where it is appropriate to involve more investors in the project.

STRATEGIC PARTNERSHIPS

Over the years, a number of Sjælsø's projects have been developed in partnership with capital partners through joint ventures in order to gain access to larger and more capital demanding projects. This will enable Sjælsø to participate in major projects with relatively limited committed capital without compromising on its financial targets.

SJÆLSØ CURRENTLY HAS FIVE JOINT VENTURES WITH SUBSTANTIAL ACTIVITY.

RESIDENTIAL PROJECT IN WARSAW

The development and construction of approximately 600 apartments in Scandinavian House in the Wilanow District is handled by a Polish project company of which 75% has been sold to a group of investors. Sjælsø is responsible for the development, implementation and financing of the project and retains an ownership share of 25%.

COPENHAGEN RESIDENTIAL

Through the residential investment company, Copenhagen Residential, which is 50:50 owned by Sjælsø and external investors, new residential projects comprising 378 apartments are under construction. Sjælsø expects to sell a further 30% to external investors after which Sjælsø's ownership share will be 20%.

COPENHAGEN TOWERS

In a partnership with SG Nord Holding, stage 2 of Copenhagen Towers will be implemented with each party holding a 50% ownership share. Stage 2 includes an office tower designed by Foster + Partners. Stage 1, which comprises a hotel tower and conference facilities, has been sold to SG Nord Holding.

SITES AT ØRESTAD SYD

WTCC III P/S is a 50:50 joint venture between Sjælsø and SG Nord Holding. WTCC III P/S, which has been separated from Copenhagen Towers, owns the remaining sites at Ørestad Syd where there is potential for constructing 70,000 m². This was acquired in connection with the establishment of WTCC in 2006.

RESIDENTIAL PROJECT AT HAVNEHOLMEN

In 2006, Sjælsø and Benson Elliot, London set up a 50:50 joint venture for the final development and sale of Sjælsø's residential project at Havneholmen.

Sjælsø remains open to various partnerships where these are deemed to have a positive strategic and commercial significance for the Group. Sjælsø also develops and adapts its concepts for the implementation and sales of projects on an ongoing basis.

PIPELINE OF DKK 19 BILLION

Sjælsø continually endeavours to maintain a pipeline of future projects that match demand for new projects and the company's intended positioning in individual markets.

In 2008, Sjælsø's pipeline outside Denmark was considerably strengthened through the establishment of new projects in Sweden and Poland.

The current market situation offers opportunities for acquisitions of attractive project opportunities. At the same time, it requires a highly selective choice of new projects focusing on the project's earnings, risk factors and expected flow time.

Sjælsø's pipeline of potential, non-initiated projects has a total project value of approximately DKK 19 billion which is evenly distributed across commercial, retail and residential projects. In addition Sjælsø maintains a dialogue regarding a range of project opportunities and building sites which are part of the deliberations concerning new projects, especially for commercial and retail customers.

PROFIT FORECAST FOR 2008

As already mentioned, the current financial uncertainty has meant that tenants', investors' and home-buyers' decision-making processes are slower. It must be expected, therefore, that certain projects will be postponed, with consequent reduced earnings in the short-term.

On the backdrop of prevailing trends, Sjælsø expects to see a reduction in its activities compared to previous years and, as a result, anticipates a fall in earnings in the short-term, in part as a consequence of slightly declining earnings margins on the projects.

Sjælsø now expects to post a profit before tax for 2008 in the region of DKK 500-700 million, excluding any value adjustments.

Nevertheless, Sjælsø expects that there will be good long-term demand from both tenants and investors at satisfactory terms in that many of the basic assumptions for a sound property development market remain in place.

Moreover, Sjælsø generally benefits from a highly favourable financial and competitive situation which enhances the company's potential for implementing projects during difficult market conditions.



KEY FIGURES AND RATIOS - THE GROUP

IN DKK '000

DEVELOPMENT IN PROFIT	2007 1st half	2008 1st half	2007 Full-year
Revenue	2,958,428	2,944,865	6,351,192
Value adjustment, investment properties	85,350	0	85,350
Project contribution	723,873	424,321	1,357,916
Operating profit (EBIT)	592,278	280,999	1,087,068
Net financials	1,757	11,191	18,800
Profit before tax	594,035	292,190	1,105,868
Profit after tax	487,328	213,492	855,807
RATIOS			
Project contribution in per cent of revenue	24.5%	14.4%	21.4%
Profit margin	20.0%	9.5%	17.1%

DEVELOPMENT IN BALANCE SHEET	2007 30 June	2008 30 June	2007 31 December
Total fixed assets	1,102,084	1,022,084	1,082,420
Project portfolio, own account	2,384,507	2,637,909	2,530,305
Secure assets: Cash and cash equivalents	1,558,920	1,128,610	1,912,242
Trade receivables	1,448,500	2,467,029	2,169,671
Project portfolio, sold projects	1,657,589	926,597	1,248,921
Other assets	113,916	259,771	97,800
Total assets	8,265,516	8,442,024	9,041,359
Total assets adjusted (reduced by secure assets)	3,600,507	3,919,788	3,710,525
Total equity	1,696,297	2,138,600	2,086,674
RATIOS			
Solvency - management objective min. 40%	47.1%	54.6%	56.2%
Equity in relation to land - management objective min. 80%	161.7%	143.1%	187.9%
Return on equity	65.0%	20.2%	51.2%
Return on equity (incl. granted not exercised warrants) **)	62.1%	19.9%	49.6%

SHARE RELATED RATIOS *)	2007 30 June	2008 30 June	2007 31 December
Market price at the balance sheet date	233	101	139
P/E value	6.1	6.2	4.1
Dividends per share of DKK 10	-	-	4.00
Earnings per share of DKK 10 (EPS)	19.25	8.22	33.55
Earnings per share of DKK 10 (incl. granted not exercised warrants) **)	18.03	7.88	31.85
Net asset value per share of DKK 10	65.97	84.19	80.06
Cash flows from operating activities per share	22.25	(23.00)	37.58

*) In the calculation of share-related financial ratios, the number of shares has been adjusted for the stock of own shares. The weighted average number of shares totals 25,980,680 as at 30 June 2008 (25,333,750 as at 30.6.2007 and 25,509,337 as at 31.12.2007).

***) The calculation has solely been adjusted for allotted non exercised warrants which, in all probability, will be exercised. The weighted average number of watered shares amounts to 27,396,680 as at 30.6.08 (27,318,880 as at 30.06.2007) and 26,925,337 as at 31.12.2007).

