21.11.07
Announcement No. 17, 2007

Interim financial report – Q3 2007

At its meeting today, the Supervisory Board of Monberg & Thorsen A/S approved the interim financial report for the period 1 January – 30 September 2007. The interim financial report is unaudited.

Copenhagen, 21 November 2007
Supervisory Board and Executive Board

Mogens Granborg Chairman	Jørgen Nicolajsen President and CEO

Questions relating to this announcement should be directed to Jørgen Nicolajsen, President, on telefon 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.

Reg. No. 12 61 79 17

INCREASE IN PROFIT IN LINE WITH EXPECTATIONS

- **Monberg & Thorsen** recorded third-quarter operating profit (EBIT) of DKK 41 million on Dyrup's and MT Højgaard's activities compared with DKK 28 million in last year's third quarter. YTD operating profit was DKK 125 million compared with DKK 71 million in 2006.

- **Dyrup** continued the positive profit trend, despite lower revenue in Germany and Denmark. YTD increased by 3%.

- **MT Højgaard** also continued the positive profit trend, recording YTD profit before tax of DKK 130 million compared with DKK 9 million in 2006. YTD revenue was up 10%.

- **The outlook for 2007** of profit after tax in the region of DKK 50 million, applying the existing accounting policies, is reaffirmed, but the change in accounting policy means that profit after tax is now expected to be in the region of DKK 40 million.

CHANGE IN ACCOUNTING POLICY

Due to the development in both international and national interpretations relating to recognition of project development cases in MT Højgaard, Monberg & Thorsen has changed its accounting policy on this area. The policy change means that revenue and profit from projects sold will not be recognised until delivery has been made and risk has been transferred to the buyer. The policy change consequently results in a postponement of the recognition of revenue and profit from project development cases to subsequent accounting periods, reducing profit before tax for the first three quarters of the year by DKK 11 million, and DKK 6 million for the corresponding period last year.

THE GROUP

Financial highlights for Monberg & Thorsen

Third-quarter revenue was down 8%, overall, while YTD revenue was almost 8% ahead, attributable to both Dyrup and MT Højgaard.

MT Højgaard delivered third-quarter revenue on a par with 2006, and a 10% increase in revenue YTD.

Dyrup showed lower revenue than expected in the third quarter, primarily due to heavy rainfall in Germany and Denmark, but YTD revenue was still 3% ahead of the same period in 2006.

DKKm	Q3 2006	Q3 **2007**	Q3 Change	YTD 2006	YTD **2007**	YTD Change
Revenue:						
Dyrup	471	**448**	-5%	1,353	**1,390**	3%
MT Højgaard (46 %)	1,349	**1,235**	-8%	3,599	**3,959**	10%
	1,820	**1,683**	-8%	4,952	**5,349**	8%
Operating profit (EBIT):						
Continuing operations	28	**41**		71	**125**	
Discontinued operations	182	**-**		215	**-**	
Operating profit	210	**41**		286	**125**	
Profit before tax	208	**35**		273	**125**	
Profit after tax	202	**25**		254	**85**	

YTD net financing costs amounted to DKK 0 million compared with a charge of DKK 14 million in 2006. The improvement was due to higher financial income both in the parent company – interest on the sales proceeds from the shares in Denerco Oil – and MT Højgaard.

Operating profit (EBIT) developed as follows:

DKKm	Q3 2006	Q3 **2007**	Q3 Change	YTD 2006	YTD **2007**	YTD Change
Dyrup	32	**27**	-5	69	**72**	3
MT Højgaard (46%)	(2)	**15**	17	7	**58**	51
Parent company	(2)	**(1)**	1	(5)	**(5)**	0
	28	**41**	13	71	**125**	54
Oil interests after tax*	182	**-**	-182	215	**-**	-215
Total (EBIT)	210	**41**	-169	286	**125**	-161

* The oil interests were sold in 2006

Dyrup's third-quarter result was adversely affected by lower revenue. Dyrup reported YTD operating profit of DKK 72 million compared with DKK 69 million in 2006, exceeding expectations. As planned, profit was affected by the higher costs for increased brand building, product innovation and upgrading of skills.

