AARSLEFF

ANNUAL REPORT 2014-15

This annual report is a translation of Per Aarsleff A/S's official Danish annual report. The original Danish text shall take precedence and in case of discrepancy the Danish wording shall prevail.

In Copenhagen Airports, Aarsleff carries out runway extension by four metres in each side to make room for the Airbus A380.

THE AARSLEFF GROUP

The Aarsleff Group operates at an international level and has a leading position in Denmark. In the financial year 2014/2015, revenue came to DKK 10.3 billion – of which 31% came from abroad.

The Group is organised in independent, competitive divisions and subsidiaries, each with their own specialist expertise. As stated in the Aarsleff Group's mission, vision and values, the divisions and subsidiaries focus on integrating specialist contracting expertise across the business units of the Group into turnkey solutions with a high degree of own production. We call this "one company", meaning that we seek and exploit synergies.

Our high-level expertise makes us specialists in planning and implementing large, complex projects within infrastructure, climate change adaptation, the environment, energy and construction.

We specialise e.g. in harbour and marine construction, railway work, offshore wind farms and technical contracts.

We use our specialist contracting expertise when we carry out shell structures or supply turnkey solutions within industrial construction and institutional construction.

We are market leaders with an international profile in pile foundation and trenchless pipe renewal, and we have a number of subsidiaries in Denmark and abroad. We seek and exploit the benefits of industrialisation.

We build long-term partnerships with customers by supplying high-value services, and we offer operation and services.

The number of employees in the Aarsleff Group is 4,932.

The subsidiary Østergaard A/S tunnels a DN2500 millimetre sewer pipe as flood and overflow protection at Nordhavn Station in Copenhagen. The protection is part of a major pedestrian tunnel project carried out by Aarsleff and Aarsleff Rail A/S.

HIGHLIGHTS FOR THE GROUP

tDKK	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Income statement					
Revenue	6,147,489	6,676,165	7,375,888	8,527,042	10,253,877
Of this figure, work performed abroad	2,793,218	2,798,975	2,476,654	2,855,178	3,145,279
Operating profit	136,318	181,656	213,399	349,077	487,134
Profit before interest	152,837	182,559	213,477	350,951	483,981
Net financials	-19,458	-16,622	-16,531	-21,273	-29,218
Profit before tax	133,379	165,937	196,946	329,678	454,763
Profit for the year	97,778	112,062	149,892	254,609	366,363
Balance sheet					
Non-current assets	1,587,942	1,619,478	1,738,752	1,739,128	1,939,348
Current assets	2,778,905	2,622,417	2,797,867	3,224,086	4,050,798
Total assets	4,366,847	4,241,895	4,536,619	4,963,214	5,990,146
Equity	1,471,851	1,593,749	1,724,330	1,952,308	2,265,103
Non-current liabilities	449,019	500,128	486,048	589,697	725,170
Current liabilities	2,445,977	2,148,018	2,326,241	2,421,209	2,999,873
Total equity and liabilities	4,366,847	4,241,895	4,536,619	4,963,214	5,990,146
Net interest-bearing debt	231,094	149,486	506,611	209,873	-372,867
Invested capital (IC)	1,622,583	1,674,496	2,214,266	2,144,682	1,880,103
Cash flow statement					
Cash flows from operating activities	330,604	374,584	40,949	611,201	1,124,293
Cash flows from investing activities	-428,817	-282,758	-370,203	-254,894	-625,865
Of this figure, investment in property, plant and equipment, net	-278,030	-290,758	-241,416	-255,487	-377,052
Cash flows from financing activities	26,465	-324	-24,334	-29,900	-91,168
Change in liquidity for the year	-71,748	91,502	-353,588	326,407	407,260
Financial ratios [1]					
Gross margin ratio, %	10.0	10.3	10.8	12.1	11.9
Profit margin (EBIT margin), %	2.2	2.7	2.9	4.1	4.8
Net profit ratio (pre-tax margin), %	2.2	2.5	2.7	3.9	4.4
Return on invested capital (ROIC), %	8.9	11.0	11.0	16.0	24.2
Return on invested capital (ROIC) after tax, %	6.5	7.4	8.4	12.4	19.5
Return on equity (ROE), %	6.8	7.3	9.0	13.9	17.4
Equity interest, %	33.7	37.6	38.0	39.3	37.8
Earnings per share (EPS), DKK	47.98	54.97	73.20	124.65	179.80
Share price per share of DKK 20 at 30 September, DKK	376	397	681	972	2.291
Price/equity value, DKK	0.52	0.51	0.81	1.01	2.06
Dividend per share, DKK	4.80	10.00	10.00	15.00	30.00
Number of employees	3,473	3,620	4,019	4,532	4,932

[1] *See page 56 for a definition of financial ratios.*

The effect of the changed accounting policies of the financial year has not been included in the comparative figures for 2010/2011, 2011/2012 and 2012/2013.

THE YEAR IN BRIEF

In Nuuk in Greenland, Aarsleff establishes a new 50,000-square metre container terminal and blasts 300,000 cubic metres of hard rock.

The consolidated profit for the financial year 2014/2015 came to DKK 455 million before tax against DKK 330 million the year before. Earnings expectations were DKK 350 million before tax at the beginning of the financial year and were adjusted to DKK 390 million before tax after the second quarter and to DKK 450 million before tax after the third quarter of the financial year.

Revenue came to DKK 10,254 million compared with DKK 8,527 million last financial year – an increase of 20%.

The Danish operations reported revenue of DKK 7,109 million against DKK 5,672 million last financial year. The foreign operations reported revenue of DKK 3,145 million against DKK 2,855 million last financial year.

The profit for the year was DKK 366 million after tax compared with DKK 255 million last financial year. Total investments in property, plant and equipment as well as subsidiaries amounted to DKK 433 million, and investment in securities amounted to DKK 196 million.

Cash flows from operating activities with deduction of investments came to a positive liquidity flow of DKK 498 million against a positive liquidity flow of DKK 356 million last financial year.

At the end of the financial year, the Group's net interest-bearing debt was a net deposit of DKK 373 million against a debt of DKK 210 million at 30 September 2014.

Construction reported profit before interest of DKK 309 million against DKK 243 million last financial year. Pipe Technologies reported profit before interest of DKK 67 million against DKK 37 million last financial year. Ground Engineering reported profit before interest of DKK 108 million against DKK 71 million last financial year.

Net profit ratio of the Group was 4.4% compared with 3.9% last financial year. Equity amounted to 37.8% of the balance sheet total against 39.3% at the end of last financial year. Return on equity came to 17.4% against 13.9% last financial year.

The number of full-time employees is 4,932 against 4,532 last financial year.

The Board of Directors will propose a dividend of DKK 30 per share corresponding to a payment of DKK 61 million.

In Køge, Aarsleff carries out sewer renewal by means of conventional excavation.

THE FUTURE FINANCIAL YEAR AND STRATEGIC FOCUS AREAS

In the future financial year, the Group expects a slightly increased level of activity compared with 2014/2015 due to the expected acquisition of the Danish building and construction company Hansson & Knudsen A/S combined with the impact of a slow-down in growth of civil works. The 2014/2015 level of activity was extremely high because of the mild winter. Profit before tax is expected to amount to DKK 430 million. The acquisition of Hansson & Knudsen A/S will not contribute significantly to the results of the future financial year as amortisation of intangible assets and incurrence of non-recurring acquisition costs are expected. Investments are expected to amount to DKK 800 million and are inclusive of the investment in Hansson & Knudsen A/S and the financial year investments in a new office building in Aarhus of approx. DKK 150 million.

The agreement to acquire the shares in Hansson & Knudsen A/S is subject to the approval from the competition authorities expected at the beginning of 2016. In recent years, Aarsleff has expanded its building-related activities on Sealand and works with building installations through the subsidiary Wicotec Kirkebjerg A/S in the entire country. With the acquisition of Hansson & Knudsen A/S, Aarsleff expects to exploit the market opportunities within new construction and building maintenance in the southern part of Denmark as well as create synergies to the Group's other activities.