Share-related ratios have been calculated in accordance with "Recommendations and Ratios 2005" published by the Danish Association of Financial Analysts.

MANAGEMENT REPORT

CONTINUED

DEVELOPMENT IN REVENUE AND PROFIT

Group revenue for the 1st half year of 2008 totalled DKK 2,944.9 million. This equates to the revenue for the 1st half year of 2007 which was DKK 2,958.4 million.

The total project contribution for the Group was DKK 424.3 million for the 1st half year of 2008 against DKK 723.9 million for the same period in 2007.

The Group result before tax was DKK 292.2 million for the 1st half year of 2008 against DKK 594.0 million for the 1st half year of 2007.

In the 1st half year of 2008, 389 homes were handed over to private house buyers against 523 homes in the 1st half year of 2007. Besides the lower revenue from the delivery of residential units, the project contribution from residential units delivered in 2008 has been lower, in part as a result of rising construction costs which could not be compensated for through sales prices. A large proportion of the residential units delivered in 2008 were contracted in the difficult contracting market in 2006 and 2007.

Declining activity levels in the property market resulted in a lower number of new sales of projects and, consequently, reduced development margins. By contrast, Sjælsø continues to maintain a high level of construction activity through the completion of previously sold projects. This secures continuing stable earnings in the form of construction management margins.

As a consequence of the above, the project contribution in relation to revenue fell to 14.4%. Over the past five years, the project contribution has averaged approximately 20% and Sjælsø expects that, once conditions in the property market are normalised, project contributions of around 20% can be achieved.

Costs for employees and administration rose in the second half year of 2008 compared to the 1st half year of 2007. In keeping with Sjælsø's strategy of focusing increasingly on activities outside Denmark, staff levels in Sjælsø's foreign subsidiaries rose. In addition, management, co-ordination and administration of both current and future projects are resource-demanding and have led to higher staffing costs, especially in the construction departments.

Despite the increase in staff and administration costs, these continue to account for a relatively low proportion of the overall costs relating to project implementation. Sjælsø's concept, i.e. relatively few employees and a high degree of outsourcing to sub-contractors, including those contractors for construction tasks, provide Sjælsø with significant flexibility which, in turn, contributes towards minimising cyclical-dependent risks.

EQUITY DEVELOPMENT

During the 1st half year of 2008, equity rose by DKK 51.9 million and totals DKK 2,138.6 million as at 30 June 2008. Profit after tax for the period was DKK 213.5 million which has been added to the equity. By contrast, DKK 103.5 million has been deducted in dividend paid to shareholders and the DKK 81.0 million used in connection with the current share buy back programme. The shares bought under this programme have not been annulled, but have been written down to DKK 0 over the equity.

With regard to the five year interest swap agreements for DKK 1.4 billion entered into in 2007, there is an unrealised gain of DKK 26.3 million as at 30 June 2008. This has been booked directly over the equity.

Under the explanation of the equity composition on page 29, other conditions that have affected the equity during the 1st half year of 2008 have been given.

LIQUIDITY DEVELOPMENT

At 30 June 2008, cash at bank and in hand totalled DKK 1,128.6 million of which DKK 540.0 million is readily available. Compared to 31 December 2007, cash at bank and at hand has been reduced by DKK 783.6 million. This is largely due to the fact that the deposits made available in the 1st half year of 2008 were used to reduce bank debt in connection with the handing over of projects, payment of dividend and buy back of shares. Sjælsø has also used some of the liquidity for full or partial own financing of projects.

Deposited sales sums are released to Sjælsø when the right conditions are in place, i.e. normally when parcelling and registration have been completed. This part of the process is dependent on various authorities and will, in some cases, be delayed by lengthy development processes.

Cash flow from operating activities was negative over the period at DKK 597.4 million, which can primarily be attributed to the late release of sales sums for properties and a relatively large reduction in bank debt in connection with the partial delivery of projects and a larger own financing portion in new projects. This is, in part, expected to be compensated by the handing over of the remaining portion of the projects.

Sjælsø's currently available liquidity and cash flow forecast for the second half year of 2008, put Sjælsø in a strong position in that the company benefits from possessing the liquidity to provide intermediate financing for acquisitions and initiating projects when attractive opportunities arise.

BALANCE SHEET DEVELOPMENT

The consolidated balance sheet was reduced by DKK 0.6 billion during the 1st half year of 2008 and amounts to DKK 8.4 billion as at 30 June 2008.

The reduction is partly owing to the release of deposited funds which have primarily been used to reduce bank debt. In addition, some minor changes in the balance sheet items as a consequence of business-related developments have occurred.

The project portfolio for own account totalled DKK 2,638 million as at 30 June 2008. DKK 860 million of which relates to sites.

As at 30 June 2008, investment property totals DKK 443 million and comprises strategic, well-located sites at Teglholmen and Ørestad Syd.

PROJECT FINANCING AND CONTINGENT LIABILITIES

Project finance typically comprises a number of conditions, including solvency targets, change of control clauses and parent company guarantees for subsidiaries' liabilities.

In connection with the funding of joint ventures, Sjælsø has, in certain instances, been obliged to raise the financing; in one case, cross guarantees have been provided through the establishment of joint financing for a joint venture and a joint venture partner.

ACCOUNTING POLICIES

The accounting policies applied are unchanged according to 2007.

SHAREHOLDERS AND OWNERSHIP

Sjælsø Gruppen A/S is listed on OMX The Nordic Exchange under code 10241751.

The following shareholders have stated that their ownership share exceeds 5% of the share capital.

SG Nord Holding A/S, Copenhagen 29.6% (30.4%)*
Henderson Investors Ltd, London 5.0% (5.2%)*

***) Share of the company's shareholding less own shares as at 30 June 2008.**

As at June 30, 2008, Sjælsø had purchased 660,735 shares for around DKK 81 million equating to 2.5% of the company's share capital.

The repurchased shares will not be annulled but retained with a view to future acquisitions and strategic partnerships. The purchase price for the repurchased shares has been deducted directly from the equity.

In accordance with ongoing incentive schemes, a number of employees will be able to convert some previously granted warrants into 330,000 new shares after the announcement of this interim report.

Under the authorisation given to the Board of Directors, the Board of Directors issued 118,500 warrants to employees during the 1st half year of 2008. The Board of Directors is subsequently authorised to allocate a further 339,660 warrants until 2010. As at 30 June 2008, the number of outstanding warrants totalled 2,205,500 at an average exercise price of 89.5 and an average remaining maturity of approximately 20 months.