Dyrup's results are described in the attached appendix, which gives a detailed account of the development within the paint and varnish company.

MT Højgaard realised third-quarter operating profit of DKK 32 million, and operating profit developed positively in the first nine months of the year, from DKK 17 million in 2006 to DKK 127 million. Monberg & Thorsen's share amounted to 46%, corresponding to DKK 58 million.

The result was adversely affected by the change in accounting policy. Profit before tax was thus reduced by DKK 23 million and DKK 12 million for the corresponding period in 2006. The consequences of the change in accounting policy for MT Højgaard are described in detail in MT Højgaard's interim financial report.

The intake of new orders is still fair, and the order book increased by DKK 0.4 billion during the first nine months, to DKK 11.1 billion. The order book includes a number of large orders extending over several years.

Stock Exchange Announcement No. 16 concerning MT Højgaard issued earlier today gives a detailed account of the development within the contracting activities.

The parent company's operating result matched expectations.

Accounting policies

Accounting policies

The accounting policies are unchanged from those set out in the 2006 annual report, apart from the policy change for recognition of revenue from project development cases.

The accounting policy for recognition of project development cases, which consist of self-generated housing projects, has been changed from the percentage of completion method to the sales method. The policy change means that revenue and profit from projects sold will not be recognised until delivery has been made and risk has been transferred to the buyer and provided the income can be measured reliably and is expected to be received.

The change is introduced in response to the development in both international and national interpretations concerning recognition of project development cases. This change in accounting policy is in accordance with the criteria for recognition of project development cases in the new draft Interpretation concerning Real Estate Sales (IFRIC D21), issued by the international interpretations body IFRIC in July 2007.

The comparative figures in the interim financial report have been restated to reflect the change in accounting policy.

The policy change has reduced profit before tax for the first three quarters of the year by DKK 11 million compared with DKK 6 million in the same period last year. The accumulated effect at 30 September 2007 was a reduction of equity by DKK 21 million compared with 17 million in the corresponding period last year. The balance sheet total at 30 September 2007 has been reduced by DKK 11 million compared with DKK 17 million in the same period last year.

It is estimated that the policy change will reduce full-year 2007 profit after tax by DKK 10-15 million.

The effect on the interim financial reporting for the first quarter of 2006 to the third quarter of 2007 is presented on page 10 of the interim financial report.

Outlook for 2007

The Group

Consolidated revenue is still expected to be in the region of DKK 6.8 billion, with profit after tax in the region of DKK 50 million, applying the existing accounting policies, as announced in Announcement No. 15 of 29.08.07. The accounting policy change is expected to reduce profit after tax by DKK 10-15 million, and profit after tax is consequently expected to be in the region of DKK 40 million.

The projections concerning future financial performance are subject to uncertainties and risks that may cause the performance to differ from the projections. The main risks are described in the section ”Risk factors” in the 2006 annual report.

The outlook for the individual companies is based on stable interest rate and exchange rate levels and on the following assumptions:

Dyrup still expects revenue in the region of DKK 1.7 billion. The operating result is still expected to be a small loss.

MT Højgaard has reaffirmed its revenue outlook of approx. DKK 11 billion and profit before tax in the region of DKK 225 million, applying the existing accounting policies. It is estimated that the policy change will reduce profit before tax by approx. DKK 40 million, and profit is consequently now expected to be in the region of DKK 185 million, computed applying the new accounting policies.

Other information

Monberg & Thorsen did not buy back any treasury shares in the three quarters under review. The portfolio of treasury shares is 2,645 nos. B shares.

The financial calendar for 2008 will be issued separately after this interim financial report.

Statement by the Executive and Supervisory Boards

The Executive and Supervisory Boards have today discussed and approved the interim financial report of Monberg & Thorsen A/S for the period 1 January – 30 September 2007.

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.