Construction expects a slightly increased level of activity compared with 2014/2015 and an EBIT margin of approx. 4%. The civil engineering market in Denmark is still stable, even though there is a small setback in some areas. There is a fluctuating market potential. As an example, the public investment budgets are decreasing, while the railway investments are at a high stable level. The Danish Government's Finance Act for 2016 is expected to result in a postponement of projects related to the Fehmarnbelt Fixed Link, e.g. a new Storstrøm Bridge. We do not expect major tunnel projects relating to climate change adaptations or new major harbour projects. The Danish civil engineering market is expected to be influenced by keen competition from international companies.

Pipe Technologies expects a level of activity on par with last financial year and an EBIT margin of 4%. Pipe Technologies' market potential in Denmark depends completely on the investment level of the utility companies within renewal of sewer pipes. The difficult market conditions in Poland, the Baltic countries, Russia, Belarus and Ukraine are expected to continue in 2015/2016.

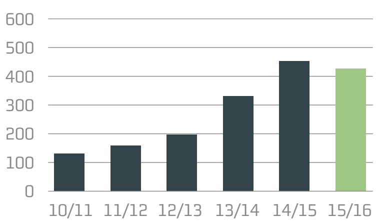
Ground Engineering expects an increased level of activity, particularly on the markets in Denmark and the UK, and an EBIT margin of approx. 6%. Ground Engineering's market potential is good in a stable civil engineering market in Denmark, e.g. in one company working relationships with Construction about major projects.

On the threshold of the new financial year, the volume of orders of all three segments is somewhat higher than the volume of orders at the same time last year, but the execution of some projects extends over a longer period than last year.

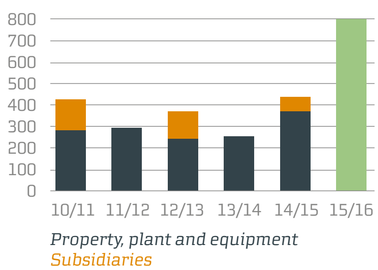
Strategic focus areas

The Aarsleff Group has developed expertise on an international scale, allowing us to participate in large infrastructure projects in Denmark, often in collaboration with international contracting companies. The experience gained from these projects will be useful in future international business opportunities.

PROFIT BEFORE TAX IN DKK MILLION



INVESTMENT IN PROPERTY, PLANT AND EQUIPMENT AND SUBSIDIARIES IN DKK MILLION



The Aarsleff Group's business model, mission, vision and values have proved to be sustainable. Our different types of activities range from single construction projects to activities with repetition opportunities to fully industrialised activities. Aarsleff is an integrated Group with joint values, vision and mission and common basic principles of management. We combine our specialist contracting expertise into turnkey solutions with a high degree of own production. We call this "one company", and our strategy as a contracting group is underpinned by this principle.

Over the past ten financial years, the Aarsleff Group's revenue has increased by an average of 12% per year. The civil engineering market still offers opportunities of profitable growth. However, it is a basic strategy for the Aarsleff Group's development that earnings requirements take priority over growth. Continued improvements with consequent increased competitiveness must make growth a result more than a target.

We anticipate that a consolidated EBIT level of 5% is within reach. This level complies with the long-term targets of our segments.

At www.aarsleff.com About Aarsleff, we account for the Group's business model, mission, vision and values.

Construction will focus on positioning for future years' important traffic infrastructure projects, the climate and environmental challenges facing the Danish utility companies as well as construction activities.

Aarsleff participates in four consortia which have submitted bids for the Fehmarnbelt Fixed Link. The appointment of the preferred contractor will be made in the spring of 2016.

The number of design & build contracts put out to tender is increasing. This calls for combinations of specialist contracting expertise and early contractor involvement in the design phase. Aarsleff combines specialist skills into turnkey solutions by offering a wide range of activities supplied by our divisions and companies in own production. These skills are applied to single construction projects as well as to multi-annual framework agreements on service and maintenance work.

Construction has implemented plans to increase the application of digital tools within design, calculation and project execution. The implementation of Virtual Design and Construction (VDC) is to contribute to efficiency improvement and industrialisation in the projects as well as value creation for our customers.

Pipe Technologies is a global market leader in the supply of trenchless pipe renewal which is a highly specialist business area. Pipe Technologies will intensify the strategic focus to industrialise and streamline the installation and production processes. The requirements to competitive prices in the market for trenchless pipe renewal are becoming still more significant. The object is to reduce costs in the value chain from manufacturing to installation of Aarsleff's standard products. This is a prerequisite for creating growth on new markets and keeping our leading position on existing markets.

Pipe Technologies will continue its focus on future-proofing the business area by current development of a broad product portfolio and a strong technological foundation. This is done in an international framework across country borders from the division's centre of expertise at Aarsleff's factory in Hasselager.

Ground Engineering will focus on the incorporation of common standards as well as product and method development. This is done to increase productivity and competitiveness in manufacturing and installation on all markets.

Ground Engineering's objective is to be a market leader in Denmark and have a leading position in Germany, the UK, Poland and Sweden. Supply and installation of precast concrete piles have a high priority on all markets. However, other piling skills and methods are developed when these are in demand on the individual markets. Experience, methods and expertise are shared across country borders with a view to continuing the development of pile types, machinery as well as new methods and techniques.

Ground Engineering has pile production facilities in Denmark, the UK, Sweden, Poland, and from the spring of 2016 also in the new factory in southern Germany. The objective is to have a leading position within production and installation of precast concrete piles on the markets where we are established. The pile production must continuously be optimised by sharing experience and by coordinating parts of the production across country borders.

LONG-TERM FINANCIAL TARGETS

The overall financial targets of the Group are to have an attractive and stable return on equity with significant financial resources and a high solvency ratio to mitigate risks.

Growth and development

The growth and development of the Group will continue to take place through a combination of organic growth and acquisitions of specialist contracting expertise and with a focus on profitability.

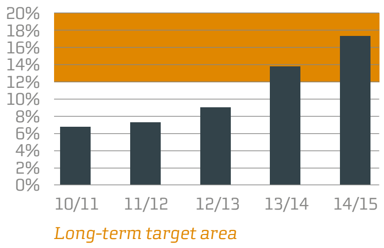
Over the past ten years, the company has had an average growth of 12% per year.

In Construction, we are making the most of the current market potential which is subject to the amount of tenders for large projects while considering our policy of selective order intake.

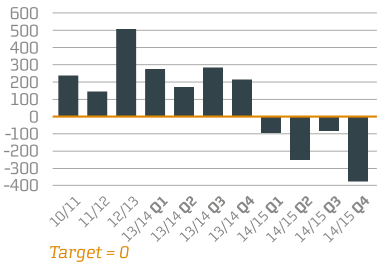
Within the industrial segments Pipe Technologies and Ground Engineering, our growth target is between 5% and 10% per year with the focus on international growth.

	FINANCIAL YEAR 2014/2015	LONG-TERM FINANCIAL TARGETS
Return on equity (ROE)	17.4%	Minimum 12% per year
Equity ratio of the balance sheet (Solvency ratio)	37.8%	40-45%
Net interest-bearing debt (Measured as quarterly average)	Net deposit of DKK 199 million	Net debt of DKK 0 million
EBIT margins:		
Construction	4.3%	4.5%
Pipe Technologies	4.6%	5%
Ground Engineering	6.4%	6.5%
Aarsleff Group	4.8%	Approx. 5%
Profit share (Payout ratio)	17%	20-30%
Revenue growth	20%	5-10%

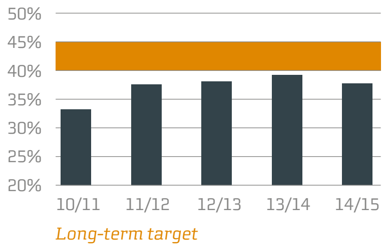
RETURN ON EQUITY (ROE)



NET INTEREST-BEARING DEBT, DKK MILLION



SOLVENCY RATIO



Profit and return on investment
Efficiency and productivity in all phases must contribute to continuous improvements of competitiveness and earnings. Combinations of skills into turnkey solutions together with efficiency in all phases are to increase margins and profit.