FINANCIAL TARGETS AND RISKS

FINANCIAL TARGETS

As part of Sjælsø's strategy for balanced growth and consolidation, the Group's operations are managed on the basis of two overall targets for solvency and one overall target for liquidity.

SOLVENCY TARGETS

Sjælsø has a solvency requirement of **40%** where equity is measured in relation to adjusted assets (reduced by secure assets).

Achieved: 55%

SUPPLEMENTARY SOLVENCY TARGET RELATING TO SITES

Equity must not be less than **80%** in relation to land in that land is deemed to carry greater sensitivity to trends. Moreover, there are related vacancy costs.

Achieved: 143%

LIQUIDITY TARGETS

Available liquidity must total one year's cash operating expenses for the Group. The target has been met in full.

RISKS ACCORDING TO MARKETS

Sjælsø's international expansion and its penetration into the retail market has created a range of new business opportunities and, therefore, an improved risk profile because of the strongly reduced dependence on the Danish housing market. Almost 40% of the project value of new contracts entered into over the past one and a half years relates to foreign activities, and reflects the new project composition in several markets. The proportion of projects outside Denmark is expected to increase to almost 50% over the next few years. Sjælsø's objective is to maintain a healthy balance between revenue in the three segments – commercial, retail and residential.

MARKET TRENDS AND PRICE DEVELOPMENT

The value of investment property is affected by both the general economic trends and interest rate levels. In general, investment properties are highly price stable and are, therefore, primarily affected by long-term developments in interest rates and societal trends. Short-term interest rate fluctuations, however, only have a marginal effect on the property market.

Several analyses have, however, revealed that one key factor behind demand as well as price development in the property market relates to employment. With record high employment in Denmark as well as in Sjælsø's other markets and on the basis of the expectations for continued, stable development, a healthy basis for long-term positive development in the property market is in place.

INTEREST RATE RISKS

Sjælsø's policy is to endeavour to cover financial risks with due consideration for related costs and the Group's overall financial position.

Sjælsø hedges interest rate risks when it is deemed that interest payments can be hedged at a satisfactory level in relation to the costs incurred.

A change in interest rates will affect Sjælsø's financing costs and may also impact on the sales price of those projects developed by Sjælsø. A change in the level of interest rates will affect financing costs for projects in progress and the project portfolio. In the event of a change in interest rates of 1% point, the effect will be approx. DKK 45 million.

As regards Sjælsø's policy for hedging interest rate risks, a DKK 1.4 billion 5 year interest swap agreement was concluded in 2007 whereby the financing of a large portion of the Group's project portfolio has been secured at a fixed rate of interest.

CURRENCY RISKS

Sjælsø continually evaluates developments in exchange rates and associated risks and whether entering agreement to eliminate currency risks.

By and large, the Group's Danish companies exclusively operate in DKK, whereas the foreign companies operate in local currency, i.e. in EUR, SEK, NOK and PLN. In the foreign companies, acquisitions, construction and settlement of projects are generally made in the local currency, which also applies to the financing of projects. In the Polish market, however, contracts involve a combination of PLN and EUR.



DENMARK

Having developed property projects for more than 30 years, Sjælsø possesses considerable expertise within development and the implementation of all types of property projects.

COMMERCIAL

STABLE DEMAND FOR PREMISES

Positive business development and high employment has resulted in a reasonable demand for all types of commercial projects

Availability in the Copenhagen office market remains low at only 4-5% vacancy. Expectations for the immediate future also point to relatively low availability in the office sector - albeit at rising trends owing to the occupancy of new build projects. Many of the released areas are, however, of obsolete quality and in poor condition. In Sjælsø's view, such premises only represent limited competition against new build projects.

Consequently, there is a sound basis for the construction of new office projects in connection with business expansion and focus on the establishment of efficient and cohesive office facilities.

In a market of increased vacancies, it is crucial to be able to offer tenants attractive projects at good locations. As a consequence, Sjælsø maintains focus on securing projects at locations that are in demand in the current market.

Current developments in the financial markets and the risk of slightly lower growth have, however, meant that decision-making among some tenants has become more drawn out. There is, therefore, a risk of a reduced number of new rentals for a period. Nevertheless, Sjælsø has noted a satisfactory number of negotiations with tenants and users of new projects, which supports expectations for agreements being signed for more commercial projects in the current year and a reasonable development in the commercial market going forward.

INVESTOR DEMAND

Sjælsø has also registered a continuing stable demand for new, well-located office projects from both Danish and international investors and at a continuing satisfactory yield. Investors with high gearing have, in general, reduced their exposure to new projects. By contrast, we are seeing a reasonable demand from both pension companies, capital funds and major property companies.

Rising short-term interest rates and financial unrest have, in Sjælsø's view, primarily impacted on the pricing of more marginally located and specially designed properties. Yield requirements for well-located properties have only risen slightly.



Photo: NNIT's domicile

COPENHAGEN TOWERS

With Copenhagen Towers, a new international and unique office and hotel environment with integrated flexibility will be created at Ørestad. The construction of Copenhagen Towers commenced in 2007, and the project is expected to be ready for occupancy during 2010.

Ørestad is Copenhagen's new growth area – an urban district under rapid development offering a mixture of offices, residential units and service and leisure facilities. The area, for instance, is home to Scandinavia's largest shopping centre, Field's, and many private and public companies and institutions. When Ørestad has been completed, it will accommodate more than 25,000 residential units and provide 80,000 jobs.

Copenhagen Towers is centrally located in Ørestad, just a few minutes from the centre of Copenhagen, Copenhagen Airport, the Øresund Bridge and Sweden. The E20 Øresund motorway will be immersed along Copenhagen Towers' northern façade while the metro and train station are less than 150 metres away. Users of Copenhagen Towers will have direct access to the underground parking under the building.

INTERNATIONAL HOTEL

As an integral part of the project, a four-star Crowne Plaza hotel with 366 rooms and conference facilities will be built. Designed by Dissing+Weitling, the hotel is part of stage 1, which has been acquired by SG Nord Holding.

OFFICE TOWER DESIGNED BY FOSTER + PARTNERS

Copenhagen Towers' stage 2 totals 27,000 m² and includes an office tower designed by Foster + Partners.

Stage 2 will be constructed in a 50:50 joint venture between Sjælsø and SG Nord Holding.