We consider the accounting policies applied to be appropriate. Accordingly, the interim financial report gives a true and fair view of the Group’s financial position at 30 September 2007 and of the results of the Group’s operations and the consolidated cash flows for the accounting period 1 January – 30 September 2007.

Copenhagen, 21 November 2007

Executive Board

Jørgen Nicolajsen
President

Supervisory Board

Mogens Granborg Chairman	Hans Bennetzen Deputy Chairman	Magnus Bertelsen Employee representative
Anders Colding Friis	Poul Lind	Jan Munkholm Employee representative
Henrik Thorsen	Gerrit Dirk Toet Employee representative	Carsten Tvede-Møller

Appendices: *Financial highlights*
Consolidated balance sheet and Statement of changes in equity
Quarterly statements
Detailed statement – Q3 2007 - Dyrup A/S

Financial highlights

DKKm	Year 2006	Q3 2006	Q3 **2007**	YTD **2006**	YTD **2007**
Income statement					
Revenue:					
Dyrup	1,660	471	**448**	1,353	**1,390**
MT Højgaard (46 %)	5,089	1,349	**1,235**	3,599	**3,959**
	6,749	1,820	**1,683**	4,952	**5,349**
Operating profit (loss) before associates	(23)	28	**41**	71	**125**
Share of profit after tax of associates	214	182	**-**	215	**-**
Operating profit (EBIT)	191	210	**41**	286	**125**
Net financing costs	(15)	(2)	**(6)**	(14)	**0**
Profit before tax	176	208	**35**	272	**125**
Profit after tax	191	202	**25**	256	**85**
Monberg & Thorsen's share of consolidated profit	187	201	**25**	254	**85**
Balance sheet					
Interest-bearing assets	824			781	**698**
Interest-bearing liabilities	565			684	**545**
Invested capital	1,333			1,557	**1,384**
Equity	1,503			1,565	**1,449**
Balance sheet total	4,062			4,300	**4,101**
Cash flow statement					
From operating activities	201	67	**198**	15	**100**
For investing activities*	(123)	(26)	**(35)**	(88)	**114**
From financing activities	(66)	(12)	**8**	(47)	**(149)**
Net increase (decrease) in cash and cash equivalents	11	29	**171**	(120)	**65**
*Portion relating to property, plant and equipment	(155)	(30)	**(38)**	(96)	**(93)**
Financial ratios (%)					
Operating margin (EBIT margin)	(0.4)			1.5	**2.3**
Return on invested capital (ROIC)	13			18*	**9***
Return on equity (ROE)	13			18*	**6***
Equity ratio	37			37	**35**
Share ratios (DKK per DKK 20 share)					
Earnings per share (EPS)	52			71	**24**
Cash flow from operations (CFFO)	56			4	**28**
Book value	417			437	**405**
Market price	478			560	**525**
Market price/book value	1.1			1.3	**1.3**
Market capitalisation DKKm (incl. holding of treasury shares)	1,714			2,008	**1,882**

*) 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 accounting policies are unchanged from those set out in the 2006 annual report, apart from the income criterion concerning project development cases in MT Højgaard, which are now recognised applying the sales method compared with previously the percentage of completion method. The comparative figures have been restated to reflect the change in accounting policy. The change in accounting policy is described on page 4.

The financial ratios have been calculated in accordance with the Danish Society of Financial Analysts' 'Recommendations & Financial Ratios 2005'. The definitions of the financial ratios used appear from the 2006 annual report.

Consolidated balance sheet and Statement of changes in equity

Consolidated balance sheet (DKKm)	Year 2006	YTD 2006	YTD **2007**
ASSETS			
Intangible	137	146	**134**
Property, plant and equipment	856	877	**862**
Investments	157	113	**131**
Total fixed assets	1,150	1,136	**1,127**
Inventories	476	584	**539**
Work in progress	170	112	**194**
Receivables	1,442	1,687	**1,543**
Cash and cash equivalents and securities	824	781	**698**
Total current assets	2,912	3,164	**2,974**
Total assets	4,062	4,300	**4,101**
EQUITY AND LIABILITIES			
Equity attributable to Monberg & Thorsen	1,492	1,556	**1,449**
Equity attributable to minority interests	11	9	**0**
Total consolidated equity	1,503	1,565	**1,449**
Non-current liabilities, provisions	90	114	**88**
Non-current liabilities, interest-bearing	282	247	**281**
Work in progress	560	590	**612**
Current liabilities, interest-bearing	283	438	**264**
Other current liabilities	1,344	1,346	**1,407**
Total equity and liabilities	4,062	4,300	**4,101**