Realisation of the stated EBIT margins and targets for net debt and solvency ratio will imply a return on equity of at least 12% per year.

Sound financial resources
Aarsleff undertakes large-scale civil engineering projects for which only consolidated companies with sound financial resources are able to tender. A sound financial position and thus a high credit ranking allow us to strategically position ourselves for long-term and continuous development of the Group in connection with acquisition of companies as well as internal business development.

Aarsleff's ambition to have sound financial resources entails an overall target to keep net interest-bearing debt at an average of 0 per quarter. This corresponds to a solvency ratio of about 40-45%.

As the company receives considerable prepayments which often are available for joint ventures only, a net interest-bearing debt of 0 involves continued drawdown on the company's credit facilities.

During growth periods, the company may require new borrowing up to a certain level. However, net interest-bearing debt must not exceed 50% of equity at the beginning of the financial year (debt/equity ratio maximum 0.5).

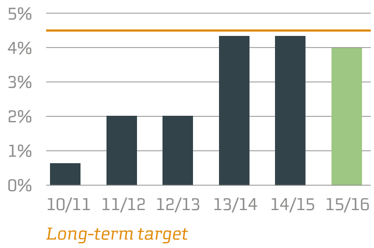
Dividend
Achievement of the targeted return on equity will imply that the expected growth can be financed by future earnings and that liquidity is generated for payment of dividend which, in a long-term perspective, is assessed at 20-30% of the annual profit subject to growth.

The decision as to the annual dividend distribution is made on the basis of the company's actual financial situation, comprising net interest-bearing debt, solvency ratio and outlook for the future financial year.

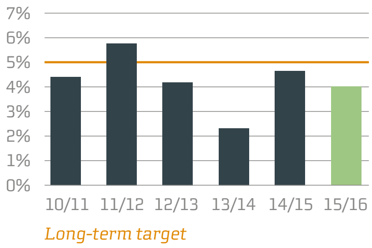
For the financial year 2014/2015, the proposed dividend per share is DKK 30.00 against DKK 15.00 per share last year. This corresponds to 17% of the profit of the company.

Treasury shares
The holding of treasury shares amounts to 10%. The company is authorised to acquire another 10%. The authorisation will only come into effect in case of a special situation. Distribution to shareholders is expected to take place only in the form of dividend.

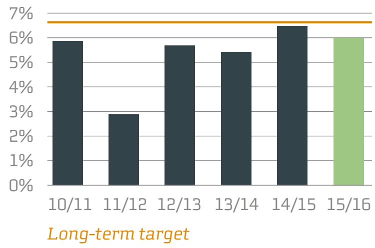
CONSTRUCTION
EBIT MARGIN



PIPE TECHNOLOGIES
EBIT MARGIN



GROUND ENGINEERING
EBIT MARGIN



THE PAST YEAR IN CONSTRUCTION

Segment results came to DKK 309 million before interest or 4.3% of revenue. These results complied with the segment's previous long-term target of 4% and were significantly above expectations. Revenue increased by 26% to DKK 7,112 million. The Danish operations reported a revenue increase of 26% to DKK 6,026 million, and the foreign operations reported a revenue increase of 26% to DKK 1,086 million.

One of the reasons for the extremely high level of activity was the mild winter. The revenue of the foreign operations is affected by the acquisition of the Icelandic contracting company Ístak hf effective from 15 May 2015.

At the end of the financial year, the volume of orders was significantly higher than at the end of last financial year, but the execution of some projects extends over a longer period.

The activities of the parent company were characterised by a generally high level of activity and a generally higher profitability during project implementation. The period saw a high level of activity within civil engineering projects, not least in the capital area. The activities within commercial construction and domicile construction increased, and the results were satisfactory.

Overall, Construction's subsidiaries performed significantly above expectations at the beginning of the financial year.

Wicotec Kirkebjerg A/S carries out technical installations in a broad sense, technical service as well as cable work and district heating installations. Annual results exceeded expectations at the beginning of the financial year. In the financial year, the execution of the technical installation contract for the New Psychiatric Center in Skejby, north of Aarhus, began. In addition to the technical installation contract, Wicotec Kirkebjerg will operate the facility management contract during the next 25 years.

Aarsleff Rail A/S and Anker AB are the Group's railway specialists. The Swedish company Anker AB was included from the beginning of the financial year. The second half of the financial year was characterised by a very high level of activity, and results were significantly above expectations. In collaboration with Siemens, Wicotec Kirkebjerg A/S and Ground Engineering, the preliminary work concerning the electrification of the Danish railway network was initiated in the financial year.

Dan Jord A/S performed significantly above expectations. Generally, there was a high level of activity in the Aarhus area, e.g. with the light rail transit project.

Petri & Haugsted AS specialises in cable work and communication lines. Results fell short of expectations. Adjustments and action plans have been initiated with a view to streamlining and optimising ongoing contracts as well as utilising market opportunities.

Østergaard A/S carries out tunnelling, directional drilling and civil engineering work. Results were above expectations at the beginning of the financial year. The level of activity was extremely high owing to two single tunnelling contracts carried out in collaboration with the parent company in the capital area as well as an increasing level of activity in Norway.

VG Entreprenør A/S specialises in coastal protection and other marine work. Results were significantly above expectations. There was a high level of activity, particularly concerning projects carried out in collaboration with the parent company.

In the new financial year, the Group expects a slightly increased level of activity compared with 2014/2015 due to the expected acquisition of Hansson & Knudsen A/S combined with the impact of a slowdown in growth of civil works. A revenue level reflecting the activity level of a typical winter is provided for in the budget. In a company announcement of 12 October 2015, we informed about the acquisition of Hansson & Knudsen A/S subject to the approval of the competition authorities. This approval has not yet been received. The segment expects an EBIT margin of 4%. The acquisition of Hansson & Knudsen A/S, which is expected to take effect from 1 January 2016, will not contribute significantly to the results of the future financial year, as amortisation of intangible assets and incurrence of non-recurring acquisition costs are expected. The long-term expectation to revenue development will follow economic trends and market potentials. The long-term expectation to EBIT margin is adjusted to 4.5% against previously 4%.

In Copenhagen, Aarsleff carries out construction pit and shell structure for the Niels Bohr Building – a new 52,000-square metre teaching and research facility.

THE PAST YEAR IN PIPE TECHNOLOGIES

Segment results came to DKK 67 million before interest or 4.6% of revenue. Results were in line with expectations and were a significant improvement of results compared to last year. Revenue fell by 5% to DKK 1,512 million. The Danish operations reported a revenue increase of 3% to DKK 414 million, and the foreign operations reported a revenue decline of 7% to DKK 1,098 million.

In Denmark, the level of activity of the public utility companies within sewer pipe renewal decreased as expected. This was a result of the utility companies' current tendency to increase focus on investments in climate adaptations and decrease focus on sewer renewal. Results fell short of expectations due to small margins in a market with keen competition for the orders.

The level of activity within the housing and industry segments in Denmark increased, but also in this segment, the margins were under pressure due to competition. Results were in line with expectations at the beginning of the financial year.

Export projects within drinking water supply and wastewater performed below expectations at the beginning of the financial year. The level of activity was low due to the political situation in Ukraine and Russia.

Total results of the subsidiaries exceeded expectations and improved significantly compared to last financial year.

The results of the German subsidiary were in line with expectations. The development of the collaboration with the other companies of the Group is still a focus area.