FLEXIBILITY AND SERVICE

Copenhagen Towers will be able to accommodate, and provide opportunities for, both very large and very small companies. Flexibility is the key and Copenhagen Towers will offer leases from 300 to 100,000 m².

Tenants will be offered shared communal facilities and central support so as to minimise individual business tenants' space requirements. The intention is to offer leases in a multi-functional building with many common facilities that offer individual tenants opportunities to focus on their core business. Likewise, small and medium-sized companies will be able to offer their employees the same benefits as larger companies, e.g. common reception areas, canteen and a gym. This concept has been tried and tested in other countries.



DENMARK

CONTINUED

RETAIL

Within the retail segment, Sjælsø has particular focus on the development of retail projects for leading multiples, both as retail parks with attractive locations in relation to local urban development and infrastructure such as motorway networks.

Sjælsø has, over many years, built up a high level of expertise and extensive market knowledge and maintains close relations with a number of leading retail chains and, through this, has acquired good insight into their expansion plans. This allows for targeted project development and synergies through the transfer of experience and knowledge from one project to another.

Planning legislation imposes a number of restrictions on the development of new trading areas. Nevertheless, there are still good opportunities for developing projects in selected areas and Sjælsø has noted continuous demand for new, well located projects from both tenants and investors.

SALES OF NEW PROJECTS IN DENMARK IN 2008

In 2008, Sjælsø has developed and sold retail projects in Denmark at a project value of approximately DKK 300 million.

At Skejby near Århus, a new Silvan market of approximately 3,500 m² is under construction alongside Ikea. There is also a covered outdoor area. The project also comprises 1,700 m² shops/commercial build of which approx. 500 m² is not let out at present. The property is expected to be ready for occupancy during 2009.

In a well established retail area at Vejle Nord that includes Bilka and Bauhaus, a retail project of approximately 8,200 m² is under construction. The project comprises six retail outlets and is expected to be ready for occupancy in the spring of 2009.

In the Copenhagen area, Sjælsø has sold three supermarkets let to Irma and Fakta. The supermarkets are located at Sluseholmen in Copenhagen and at TV-Byen in Gladsaxe. The total supermarket area is approximately 2,500 m² and the supermarket will be ready for occupancy during the autumn 2008.

Sales of projects are proceeding according to plan and have neither been affected by developments in the financial sector nor in the market in terms of price or any other factor.



Visualisation: Graham Bellsvej, Skejby

RESIDENTIAL

CONTINUED LOW LEVEL OF ACTIVITY IN THE RESIDENTIAL MARKET

In the market for owner/occupied properties in Denmark, the slowdown is continuing compared to the high level of activity in 2005 and 2006. Late in 2007 and early in 2008, the market showed signs of stabilising, but sales of new build homes have been severely limited in recent months.

The owner/occupied segment is considerably affected by the current uncertainties in financial markets as well as by interest rate developments, the banks' rising requirements in relation to loans for house purchases and a general shift in attitudes to purchases of own homes. The uncertainty in the current market, including those relating to owner-occupied properties, have persuaded many prospective home buyers to rent instead of buy.

The slowdown in the owner/occupied market has meant that only a few residential projects are being initiated. Coupled with the interest in tenancies, this has stabilised the supply of homes.

Sjælsø currently has around 375 owner/occupied homes under construction, not including joint ventures. The signing of the agreement with Essex for the sale of a portfolio of homes means that only 100 of the homes in progress remains unsold. The unsold homes will be completed during the second half year of 2009 and in 2010. If these properties remain unsold at the time of their completion, they will be offered for let, possibly with an option to buy for the tenants.



Photo: Havneholmen, Copenhagen

GOOD MARKET FOR TENANTS

The uncertainty and slowdown in the owner/occupied segment has generated growing interest in rentals. This applies, in particular, to new letting concepts where the tenant has an option to buy. This has proved highly successful in the current market.

Sjælsø, therefore, continues to evaluate the opportunities for developing new residential rental projects for both institutional and private property investors.

COPENHAGEN RESIDENTIAL

In 2007, Sjælsø developed a new concept for residential investment in which the strong residential rental market is combined with opportunities for sale of owner/occupied homes individually once the owner/occupied market recovers. The new concept was offered for sale through the residential investment company, Copenhagen Residential, which has purchased seven residential projects from Sjælsø.

Copenhagen Residential, therefore, is considering leasing the homes upon completion and subsequently selling them as owner/occupied apartments in line with the tenants' departure or tenants' exploiting the options to buy which were assigned to them when signing the tenancy agreement. The option of obtaining the right to buy their rental homes is expected to attract many tenants to the project.

Sjælsø has so far sold 50% of Copenhagen Residential to external investors and, in the longer term, plans to be a co-investor in the company with an ownership share of approx. 20%.



Visualisation: Lyngby Søpark

ACTIVITIES OUTSIDE DENMARK

FOCUS ON INTERNATIONALISATION

In 2006, Sjælsø initiated on a process of internationalisation, focusing on activities in the other Nordic countries and in Poland. In tandem with this, Sjælsø began to target the market for retail projects with special focus on foreign markets.

Sjælsø's objective is for a substantial part of the Group's earnings to derive from foreign markets over the longer term. Revenue will be distributed evenly across the commercial, retail and residential segments. Through internationalisation and focus on these three property segments, Sjælsø will substantially reduce its exposure to individual markets and property types.

POLAND

The decision to start up in Poland in the spring of 2007 gave Sjælsø access to one of Europe's most attractive property markets. Poland is experiencing positive economic development which, in turn, supports development in the Polish property market.

In Poland, Sjælsø focuses on the development of projects within the residential, commercial and retail segments. So far, a residential project and an office project have been established in Warsaw and a retail project in Elblag in northern Poland.

The international financial crisis has also impacted on the Polish market. However, the significant international focus on Poland and the general growth in the market have resulted in continuing good demand for new projects in areas where Sjælsø is active.

Sjælsø, therefore, continues to have confidence in the Polish market and expects the market, as a result of positive and controlled economic development, to be strong with regard to the development of property projects regardless of the fact that the financial crisis is adversely affecting the market in the short term.

NEW MAJOR OFFICE PROJECT IN WARSAW

The office market in Poland continues to develop positively with good demand from tenants and investors. The market is characterised by the wish of international companies to establish headquarters in Warsaw to support activities in both Poland and the other East European countries. Moreover, a broad circle of Western property investors are also focusing on the East European property market.