Statement of changes in consolidated equity (DKKm)	Year 2006	YTD 2006	YTD **2007**
Equity at start of period	1,365	1,365	**1,515**
Change in accounting policy	(12)	(12)	**(12)**
Foreign exchange adjustments, etc.	4	(1)	**1**
Adjustment of minority interests	-	-	**(11)**
Share of profit for the period after tax	191	256	**85**
Dividend to shareholders	(45)	(43)	**(129)**
Buyback of treasury shares	-	0	**0**
Equity at end of period	1,503	1,565	**1,449**

Quarterly statements

DKKm	2007 Q1	Q2	Q3	Q4	YTD
Income statement					
Revenue:					
Dyrup	407	535	**448**		1,390
MT Højgaard (46 %)	1,318	1,406	**1,235**		3,959
	1,725	1,941	**1,683**		5,349
Operating profit (EBIT)					
Dyrup	0	45	**27**		72
MT Højgaard (46 %)	16	27	**15**		58
Parent company's operations, etc.	(2)	(2)	**(1)**		(5)
Total operating profit (EBIT)	14	70	**41**		125
Net financing costs	2	4	**(6)**		0
Profit before tax	16	74	**35**		125
Profit after tax	12	48	**25**		85
Monberg & Thorsen's share of consolidated profit	12	48	**25**		85
Cash flow statement					
From operating activities	(3)	(95)	**198**		100
For investing activities*	168	(19)	**(35)**		114
From financing activities	(22)	(135)	**8**		(149)
Net increase (decrease) in cash and cash equiv.	143	(249)	**171**		65
*Portion relating to prop., plant and equipment	(27)	(28)	**(38)**		(93)

DKKm	2006 Q1	Q2	Q3	Q4	Total
Income statement					
Revenue:					
Dyrup	378	504	471	307	1,660
MT Højgaard (46 %)	1,058	1,192	1,349	1,490	5,089
	1,436	1,696	1,820	1,797	6,749
Operating profit (EBIT)					
Dyrup	1	36	32	(111)	(42)
MT Højgaard (46 %)	5	4	(2)	20	27
Oil interests	18	15	182	0	214
Parent company	(2)	(1)	(2)	(4)	(8)
Total operating profit (loss) (EBIT)	22	54	210	(95)	191
Net financing costs	(5)	(7)	(2)	(1)	(15)
Profit (loss) before tax	17	47	208	(96)	176
Profit (loss) after tax	18	36	202	(65)	191
Monberg & Thorsen's share of consolidated profit (loss)	18	35	201	(67)	187
Cash flow statement					
From operating activities	(41)	(11)	67	186	201
For investing activities*	(27)	(35)	(26)	(35)	(123)
From financing activities	(2)	(33)	(12)	(19)	(66)
Net increase (decrease) in cash and cash equiv.	(70)	(79)	29	131	11
*Portion relating to prop., plant and equipment	(29)	(37)	(30)	(59)	(155)

Effect of change in accounting policy

The comparative figures in the interim financial report have been restated to reflect the change in accounting policy for recognition of project development cases from the percentage of completion method to the sales method.
The effect of the changed accounting policy on the interim financial reporting for the first quarter of 2006 to the third quarter of 2007 is shown in the overview below.