The level of activity in the Russian subsidiary was high during the first half of the financial year, resulting in significant earnings in spite of the political situation. The difficult market situation had a significant impact in the second half of the year, and the level of activity was low at the end of the financial year.

The results of the subsidiary in Sweden were significantly above expectations at the beginning of the financial year. The company is experiencing a positive development and an increasing level of activity.

After some capacity adjustments, the results of the company in Finland developed positively and were slightly above expectations.

The results of the Polish company fell short of expectations. The market is characterised by low prices and keen competition.

On Pipe Technologies' new market in Norway, the activity was satisfactory and results exceeded expectations. On the new market in the Netherlands, results fell short of expectations. The tender activity of the public sector was low, and there was a keen competition within pipe renewal on the Dutch market.

In the new financial year, we expect revenue on par with 2014/2015. The expectation to EBIT margin is approx. 4%, influenced by an expectation of declining earnings on the Russian market. Long-term expectations to revenue development are 5 to 10% per year. The long-term expectation to EBIT margin is adjusted to 5% against previously 6% due to intensified competition on the global market for trenchless pipe renewal.

Renewal of wastewater pipe without excavation in Vejle.

THE PAST YEAR IN GROUND ENGINEERING

Segment results came to DKK 108 million before interest or 6.4% of revenue. These results comply with the segment's long-term target of 6% and exceeded expectations. Revenue increased by 25% to DKK 1,630 million. The Danish operations reported a revenue increase of 33% to DKK 669 million, and the foreign operations reported a revenue increase of 20% to DKK 961 million.

The results of the parent company exceeded expectations at the beginning of the financial year. There was a good activity within infrastructure projects carried out in collaboration with Construction. Industrial pile foundation activities increased during the financial year.

At the end of the financial year, the volume of orders was significantly higher than at the end of last financial year, but the execution of some projects extends over a longer period.

The total performance of the subsidiaries was in line with expectations at the beginning of the financial year.

The Swedish company carries out piling activities and pile production. Results fell short of expectations at the beginning of the financial year, but the companies showed improvements compared with last financial year and are developing positively.

The company in the UK carries out piling activities and pile production. Results were in line with expectations – an improvement compared to last financial year. A new product programme for production and installation of ground beams was introduced with a positive result.

In Germany, the primary activity is pile foundation with piles from the factory in Denmark. Results were in line with expectations at the beginning of the financial year. In the financial year, pile production facilities were established in southern Germany, and we expect that the first piles will be supplied to the German market in the spring of 2016.

The Polish company carries out piling activities and pile production. At the factory in Poland, there is a production of piles for railway electrification. Results were in line with expectations, and the activity is increasing.

The specialised section for geotechnical drillings saw a high level of activity during the financial year.

In the financial year, Ground Engineering initiated activities relating to a new overall international organisation of the segment's piling activities and pile factories. The objective is to support a visible international market position and support development, standardisation and productivity development across country borders to an even higher extent than before.

In the new financial year, we expect an increasing level of activity and an EBIT margin of approx. 6%. The long-term expectation to revenue development is 5 to 10% per year. The long-term expectation to EBIT margin is adjusted to 6.5% against previously 6%.

In Hvidovre, Aarsleff establishes cut and cover tunnels for the new railway line between Copenhagen and Ringsted. The retaining walls are carried out partly as a sheet pile wall and partly as a secant pile wall.

INFORMATION TO SHAREHOLDERS

Share capital
The share capital is DKK 45.3 million divided into DKK 2.7 million A shares and DKK 42.6 million B shares.

The B share capital is quoted on Nasdaq Copenhagen A/S. The B share capital is distributed on shares of a nominal value of DKK 20, and at 30 September 2015, it comprised 2,130,000 shares. The B shares are negotiable instruments issued to bearer, but can be registered in the name of the holder in the company's register of shareholders.

The A share holding consists of 135,000 shares and carry 10 times the voting rights compared to the B shares. The A shares are non-negotiable instruments.

Shareholders
All A shares are owned by the fund "Per og Lise Aarsleffs Fond".

Per and Lise Aarsleffs Fond possesses 42% of the votes through Per Aarsleff A/S's A shares. The purpose of the fund is to ensure Per Aarsleff A/S's continued existence and development through possession of Per Aarsleff A/S's A share capital.

Shareholders who own more than 5% of the share capital or control 5% of the voting rights are stated at the top of the following page.

As at 21 December 2015, 5,017 shareholders were registered, corresponding to approx. 89% of the share capital.

Shareholders may exercise their voting rights at the Annual General Meeting only after having had their shares entered in the company's register of shareholders or after due notification and documentation of their acquisition of shares prior to the convening of the Annual General Meeting.

Treasury shares
At the end of the financial year, the holding of treasury shares was 226,500 B shares of a nominal value of DKK 4.5 million and an acquisition cost of DKK 63.2 million.

At 30 September 2015, the market capitalisation of the treasury shares was DKK 519 million.

The holding of treasury shares has been acquired to increase the financial flexibility for future acquisitions.

The holding of treasury shares amounted to 10%. At the Annual General Meeting in January 2011, the Board of Directors was authorised for the next five years to allow the company to acquire treasury shares within a total nominal value of 20% of the share capital of the company.

Market capitalisation
At 30 September 2015, the market capitalisation of the company's B shares exclusive of treasury shares was DKK 4,880 million.

Dividend
For the financial year 2014/2015, the proposed dividend per share is DKK 30.

Capitalisation and dividend policy
Please see the section Long-term financial targets on page 10.

Shareholders as of 21 December 2015	Number of shares	Percentage of capital %	Votes %
Per og Lise Aarsleffs Fond, Åbyhøj – A shares	135,000	5.96	41.49
Per og Lise Aarsleffs Fond, Åbyhøj – B shares	19,279	0.85	0.59
Treasury shares	226,500	10.00	

Stock exchange announcements

29	October 2014	Aarsleff wins project management contract in Ethiopia
14	November 2014	Aarsleff adjusts the expectations to the annual results upwards
4	December 2014	Aarsleff to build shell structure for Novo Nordisk A/S
19	December 2014	Preliminary announcement of financial statements for the financial year 2013/2014.
30	January 2015	Annual General Meeting of Per Aarsleff A/S
2	February 2015	Aarsleff is awarded a conditional contract for a new container terminal in Nuuk, Greenland
27	February 2015	Interim financial report for the period 1 October-31 December 2014
27	April 2015	Notification pursuant to section 29 of the Danish law on securities trading etc.
15	May 2015	Aarsleff acquires Icelandic company
18	May 2015	Aarsleff is negotiating the final terms with Banedanmark about electrification
29	May 2015	Interim financial report for the period 1 October 2014-31 March 2015
29	May 2015	Aarsleff signs contract with Banedanmark for electrification of the Danish rail network
2	July 2015	Notification pursuant to section 55 of the Danish Companies Act and section 29 of the Danish law on securities trading etc.
7	July 2015	Aarsleff to carry out cruise ship quay on Gotland in Sweden
8	July 2015	Notification pursuant to section 55 of the Danish Companies Act and section 29 of the Danish law on securities trading etc.
15	July 2015	Aarsleff close to signing contract for the enlargement of Port of Frederikshavn
21	August 2015	Ístak Ísland to build new United States Embassy in Reykjavik
26	August 2015	Aarsleff enters into contract for the enlargement of Port of Frederikshavn
27	August 2015	Interim financial report for the period 1 October 2014-30 June 2015
1	September 2015	Aarsleff to construct office building for Maersk Group in Copenhagen
3	September 2015	Aarsleff expects to enter into another framework agreement in Eastern Jutland
21	September 2015	Aarsleff enters into framework agreement with Aarhus Vand
23	September 2015	Notification pursuant to section 55 of the Danish Companies Act and section 29 of the Danish law on securities trading etc.
12	October 2015	Aarsleff signs conditional agreement for acquisition of the shares in Hansson & Knudsen A/S
12	November 2015	Aarsleff involved in preliminary collaboration on the development of the central post office area in Copenhagen.
21	December 2015	Preliminary announcement of financial statements for the financial year 2014/2015.