The availability of office space particularly in Warsaw is relatively low and the ongoing demand is having a positive affect on both rental and sales prices. Yield requirements for office projects have been declining over several years and have now stabilised at around 6% in initial yield.

In 2008, Sjælsø acquired a very attractive option to build a 28,500 m² office project in the Mokotow District in Warsaw. Demand in Mokotow is good and the development of the project has been initiated with a view to letting and sales within a relatively short time frame.



Visualisation: Mokotow, Poland



Visualisation: Elblag, Poland

THE RESIDENTIAL MARKET IN POLAND

Economic growth and rising prosperity in Poland have provided the basis for a good residential market in Poland. Many Poles are enjoying considerable economic leeway and are looking towards western types of housing, which is resulting in an increasing number of households.

One consequence is that there has been a rise in the number of newly developed homes in recent years and, in particular, rapidly rising sales prices which is making project development of new homes attractive.

Following a period of strong activity in the market, homebuyers' decision-making processes are now more drawn out partly as a result of tighter requirements for home financing. Price rises in the market are no longer observed.

Going forward, Sjælsø expects a positive development in the market although at a slightly lower level. The current correction is a reflection of this. Despite rising land and construction prices, projects can still be implemented at satisfactory margins.

FIRST RESIDENTIAL PROJECT IN POLAND INITIATED

In 2007, Sjælsø signed an agreement for the sale of 75% of the residential project in Wilanow in Warsaw to an investor group.

The project comprises 600 residential units and is located in the attractive Wilanow district in Warsaw. The sale and construction of the first stage of the project, i.e. approximately 300 homes, commenced in the first six months of 2008.

RETAIL IN POLAND

After the development of a number of modern shopping centres in major cities over the past ten years, most of the development in the Polish retail market is now centred on medium-sized urban areas with 100,000 to 300,000 inhabitants.

The retail chains continue to require new sales areas and locations and investor demand remains good, in part supported by Poland's EU membership.

Development in the retail market has, however, been hampered by new planning legislation which has delayed the start of new projects. The legislation is, however, expected to be changed so that it will be possible to initiate new retail projects again.

The focus area for Sjælsø's retail activities in Poland is primarily medium-sized cities with a market area of at least 100,000 inhabitants.

RETAIL PROJECT IN POLAND

In Elblag in Northern Poland (approx. 100,000 inhabitants), Sjælsø has acquired a highly attractive, centrally located construction option where the plan is to build an approx. 27,000 m² shopping centre. This is currently under development and renting has commenced. The project will have an overall project value of approximately DKK 450 million and it is expected to commence during 2009.



Visualisation: Wilanow, Poland

ACTIVITIES OUTSIDE DENMARK

CONTINUED

SWEDEN

In Sweden, Sjælsø focuses on the further development of the Group's business platform to comprise all types of property. Sjælsø is currently involved with project development within the commercial, retail and residential sectors.

RETAIL IN SWEDEN

Sjælsø ranks among Sweden's largest project developers in the retail sector.

The Group focuses particularly on the development of retail projects for leading retail chains - in the form of retail parks and smaller shopping centres

As, over several years, Sjælsø has built up a high level of expertise and extensive market knowledge and maintains close relations with a number of leading retail chains, the company has an insight into their expansion plans. This allows for targeted project development and allows for the transfer of experience from project to project. Sjælsø's coverage of almost the entire Nordic market also enables the company to meet tenants' international expansion requirements.

Sjælsø has considerable experience with the development of retail projects in the Swedish market and has a strong network with regard to authorities, landowners, tenants and investors.

Developments in the Swedish market are positive and there are opportunities for establishing retail projects in larger as well as smaller urban areas. As a result, there are expectations for continuing strong activity levels in the Swedish market supported by stable demand from tenants and investors alike.

Although financial uncertainties have meant that tenants and investors' decision-making processes have become more drawn out, the market is generally seen as positive with good opportunities for new projects. The current financial situation, therefore, has only had a limited impact on Sjælsø's opportunities for implementing new retail projects in Sweden. It should be expected that the yield requirements will increase slightly owing to investors' rising financing costs.

In the 1st half of 2008, Sjælsø sold two retail projects at an overall project value of approximately DKK 60 million in Sweden.

Sjælsø enjoys an attractive pipeline of retail projects in Sweden, which are expanded and adjusted in accordance with tenants' demands.

RESIDENTIAL MARKET IN SWEDEN

Sjælsø expects the Swedish residential market to remain healthy and stable in the years ahead, with stable demand and price development.

There is a significant demand for new residential build and the general trend in Swedish society supports a positive development in the market. Sjælsø, therefore, maintains focus on establishing further residential projects in areas that are seeing an influx - initially in the Stockholm area and, to a lesser extent, around Malmø.

NEW RESIDENTIAL PROJECTS IN SWEDEN

Sjælsø has acquired a site for the development of 120 residential units in the first stage of a new residential area in Malmø where, eventually, some 800 homes will be built. The new residential area is located immediately north of the Øresund Bridge abutment and is part of the former Limhamn limestone quarry.

The project is under development and is expected to be offered for sale during 2008.

In 2007, Sjælsø acquired a site for residential construction at Gustavsberg near Stockholm. Combining Danish design and Swedish functionality in close interplay with the area's diverse nature, this residential project will total 3,200 m².

SJÆLSØ SECURES NEW MAJOR COMMERCIAL AND RESIDENTIAL PROJECTS IN STOCKHOLM

Sjælsø has purchased commercial premises of 25,000 m² in Solna municipality in Stockholm for around DKK 230 million from Vasakronan. In addition to the premises, the property comprises a large site which, following project development in partnership with Solna municipality, is expected to create an opportunity for new residential and commercial new build of approx. 60.000 m².

The project is attractively located a few minute from the centre of Stockholm with views across Pampas Marina and Ulvsundasjön, and with easy access to the Tunnel Line and the Stockholm road network.

Project development of the area has commenced and a new local plan is expected to be in place in 2010.

The existing 25,000 m² office building has been partially let to Arbetsmiljöverket. The rest of the building is expected to be let to one or more tenants as part of the further development of the property and the overall project.

The purchase of the project provides Sjælsø with a solid base for expanding the company's activities in Sweden.

NORWAY

In Norway, Sjølsø primarily focuses on the development of new retail projects in the southern part of the country which has the highest population density and consequently the largest demand for new retail projects.