YTD		**2006**				**2007**	
Amounts in DKKm	**31.03**	**30.06**	**30.09**	**31.12**	**31.03**	**30.06**	**30.09**
Revenue – existing policy	**1,455**	**3,183**	**5,009**	**6,758**	**1,714**	**3,672**	**5,391**
Effect of policy change	(19)	(51)	(57)	(9)	11	(6)	(42)
Revenue applying changed policy	**1,436**	**3,132**	**4,952**	**6,749**	**1,725**	**3,666**	**5,349**
Operating profit – existing policy	**25**	**84**	**292**	**191**	**14**	**88**	**136**
Effect of policy change	(3)	(8)	(6)	0	0	(4)	(11)
Operating profit applying changed policy	**22**	**76**	**286**	**191**	**14**	**84**	**125**
Profit before tax – existing policy	**20**	**72**	**278**	**176**	**16**	**94**	**136**
Effect of policy change	(3)	(8)	(6)	0	0	(4)	(11)
Profit before tax applying changed policy	**17**	**64**	**272**	**176**	**16**	**90**	**125**
Profit after tax – existing policy	**20**	**59**	**260**	**191**	**11**	**62**	**93**
Effect of policy change	(2)	(5)	(4)	0	1	(2)	(8)
Profit after tax applying changed policy	**18**	**54**	**256**	**191**	**12**	**60**	**85**
Equity at end of period – existing policy	**1,384**	**1,380**	**1,582**	**1,515**	**1,523**	**1,436**	**1,470**
Effect of policy change	(15)	(18)	(17)	(12)	(12)	(15)	(21)
Equity at end of period applying changed policy	**1,369**	**1,362**	**1,565**	**1,503**	**1,511**	**1,421**	**1,449**
Balance sheet total – existing policy	**3,707**	**4,061**	**4,317**	**4,066**	**4,068**	**4,126**	**4,112**
Effect of policy change	(15)	(18)	(17)	(4)	(12)	(15)	(11)
Balance sheet total applying changed policy	**3,692**	**4043**	**4,300**	**4,062**	**4,056**	**4,111**	**4,101**

Detailed statement – Q3 2007 - Dyrup A/S

- **YTD operating profit was DKK 72 million compared with DKK 69 million in the same period in 2006**
- **Third-quarter revenue in Germany and Denmark was significantly affected by the wet weather**
- **The positive profit trend continued despite lower revenue**
- **Outlook for 2007 reaffirmed**

The Dyrup Group delivered third-quarter revenue of DKK 448 million, which was less than expected. YTD revenue growth was 3% compared with 7% at the end of the first half of 2007. Satisfactory revenue growth was recorded in Portugal and Poland, whereas Germany and Denmark showed decline as a result of the wet summer.

Competition remains intensive in all markets. Gross margins consequently remain under pressure, which, however, was offset in the third quarter by the initiated improvement measures. Dyrup's ongoing withdrawal from the loss-making areas and its focus on optimising the business and, consequently, earnings are thus still having a positive effect. The third-quarter 2007 operating result was thus a profit of DKK 27 million compared with DKK 32 million in the third quarter of 2006, despite the fact that third-quarter 2007 revenue was DKK 23 million down and affected by costs for the initiated strategic measures.

YTD operating profit was consequently DKK 72 million compared with DKK 69 million in the same period last year. The operating margin was maintained at 5.2%, despite the fact that operating profit was affected by costs for the initiated strategic measures, including especially the escalated advertising drive, product innovation and upgrading of skills, which, as expected, increased the cost base.

The result before tax was consequently a profit of DKK 52 million for the first nine months of 2007, on a par with 2006. Profit is still exceeding expectations. Profit after tax was DKK 39 million compared with DKK 37 million in the same period in 2006. Tax expense benefited from non-recurring income of DKK 3 million from the reduction of the Danish tax rate.

YTD capital expenditure on property, plant and equipment was DKK 24 million compared with DKK 13 million in the same period in 2006. Full-year capital expenditure will exceed 2006, as it has been decided to upgrade and modernise the water-based production (the water-based factory) in Søborg, as the VOC directive will lead to a switch from solvent-based to water-based products in the coming years.

Market conditions

It is estimated that the European paint and wood care market in Dyrup’s relevant markets improved in the third quarter, with the exception of Germany, which showed decline, and Spain, which experienced stagnation.