Financial calendar

29	January 2016	Annual general meeting at the Group headquarters, Lokesvej 15, Aabyhoej, at 15:00.
3	February 2016	Dividend paid to shareholders for the financial year 2014/2015
25	February 2016	Interim financial report for the period 1 October-31 December 2015
30	May 2016	Interim financial report for the period 1 October 2015-31 March 2016
29	August 2016	Interim financial report for the period 1 October 2015-30 June 2016
21	December 2016	Preliminary announcement of financial statements for the financial year 2015/2016.

CORPORATE GOVERNANCE

With a few exceptions, Aarsleff's Management is following the recommendations of Nasdaq Copenhagen A/S on good corporate governance, found on www.corporategovernance.dk.

The exceptions are:

- The company has not, contrary to recommendations, specified the remuneration to the individual members of the Executive Management, cf. the section on remuneration of the Board of Directors and the Executive Management.
- The terms of reference of the nomination committee are less comprehensive than recommended because Management is of the opinion that some of the recommended assignments are most appropriately taken care of directly by the Board of Directors. The deputy chairman of the Board of Directors is chairman of the nomination committee.
- We have set up specific targets for the proportion of women in the Board of Directors. A policy has been prepared to increase the proportion of women at other management levels. No specific targets in respect of this have been set up.

The below statement concerns the recommendations updated most recently in November 2014.

An outline of the company's approach to the individual recommendations is available at http://www.aarsleff.com/corporategovernance20142015.

Relations to shareholders
Aarsleff was founded in 1947. The company was introduced to Nasdaq Copenhagen A/S in 1984. Subsequently, the share capital has been further increased and today, the total share capital is DKK 45.3 million, distributed on 2.7 million unlisted A shares carrying a voting right of 10 per share and 42.6 million listed B shares carrying a voting right of one per share.

Management is of the opinion that such distribution of the voting rights provides the required peace and decision-making competence for the company to reach its strategic goals.

Information about the capital structure can be found in the section Information to the shareholders on page 18.

The Board of Directors convenes the shareholders to the Annual General Meeting with sufficient notice. Agenda as well as terms and conditions of power of attorneys etc. will be sent out to registered shareholders on request. Registration can take place at www.aarsleff.com.

The company's articles of association are available at www.aarsleff.com.

The relationship to our stakeholders
Aarsleff wishes to be characterised as a highly respected, professional business partner. Aarsleff's mission, vision and values materialise, in relation to our stakeholders, in the professionalism shown in the execution of our work and through the respect for our customers, colleagues within the business and our employees.

The Aarsleff Code of Conduct states the general principles of the company's way of working. The Board of Directors of the company has approved the principles, which have subsequently been communicated to the employees. Aarsleff's Code of Conduct is available at www.aarsleff.com.

The Aarsleff Code of Conduct determines the rules of good behaviour with respect to employees, the environment and ethics essential to each working relationship in which Aarsleff participates.

The principles and rules have been prepared in accordance with the UN's Universal Declaration of Human Rights, the ILO Convention (International Labour Organization) and UNICEF's Convention on the Rights of the Child.

Openness and transparency
Aarsleff has established an investor relations policy for the communication of information to shareholders, investors and other stakeholders. The policy can be seen at www.aarsleff.com.

The Group publishes quarterly reports on the financial results and communicates on a current basis with investors and other stakeholders.

During the course of the year, two investor meetings for analysts and others with particular interest have been held. The latest presentation is available at www.aarsleff.com.

At www.aarsleff.com, elaborating information in Danish and English can be found on the business areas of the Group as well as on the financial situation.

Tasks and responsibilities of the Board of Directors
The Board of Directors determines the business concept and overall goals and strategies of the Aarsleff Group and deals with the overall management of the company.

During the course of the year, the Board of Directors has held a total of seven meetings attended by the Executive Management. The Chairman and the Deputy Chairman are responsible for the satisfactory function of the Board of Directors at all times.

In accordance with section 31 of the Danish Auditors' Act, an Audit Committee has been established consisting of three board members. The committee also functions as Nomination Committee and Remuneration Committee. During the course of the year, the committee has held three meetings. The terms of reference for the Committee are available at www.aarsleff.com.

The rules of procedure of the Board of Directors are reviewed annually to ensure that the Board of Directors undertakes its most important assignments in relation to the overall strategic management and control of the company and the current assessment of the work of the Executive Management. The duties of the Chairman and the Deputy Chairman are also described in the rules of procedure.

Composition of the Board of Directors
The Board of Directors is composed by four external board members, elected for one year at a time by the Annual General Meeting. In addition, two board members are elected by the staff for a four-year term.

The Board of Directors' work, results and composition are evaluated once a year. The evaluation is conducted by the Chairman of the Board by interviews of the individual board members. The result has been discussed in the entire board.

The Board of Directors believes that the number of members of the Board is appropriate, and that the appropriate composition of essential qualifications in the Board is ensured. The competencies comprise e.g. experience with management of large international companies (Andreas Lundby), including listed companies (Jens Bjerg Sørensen and Peter Arndrup Poulsen), legal insight (Carsten Fode), financial insight (Jens Bjerg Sørensen) and industry insight (Rikke Gulddal Christensen and Søren Kristensen).

In the procedures for recommendation of new candidates to the Board of Directors, we seek to safeguard the principles of diversity and representation of all important qualifications so that the Board can continue to carry out its work in the best possible way. We have set up specific targets for the proportion of women in the Board of Directors, cf. Corporate Social Responsibility on page 26.

In the articles of association, the company has established an age limit for the work of the board members of the company. Board members cannot be elected or re-elected after they have attained the age of 70.

Remuneration of the Board of Directors and the Executive Management
The Board of Directors and the Executive Management receive a fixed annual remuneration which is stated in the annual report.

No incentive programmes have been established for the Board of Directors and the Executive Management. The Group has no share option schemes or similar.

No extraordinary redundancy schemes or other agreements imposing extraordinary obligations on the company have been made with the Board of Directors and the Executive Management.

The policy on remuneration of the Board of Directors and the Executive Management has not been changed as compared to last financial year, but it is proposed to change the policy at the Annual General Meeting in January 2016.

The current annual remuneration of the individual board members is stated in the section Executive Management and Board of Directors on page 28. The Chairman and the Deputy Chairman do not receive separate remuneration for sitting on the Audit Committee. An ordinary member receives DKK 80,000 as remuneration for sitting on the Audit Committee.

On page 28, the shareholding of each board member is stated as well as the total shareholding of the Executive Management.

Contrary to recommendations, the company has not specified the remuneration to the individual members of the Executive Management, as Management considers this to be irrelevant and inappropriate.

Risk management
The annual report includes separate information on the most significant commercial and financial risks that may affect the company.

Whistleblower scheme
The Board of Directors has decided to establish a whistleblower scheme. This work is ongoing.

Auditors
For the audit of the annual report, the Annual General Meeting of the company elects a state authorised public accountant for a period of one year, following a recommendation from the Board of Directors.

Prior to the recommendation, the Audit Committee performs an assessment of the auditor's competence and independence.

In consideration of the size of the Group, the Group has decided not to establish an internal audit. The Group's internal control and risk management systems are instead reviewed regularly by controllers in the parent company's financial function.

COMMERCIAL RISK ASSESSMENT

Commercial risks

The Group's activities involve a number of risks that may affect the operation and financial position of the Group.

Within our specialist fields, we execute a number of routine jobs involving a large degree of repetition. One of the effects of the repetition is the possibility to control and reduce errors and risks. A systematic work is carried out to identify and remove sources of error, and the repetition provides an opportunity to monitor, control and inspect the work.