The Norwegian market for retail projects has shown growth over recent years, supported by the healthy Norwegian economy and strong purchasing power. Whereas emphasis was previously on shopping centres, retailers with strong space requirements are becoming aware of the more rational cost saving operations available at retail parks. There is good demand, therefore, from retailers for new projects and locations.

Investors in Sjølsø projects in Norway investors are mainly local Norwegian investors although there is an increasing international demand for properties. This, in turn, is expected to support future price developments.

FINLAND

The market for retail construction in Finland is strong with considerable activity in all major cities. Finland's participation in the Euro has generated substantial interest in the Finnish market from both international tenants and investors. Construction activity is stronger in the southern part of the country, but there is substantial trading activity in connection with border trade in areas neighbouring Russia. Local Nordic retailers are dominating the market, but international multiples are also planning to set up in Finland.

Investors in Finland have previously achieved slightly higher initial yield compared to other European markets. Sjølsø expects that investors' requirements in terms of yield for new projects will stabilise and approach the level of the other Nordic countries.

In the 1st half of 2008, Sjølsø sold three retail projects at a total project value of approximately DKK 300 million in the Finnish market. The projects total approx. 20,000 m² in Vaasa, Vantaa and Rovaniemi. The projects will be ready for occupancy during 2008 and 2009.

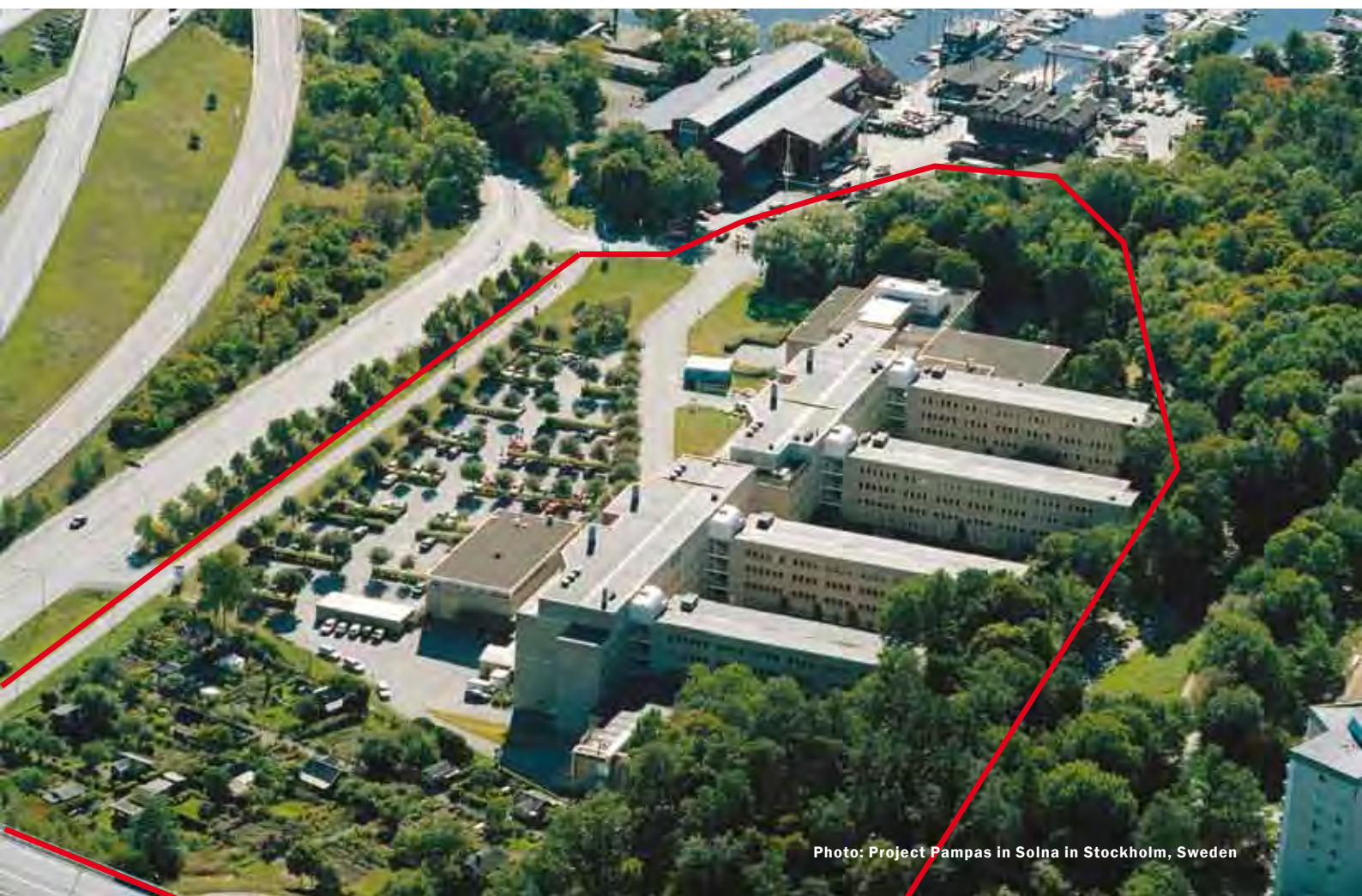


Photo: Project Pampas in Solna in Stockholm, Sweden

PIPELINE

Sjælsø constantly endeavours to maintain an attractive pipeline of projects that matches demand from tenants, investors and home-buyers who are looking for new projects and locations.

The pipeline is continually adjusted as market demands change. As a result of changing requirements in the Danish residential market, Sjælsø did not acquire new construction rights in Denmark in 2008 except for the purchase agreement with Essex for a site in Ørestad Syd.

In general, Sjælsø focuses on expanding the company's pipeline in the new markets in Sweden, Norway, Finland and Poland with special emphasis on Sweden and Poland where Sjælsø has projects within all types of property.

Sjælsø currently has a pipeline of non-initiated projects outside Denmark of a total project value of DKK 9 billion.

Within the retail sector, the pipeline of prospective projects is primarily based on options for land purchase. Actual site-purchase, therefore, only occurs late in the development process, when the project's implementation seems assured. For competitive reasons, full information on the individual projects in Sjælsø's pipeline cannot be provided.