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

DKKm	Q1 - Q3 2006	Q1 - Q3 2007	Change %
Denmark	336	334	-1
France	347	354	2
Germany	210	212	1
Portugal	165	180	9

In Denmark, Dyrup experienced a 10% decline in revenue in the third quarter, primarily driven by decline in the DIY area. The very wet weather in July led to a major decline in demand for outdoor wood care. YTD revenue was consequently at the same level as the same period last year, but with 4% progress in the professional trade. The increase in revenue was due in part to new products. To this should be added the fact that the growth is underpinned by a sustained high level of activity within the construction industry. Revenue within Industrial showed a small decline as some of the Danish manufacturers have moved their production to Poland, benefiting Dyrup's revenue in Poland.

In France, the positive market progress in the third quarter was primarily driven by paint products, whereas the market for outdoor products declined. Despite this, third-quarter revenue was on a par with last year's third quarter. YTD growth was consequently 2%. Within DIY, revenue benefited from the launch of the Agatha concept. The market is still marred by intensive competition on both the supplier and the customer side, which is translating into persistent, strong price pressure in the market.

In Germany, revenue was affected by a very wet July and September, with a decline in revenue of DKK 15 million. YTD, the 13% improvement in the first half has consequently been reduced to a 1% improvement.

In Portugal, the market developed positively again in the third quarter, with Dyrup recording 11% growth, overall, in the third quarter, with fair progress within both DIY and the professional trade. YTD growth was consequently 9%, which is satisfactory. The growth was due to more effective cultivation of the market and to the Agatha and Contrastes product concepts, which were launched in 2006 and are still very much in demand.

In Spain, revenue was affected by the downturn in the construction industry, and Dyrup experienced a small decline in revenue in the third quarter. However, YTD revenue is still 3% ahead. Here, too, the Agatha and Contrastes concepts were important drivers behind the increase in sales, which was significantly highest in the DIY area.

In Poland, Dyrup continued its high growth rate in the third quarter, and YTD growth was 23%, generated by DIY and Industrial. Revenue within DIY benefited from new products with new and different packaging that have been well received by the consumers. Revenue within Industrial benefited from the fact that several Western European manufacturers are establishing production in Eastern Europe, to which should be added a positive market trend with good demand.

Outlook for 2007

Revenue in October matched the expected level, overall, and, at the present time, revenue is consequently still expected to be in the region of DKK 1.7 billion, and the operating result is still expected to be a small loss.

Financial highlights for Dyrup A/S

Financial highlights in DKKm	Year	Q3		YTD	
	2006	2006	**2007**	2006	**2007**
Income statement					
Revenue	1,660	471	**448**	1,353	**1,390**
Operating profit before special items	5	32	**27**	69	**72**
Special items, net	(47)	-	**-**	-	**-**
Net financing costs	(24)	(6)	**(8)**	(17)	**(20)**
Profit (loss) before tax	(66)	26	**19**	52	**52**
Profit (loss) after tax	(45)	21	**13**	37	**39**
Balance sheet					
Interest-bearing assets	51			35	**20**
Interest-bearing liabilities	427			502	**426**
Invested capital	897			1,068	**968**
Consolidated equity	442			522	**482**
Balance sheet total	1,227			1,441	**1,336**
Cash flows					
Depreciation - property, plant and equipment	73	13	**11**	39	**33**
Capital expenditure - property, plant and equipment	23	4	**11**	13	**24**
Cash flow from operations (CFFO)	65	87	**66**	(30)	**(8)**
Cash flows for investing activities	(27)	(13)	**(10)**	(23)	**(23)**
Cash flows from financing activities	(20)	0	**0**	(9)	**(9)**
Financial ratios (%)					
Operating margin (EBIT margin)	0.3	6.8	**6.0**	5.1	**5.2**
Return on invested capital (ROIC)	0.5			7.0*	**7.7***
Equity ratio	36			36	**36**

*) Not converted to full-year figures.