We often enter into joint venture agreements on major, single projects, allowing us to harmonise the organisational capacity and reduce the impacts of unsuccessful projects. To the extent possible, we collaborate with trusted business partners. For projects in unknown markets, we frequently seek a local partner to minimise the risk of first errors.

A special form of hedging is integration of design and planning. Traditionally, a contractor does not become part of a project until a firm of consulting engineers has completed the design, and the tender phase is over. However, there is a tendency to involve the contractor already when initiating the design. In some instances, this form of collaboration leads to partnering contracts and in other instances to design and construct contracts. We actively participate in this development process.

Financial risks

The Aarsleff Group has performed a considerable amount of work abroad in recent years. This entails exposure to a number of financial risks concerning both profit and balance sheet. The risks are monitored and controlled centrally in Aarsleff in accordance with the foreign exchange and interest rate policy adopted by the Board of Directors. The policy involves a low risk profile, so that risks will only occur on the basis of business matters.

Foreign exchange risks

It is the Group's policy to reduce its foreign exchange risks, as individual projects and markets are assessed with a view to hedging. Normally, currency overdraft facilities are established on the basis of a current calculation of the foreign exchange exposure of the most important currencies. Moreover, forward exchange contracts and options are used.

Interest rate risks

At the end of September 2015, the Group's interest-bearing debt and interest-bearing assets amounted to a net deposit of DKK 373 million. In order to minimise both interest and risks, cash pool and interest netting agreements have been entered into with the Group's Danish bank in DKK, SEK, NOK as well as in EUR, USD, RUB, PLN and GBP.

Credit risks

A significant part of the Group's customers comprise public or semi-public clients in respect of whom the exposure to financial losses is minimal. The Group's receivables from the sale to other customers have been exposed to the usual credit risk. Therefore, the customers are credit rated before work is commenced. To the extent this is considered expedient and possible, trade receivables are also hedged by bank and insurance guarantees and letters of credit.

Liquidity and borrowing risks

It is the policy of the Group to have a significant cash reserve. The Group's stable and good solvency entails a high creditworthiness which is reflected in appropriate credit facilities and loan commitments, short-term as well as long-term.

INTERNAL CONTROL AND RISK MANAGEMENT IN FINANCIAL REPORTING

Aarsleff's internal controls and risk management relating to financial reporting are made with a view to presenting financial statements that comply with International Financial Reporting Standards (IFRS), as adopted by the EU, and additional Danish disclosure requirements for listed companies.

The internal controls and risk management systems have been made with a view to providing reasonable and fair security that errors and defects in the financial statements are discovered and rectified so that the annual report provides a true and fair view without material misstatements and with a view to ensuring that the choice and use of accounting policies are appropriate and that accounting estimates are performed responsibly.

The Aarsleff Group's internal control and risk management systems relating to financial reporting are based on the internationally recognised COSO framework.

Control environment

The Board of Directors has appointed an Audit Committee whose primary purpose is to assist the Board of Directors in monitoring financial reporting and the adequacy of Aarsleff's internal control and risk management systems.

The Audit Committee has supervisory responsibilities and reports to the entire Board of Directors. The responsibility for the day-to-day maintenance of effective internal controls and a risk management system for financial reporting rests with the Executive Management. Managers at different levels are responsible within their respective areas.

Responsibility and powers are defined in the Board of Directors' instructions to the Executive Management, policies, procedures and code. The Board of Directors approves the company's primary policy for communication, treasury and finance policy as wells as risk management and the company's code of business conduct.

The Executive Management approves other policies and procedures, and the responsible functions issue guidelines and monitor the use of all policies and procedures. The organisational structure and internal guidelines together with laws and other rules form the control environment.

Risk assessment

An annual risk analysis is prepared with a view to assessing key risks in the financial reporting process, including a separate assessment of the risk of material misstatement of the consolidated financial statements due to fraud.

The risk assessment, which is allocated to items and individual processes in the financial reporting, forms the basis of the determined risk management policy which is to ensure that relevant risks are managed and reduced to an acceptable level.

Control activities

The aim of the control activities is to prevent, discover and correct any errors and irregularities. The activities are integrated in the company's accounting and reporting procedures and include for example procedures for certification, authorisation, approval, reconciliation, analyses of results, separation of incompatible functions, controls concerning IT applications and general IT controls.

Aarsleff's concept of internal controls determines standards for control activities concerning financial reporting. The purpose of these standards is to ensure and maintain a uniform level of internal control concerning financial reporting in the Group.

Information and communication

Aarsleff maintains information and communication systems to ensure that the financial reporting is correct and complete. Accounting policies, procedures and other reporting instructions are updated as needed and reviewed at least once a year. We find it important that these and other policies relevant for the internal control of financial reporting are always available for relevant employees.

The Aarsleff Group's accounting policies are specified in accounting and reporting instructions submitted to the Group's subsidiaries each year.

Monitoring

Aarsleff uses a comprehensive management control system to monitor the company's results which makes it possible at an early stage to detect and correct any errors and irregularities in financial reporting, including disclosed weaknesses in internal controls, lack of compliance with procedures and policies etc.

Compliance with accounting policies is currently monitored at group level and other operating levels by financial controllers. This includes an annual review and assessment of whether the control design of relevant subsidiaries complies with the standards of the Aarsleff Group's concept for internal controls.

An annual assessment of the control design and the effectiveness hereof is carried out. The Audit Committee is informed of the result. Similarly, the Audit Committee receives observed control weaknesses and recommendations from the auditor elected at the Annual General Meeting. The Audit Committee monitors that the Executive Management reacts efficiently to any weaknesses or shortcomings and that measures relating to risk management and internal controls in connection with the financial reporting are implemented as planned.

CORPORATE SOCIAL RESPONSIBILITY

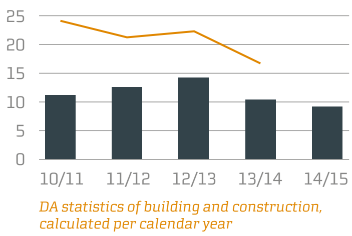
The statutory statement for the company's corporate social responsibility, cf. section 99a of the Danish Financial Statement Act, can be seen at http://www.aarsleff.com/corporatesocialresponsibility20142015 and covers the following areas:

- Fair business practices
- Human rights
- Environmental conditions
- Labour conditions
- Consumer conditions
- Responsible social development
- The underrepresented gender - the statutory statement, cf. section 99b of the Danish Financial Statement Act.

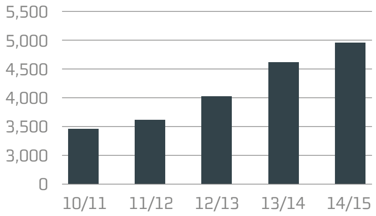
The structure of the statement is aligned with the structure of DS 49001.

ACCIDENT RATE PER MILLION WORKING HOURS, ALL EMPLOYEES

Based on reports at 1 November 2015



NUMBER OF EMPLOYEES



In Nuuk in Greenland, Aarsleff establishes a new container terminal. The harbour basin will be dredged, and the quay will be 300 metres long.


ÍSTAK

EXECUTIVE MANAGEMENT AND BOARD OF DIRECTORS

EXECUTIVE MANAGEMENT

Ebbe Malte Iversen, 64 years
General Manager
BSc (Engineering)
Managerial positions:
The Danish Construction Association, export section (Chairman)
Danish Project Export Network (Chairman)
egetæpper a/s (Chairman)

Lars M. Carlsen, 54 years
Deputy General Manager
BSc (Engineering)
Managerial positions:
Member of the Board of Directors of the Danish Construction Association

Executive Management's total number of shares in the company held at 21 December 2015: 9.941 (at 19 December 2014: 9.941).