EXCERPTS OF PIPELINE IN DENMARK WITH A PROJECT VALUE OF 10 BILLION

BUSINESS	RETAIL	RESIDENTIAL
TV-BYEN 35,000 M ² , DKK 700 MILLION	HORSENS, 17,000 M ² , DKK 200 MILLION	MARGRETHEHOLM 53,500 M ² , DKK 1.800 MILLION
COPENHAGEN TOWERS SHARE OF STAGE 2, DKK 500 MILLION	AABENRAA 10,000 M ² , DKK 140 MILLION	SKANDERBORG 25,000 M ² , DKK 600 MILLION
LUNDTOFTEVEJ, LYNGBY 15,000 M ² , DKK 300 MILLION	HOLBÆK 6,300 M ² , DKK 110 MILLION	NÆRUM 10,300 M ² , DKK 360 MILLION
LINDE ALLE, NÆRUM 11,000 M ² , DKK 230 MILLION	SLAGELSE 7,000 M ² , DKK 100 MILLION	LYNGBY SØPARK 6,100 M ² , DKK 220 MILLION
GATEWAY E45, VEJLE 250,000 M ²	ØLSTYKKE 5,000 M ² , DKK 75 MILLION	VALBY 5,500 M ² , DKK 130 MILLION

The sites at Teglholmen and the remaining site at Ørestad Syd, project WTCC, come under Investment Properties and are not included in the company's current pipeline. These properties have building rights for up to 150.000 m² in total.

EXCERPTS OF FOREIGN PIPELINE WITH A PROJECT VALUE OF DKK 9 BILLION

COMMERCIAL

PAMPAS MARINA, STOCKHOLM
30,000 M², DKK 400 MILLION

WARSZAWA, POLAND
28,500 M², DKK 700 MILLION

RETAIL

BORÄS, SWEDEN
19,000 M², DKK 250 MILLION

UPPSALA, SWEDEN
13,000 M², DKK 240 MILLION

MOSS, NORWAY
6,000 M², DKK 110 MILLION

VAASA, FINLAND
13,500 M², DKK 200 MILLION

ELBLAG, POLAND
27,000 M², DKK 450 MILLION

RESIDENTIAL

MALMØ, SWEDEN
14,500 M², DKK 450 MILLION

GUSTAVSBERG, STOCKHOLM
3,300 M², DKK 90 MILLION

PAMPAS, SOLNA, STOCKHOLM
60,000 M², DKK 1,900 MILLION
(LOCAL PLAN BEING CLARIFIED)

WARSZAWA, POLAND
45,000 M², DKK 1,000 MILLION
(SJÆLSØ'S SHARE 25%)



Photo: Kalkbrænderihavnen, Copenhagen

THE BOARD OF DIRECTORS' AND MANAGEMENT BOARD'S REPORTS

We have today discussed and approved the interim report for the period 1 January to 30 June 2008 for Sjælsø Gruppen A/S.

The interim report has been presented in accordance with IAS 34 and in accordance with additional Danish disclosure requirements for interim reports of listed companies.

The interim report has not been audited or reviewed by the company's auditors.

We consider the applied accounting policies appropriate for the interim report to provide a true and fair view of the Group's assets, liabilities and financial position as at 30 June 2008 and of the Group's results and the cash flows for the first half of 2008.

In our opinion the management's review gives a true and fair view of the developments of the Group's activities and financial situation, the result for the period under review and the Group's financial position as a whole and a true and fair description of the major risks and uncertainties facing the Group.

Allerød, 28 August 2008

MANAGEMENT BOARD



Flemming Joseph Jensen
CEO



Jørgen Junker
COO

Torben Black
CFO

BOARD OF DIRECTORS



John R. Frederiksen
Chairman



Torben Rønje
Vice-Chairman



Steen Raagaard Andersen



Jan Olav Braaten



Holger Dock



Henrik Kristian Moltke



Ib Henrik Rønje

INCOME STATEMENT - THE GROUP

IN DKK '000

	2007 1st half	2008 1st half	2007 Full-year
Revenue	2,958,428	2,944,865	6,351,192
Direct costs	(2,319,905)	(2,520,544)	(5,078,626)
Value adjustment of investment properties	85,350	0	85,350
Project contribution	723,873	424,321	1,357,916
Staff costs	(82,276)	(103,616)	(182,457)
Depreciation and write-down of property, plant and equipment	(2,513)	(1,500)	(12,213)
Other operating expenses	(46,806)	(38,381)	(78,809)
Other operating income	0	175	2,631
Operating profit (EBIT)	592,278	280,999	1,087,068
Profit/(loss) from associates	(1,085)	(622)	(1,535)
Financial income	11,313	23,552	40,259
Financial expenses	(8,471)	(11,739)	(19,924)
Profit before tax	594,035	292,190	1,105,868
Tax on profit for the period	(106,707)	(78,698)	(250,061)
Profit after tax for the period	487,328	213,492	855,807
Ratios (DKK)			
Earnings per share (EPS)	19.24	8.22	33.55
Diluted earnings per share	18.03	7.88	31.85

ASSETS - THE GROUP

IN DKK '000

	2007 30 June	2008 30 June	2007 31 December
Goodwill	595,309	536,809	595,309
Intangible rights, etc.	13,042	0	4,349
Total intangible assets	608,351	536,809	599,658
Land and buildings	44,198	0	0
Fixtures and fittings, tools and equipment	16,980	23,639	23,485
Total property, plant and equipment	61,178	23,639	23,485
Investment properties	414,322	442,907	442,907
Investments in associates	538	0	300
Securities and other financial receivables	17,695	12,807	15,146
Deferred tax assets	0	5,947	924
Total fixed asset investments	18,233	18,753	16,370
Total fixed assets	1,102,084	1,022,108	1,082,420
Project portfolio, sold projects	1,657,589	926,597	1,248,921
Project portfolio, own account	2,384,507	2,637,909	2,530,305
Total project portfolio	4,042,096	3,564,506	3,779,226
Trade receivables	806,867	835,790	488,519
Sold projects in progress	641,633	1,631,239	1,681,152
Total trade receivables	1,448,500	2,467,029	2,169,671
Receivable from associates	680	20,133	2,220
Other receivables	106,607	230,067	88,451
Prepayments	3,590	6,749	4,568
Total receivables	1,559,377	2,723,978	2,264,910
Securities and equity investments	3,039	2,822	2,561
Total cash funds	1,558,920	1,128,610	1,912,242
Total current assets	7,163,432	7,419,916	7,958,939
Total assets	8,265,516	8,442,024	9,041,359