BOARD OF DIRECTORS

Andreas Lundby, 65 years, Chairman of the Board
Member of Per Aarsleff A/S's Audit Committee
BSc (Economics and Business Administration), Diploma in Business Administration
Joined the Board of Directors in 2009, considered an independent member.
Current board remuneration: DKK 600,000.
Total number of shares in the company held at 21 December 2015: 875 (at 19 December 2014: 875).
Managerial positions:
4-Tune Invest ApS (General Manager)
Arla Foods Ingredients S.A., Argentina, joint venture (Deputy Chairman)
Biolac GmbH & Co. KG, Germany

Jens Bjerg Sørensen, 58 years, Deputy Chairman
Chairman of Per Aarsleff A/S's Audit Committee
Business graduate, Diploma in Business Administration (marketing economics), Insead IEP
Joined the Board of Directors in 2014, considered an independent member.
Current board remuneration: DKK 400,000.
Total number of shares in the company held at 21 December 2015: 0 (at 19 December 2014: 0).
Managerial positions:
Aktieselskabet Schouw & Co. (General Manager)
Aida A/S
Alba Ejendomme A/S (Chairman)
BioMar Group A/S (Chairman)
Dansk Supermarked A/S (Deputy Chairman)
Dovista A/S (Chairman)
F. Salling Holding A/S
F. Salling Invest A/S
F.M.J. A/S
Fibertex Nonwovens A/S (Deputy Chairman)
Fibertex Personal Care A/S (Deputy Chairman)
Fonden bag udstilling af skulpturer ved Aarhusbugten
Fonden Aarhus 2017
Hydra-Grene A/S (Chairman)
Incuba Invest A/S
Jens Bjerg Sørensen Datterholding 1 ApS (General Manager)
Jens Bjerg Sørensen Holding ApS (General Manager)
Kramp Groep B.V.
Købmand Herman Sallings Fond (Chairman)
Niels Bohrs Vej A/S
Saltebakken 29 ApS (General Manager)
Schouw & Co. Finans A/S (General Manager)
Xergi A/S (Chairman)

Carsten Fode, 66 years
Lawyer, Master of Law, adjunct professor at Aarhus University, LL.M. Harvard Law School
Joined the Board of Directors in 1992, cannot be considered an independent member due to his connection to the company's law firm and his membership of the Board of Directors for more than 12 years.
Current board remuneration: DKK 200,000.
Total number of shares in the company held at 21 December 2015: 1,000 (at 19 December 2014:1,000).
Managerial positions:
Kromann Reumert (partner)
A/S 48
ARoS Aarhus Art Museum (Chairman)
AVK Holding A/S (Chairman)
B4Restore A/S (Chairman)
Carl Hansen & Søn Møbelfabrik A/S
Chris-Invest A/S
CICO Invest A/S
Emballagegruppen A/S
Good Food Group A/S
Silentor A/S (Chairman)

Peter Arndrup Poulsen, 53 years
Member of Per Aarsleff A/S's Audit Committee
Master of Forestry
Joined the Board of Directors in 2010, considered an independent member.
Current board remuneration: DKK 280,000, of which DKK 80,000 constitutes Audit Committee remuneration.
Total number of shares in the company held at 21 December 2015: 285 (at 19 December 2014: 285).
Managerial positions:
Brødrene Kier A/S (General Manager)
Danish Crane Building A/S (Chairman)
DJ Supply A/S (Deputy Chairman)
Duba-B8 (Board member)
Grundfos A/S (Advisory board member)
Noble Nordmann A/S (Chairman)
Sig Fiskeri I/S (Chairman, advisory board)

Rikke Gulddal Christensen, 44 years, Staff-elected
MSc (Civil Engineering), Diploma in Business Administration
Joined the Board of Directors in 2012, cannot be considered an independent member due to employment in the company.
Current board remuneration: DKK 200,000.
Total number of shares in the company held at 21 December 2015: 46 (at 19 December 2014: 46).
No external managerial positions.

Søren Kristensen, 55 years, Staff-elected
Plant driver
Joined the Board of Directors in 2008, cannot be considered an independent member due to employment in the company.
Current board remuneration: DKK 200,000.
Total number of shares in the company held at 21 December 2015: 20 (at 19 December 2014: 20).
No external managerial positions.

From the left:
Jens Bjerg Sørensen, Peter Arndrup Poulsen, Ebbe Malte Iversen, Andreas Lundby, Carsten Fode, Lars M. Carlsen, Søren Kristensen and Rikke Gulddal Christensen.

MANAGEMENT'S STATEMENT

MANAGEMENT'S STATEMENT

The Executive Management and Board of Directors have today considered and adopted the Annual Report of Per Aarsleff A/S for the financial year 1 October 2014 - 30 September 2015.

The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the Financial Statements are prepared in accordance with the Danish Financial Statement Act. Moreover, the Consolidated Financial Statements and the Financial Statements are prepared in accordance with additional Danish disclosure requirements for listed companies. Management's Review is also prepared in accordance with Danish disclosures requirements for listed companies.

In our opinion, the Consolidated Financial Statements and the Financial Statements give a true and fair view of the financial position at 30 September 2015 of the Group and the Company and of the results of the Group and Company operations and consolidated cash flows for the financial year 1 October 2014 - 30 September 2015.

In our opinion, Management's review includes a true and fair account of the development in the operations and financial circumstances of the Group, of the results for the year and of the financial position of the Group and the company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Company.

The annual report is submitted for adoption by the general meeting.

Aarhus, 21 December 2015

Executive management

Ebbe Malte Iversen
General Manager

Lars M. Carlsen

Board of directors

Andreas Lundby
Chairman of the Board

Jens Bjerg Sørensen
Deputy Chairman

Carsten Fode

Peter Arndrup Poulsen

Rikke Gulddal Christensen
Staff-elected

Søren Kristensen
Staff-elected

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Per Aarsleff A/S
Report on Consolidated Financial Statements and Parent Company Financial Statements
We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Per Aarsleff A/S for the financial year 1 October 2014 - 30 September 2015 which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including summary of significant accounting policies for both the Group and the Parent Company, as well as statement of comprehensive income for the Group. The Consolidated Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU, and the Parent Company Financial Statements are prepared under the Danish Financial Statements Act. Moreover, the Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with Danish disclosure requirements for listed companies.

Management's Responsibility for the Consolidated Financial Statements and the Parent Company Financial Statements
Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies and for preparing Parent Company Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act and Danish disclosure requirements for listed companies, and for such internal control as Management determines is necessary to enable the preparation of Consolidated Financial Statements and Parent Company Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on the Consolidated Financial Statements and the Parent Company Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements and the Parent Company Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements and the Parent Company Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Consolidated Financial Statements and Parent Company Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Consolidated Financial Statements and the Parent Company Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Opinion
In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 30 September 2015 and of the results of the Group's operations for the financial year 1 October 2014 - 30 September 2015 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 30 September 2015 and of the results of the Parent Company's operations for the financial year 1 October 2014 - 30 September 2015 in accordance with the Danish Financial Statements Act and Danish disclosure requirements for listed companies.

Statement on Management's Review
We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Consolidated Financial Statements and the Parent Company Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Consolidated Financial Statements and the Parent Company Financial Statements.