EQUITY AND LIABILITIES - THE GROUP

IN DKK '000

	2007 30 June	2008 30 June	2007 31 December
Share capital	257,121	260,633	260,633
Reserve for fair value adjustment, hedging	0	26,257	8,461
Reserve for fair value adjustment, investment properties	64,013	64,013	64,013
Exchange adjustment, foreign entities	67	(2,227)	(4,246)
Retained earnings	1,375,096	1,789,924	1,757,813
Total equity	1,696,297	2,138,600	2,086,674
Deferred tax provision	213,593	317,713	298,310
Other provisions	27,750	24,884	27,173
Credit institutions, project financing	2,914,864	3,095,030	3,109,986
Credit institutions, other financing	4,508	1,172	2,331
Finance lease commitments	31,368	100	533
Corporation tax payable	92,309	62,665	0
Acquisition price payable, subsidiaries	266,550	28,708	95,900
Total long-term liabilities	3,550,942	3,550,272	3,534,233
Other provisions	15,085	17,569	14,772
Credit institutions, project financing	1,952,915	1,459,021	2,083,643
Credit institutions, other financing	6,076	3,335	4,750
Finance lease commitments	2,125	121	200
Acquisition prices payable, properties	140,100	3,280	31,780
On account payments, project sale	70,917	50,773	136,463
Trade payables	641,940	709,261	734,759
Corporation tax payable	56,975	138,642	133,814
Acquisition price payable, subsidiaries	51,600	182,756	178,000
Other payables	80,544	208,394	102,271
Total short-term liabilities	3,018,277	2,773,152	3,420,452
Total liabilities	6,569,219	6,303,242	6,954,685
Total equity and liabilities	8,265,516	8,442,024	9,041,359

CONSOLIDATED CASH FLOW STATEMENT - THE GROUP

IN DKK '000

Note	2007 1st half	2008 1st half	2007 Full-year
Cash flow effect of operating activities			
Consolidated profit before tax for the period	594,035	292,190	1,105,868
Adjustments (depreciations, value adjustments etc.)	(75,297)	30,512	(68,718)
Change in project portfolio	(576,457)	214,720	(342,170)
Change in receivables, etc.	(86,181)	(459,331)	(791,237)
Change in project financing	903,518	(639,578)	1,229,368
Change in trade payables and other payables	(183,968)	(33,565)	(112,196)
Cash flows from operating activities before financial income and expenses	575,650	(595,052)	1,020,915
Financial income	11,313	12,953	38,657
Financial expenses	(896)	(5,075)	(3,397)
Cash flows from operating activities before tax payments	586,067	(587,174)	1,056,175
Corporation tax paid	(22,394)	(10,253)	(97,425)
Cash flows from operating activities	563,673	(597,427)	958,750
Cash flow effect of investing activities			
Purchase of fixtures and fittings, tools and equipment	(1,303)	(3,659)	(10,527)
Sale of fixtures and fittings, tools and equipment	229	2,483	37,446
Investments in associates	(385)	300	(597)
Other fixed asset investments	2,661	2,339	5,210
PCash flows from investing activities	1,202	1,464	31,532
Cash flow effect of financing activities			
Change of loan for financing of fixed assets	(2,763)	(3,086)	(39,026)
Paid regarding acquisition price payable, subsidiary	0	0	(51,600)
Dividends paid	(102,848)	(103,547)	(102,848)
Paid for purchase of own shares	0	(81,036)	0
Proceeds from increase of capital on exercise of warrants	28,740	0	44,518
Cash flows from financing activities	(76,871)	(187,669)	(148,956)
Cash flows for the period	488,004	(783,632)	841,326
Cash and cash equivalents at the beginning of the year	1,070,916	1,912,242	1,070,916
Cash and cash equivalents at the end of the year	1,558,920	1,128,610	1,912,242
Cash and cash equivalents are specified as follows:			
Deposits in depository and hedge accounts	1,168,338	572,022	1,022,521
Available cash funds (excl. unutilised credits)	381,615	539,985	883,708
Cash and cash equivalents in Sjælsø	1,549,953	1,112,006	1,906,229
Cash and cash equivalents in joint ventures	8,967	16,604	6,013
Total cash and cash equivalents	1,558,920	1,128,610	1,912,242

The cash flow statement cannot be derived solely from the published financial statements.

STATEMENT OF CHANGES IN EQUITY - THE GROUP

IN DKK '000

	Share capital	Reserve for fair value adj., inv., prop.	Reserve for fair value adj., hedging	Exchange adjust- ments	Retained earnings	Total
Equity at 1 January 2007	24,955	0	0	1,295	1,258,055	1,284,305
Profit for the period		64,013			423,315	487,328
Exchange adjustments, foreign entities				(1,228)		(1,228)
Comprehensive income for the period	0	64,013	0	(1,228)	423,315	486,100
Dividends distributed for 2006					(102,848)	(102,848)
Increase of capital by exercise of warrants	757				27,983	28,740
Increase of capital by issue of bonus shares	231,409				(231,409)	0
Equity at 30 June 2007	257,121	64,013	0	67	1,375,096	1,696,297
Equity at 1 July 2007	257,121	64,013	0	67	1,375,096	1,696,297
Exchange adjustments, foreign entities				(4,313)		(4,313)
Fair value adjustment, interest hedge, etc.			11,281			11,281
Tax thereof			(2,820)			(2,820)
Net income for the period recognised in equity	0	0	8,461	(4,313)	0	4,148
Profit for the period					368,479	368,479
Comprehensive income for the period	0	0	8,461	(4,313)	368,479	372,627
Increase of capital by exercise of warrants	3,512				12,266	15,778
Vested warrants recognised as staff costs					1,972	1,972
Equity at 31 December 2007	260,633	64,013	8,461	(4,246)	1,757,813	2,086,674
Equity at 1 January 2008	260,633	64,013	8,461	(4,246)	1,757,813	2,086,674
Exchange adjustments, foreign entities				2,019		2,019
Fair value adjustment, interest hedge, etc.			23,728			23,728
Tax thereof			(5,932)			(5,932)
Net income for the period recognised in equity	0	0	17,796	2,019	0	19,815
Profit for the period					213,492	213,492
Comprehensive income for the period	0	0	17,796	2,019	213,492	253,307
Buy-back of shares					(81,036)	(81,036)
Dividends distributed for 2007					(103,547)	(103,547)
Vested warrants recognised as staff costs					3,202	3,202
Equity at 30 June 2008	260,633	64,013	26,257	(2,227)	1,789,924	2,138,600





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