Aarhus, 21 December 2015

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Michael Nielsson

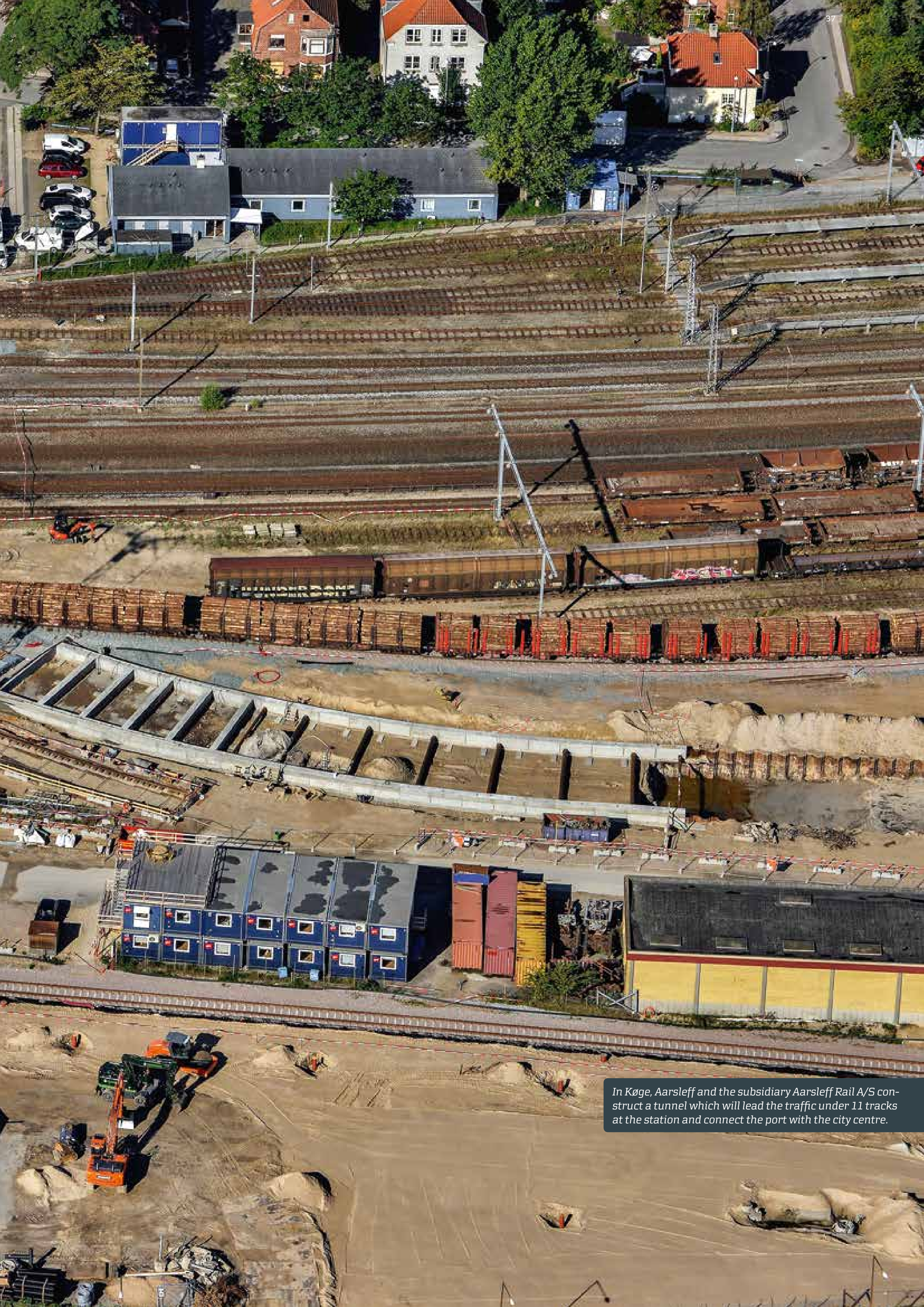
Claus Lindholm Jacobsen
State Authorised
Public Accountant

Michael Nielsson
State Authorised
Public Accountant

In January 2015, Nørreport Station was re-inaugurated after more than three years of reconstruction work carried out by Aarsleff as well as the subsidiaries Aarsleff Rail A/S, Wicotec Kirkebjerg A/S and Petri & Haugsted AS.

In Skagen, Aarsleff and the subsidiary VG Entreprenør A/S have carried out an extensive port extension with new outer breakwaters and a new quay.


TransCargo



In Køge, Aarsleff and the subsidiary Aarsleff Rail A/S construct a tunnel which will lead the traffic under 11 tracks at the station and connect the port with the city centre.

In 2007, Aarsleff carried out the first project at Køge Soil Deposit. Most recently, the work comprised stone breakwaters in collaboration with the subsidiary VG Entreprenør A/S.

FINANCIAL REVIEW

The consolidated financial statements of Per Aarsleff A/S for 2014/2015 are prepared in accordance with International Financial Reporting Standards (IFRS) as adapted by the EU and additional Danish disclosure requirements for listed companies, cf. the financial reporting requirements of Nasdaq Copenhagen A/S for listed companies and the IFRS notification issued according to the Danish Financial Statements Act. With a view to improving clarity of the annual report, the financial statements of the parent company have been prepared in accordance with the provisions of the Danish Financial Statements Act.

Income statement

Consolidated revenue for 2014/2015 increased by DKK 1,727 million or 20% from DKK 8,527 million to DKK 10,254 million.

Revenue from our Danish operations increased by DKK 1,437 million or 25% from DKK 5,672 million to DKK 7,109 million. Work performed abroad increased by DKK 290 million or 10% from DKK 2,855 million to DKK 3,145 million.

Production costs, which comprise direct production costs and other production costs as well as depreciation on plant and profit from the sale of non-current assets, increased from DKK 7,493 million to DKK 9,036 million or by DKK 1,543 million corresponding to 21%. The gross profit increased by DKK 184 million, corresponding to an increase of 18% compared with last financial year.

Administrative expenses and selling costs increased from DKK 684 million to DKK 748 million or by DKK 64 million, corresponding to an increase of 9% and now amount to 7.3% of revenue against 8% last financial year.

Operating profit came to DKK 487.1 million against DKK 349.1 million last financial year or an increase of DKK 138 million.

Share of profit after tax in associates and joint ventures decreased from DKK 1.9 million last financial year to a loss of DKK 3.2 million this year.

Financial income came to DKK 3.9 million this year against DKK 3.4 million last year. Financial expenses came to DKK 33.1 million against 24.7 million last financial year.

The profit is positively influenced by DKK 15 million due to a profit on sale from buildings in Aarhus.

Profit before tax came to DKK 454.8 million against DKK 329.7 million last financial year.

Tax on profit for the year amounted to DKK 88.4 million corresponding to a tax rate of 19.4%. Tax for the year consists of a current tax income of DKK 1.1 million and an adjustment of deferred taxes as well as tax assets of DKK 89.5 million. The Group's deferred tax assets have been conservatively assessed based on expectations for realisation by set-off on future earnings.

The consolidated profit for the year was DKK 366.4 million after tax against a profit of DKK 254.6 million last year.

Balance sheet

The consolidated balance sheet total was DKK 5,990 million as at 30 September 2015. This corresponds to an increase of DKK 1,027 million compared with the balance sheet total of DKK 4,963 million at the end of last financial year.

Cash increased by DKK 543 million. Consolidated interest-bearing liabilities less interest-bearing assets constituted a net deposit of DKK 373 million against a net debt of DKK 210 million at 30 September 2014.

Equity amounted to DKK 2,265 million at 30 September 2015 against DKK 1,952 million at the end of last financial year.

Equity, DKK million	**2014/2015**	**2013/2014**
Equity at the beginning of the year	1,952	1,724
Dividend paid	-30	-20
Exchange rate adjustment of foreign companies	-18	-8
Fair value adjustment of derivative financial instruments	-5	7
Net profit/loss for the year	366	255
Tax on derivative financial instruments	1	-2
Dividend, minority shareholders	-1	-4
Equity at year end	**2,265**	**1,952**

Cash flow statement

Cash flows from operating activities amounted to DKK 1,124 million against DKK 611 million last financial year or an increase of DKK 513 million.

Cash flows from investing activities were negative at DKK 626 million against a negative DKK 255 million last financial year.

Cash flows from financing activities were negative at DKK 91 million against a negative 30 million last financial year.

Consequently, liquidity has increased by DKK 407 million in the period.

CONSOLIDATED FINANCIAL STATEMENTS

INCOME STATEMENT

1/10-30/9

GROUP

Note	tDKK	2014/2015	2013/2014
5	**Revenue**	**10,253,877**	**8,527,042**
6, 7	Production costs	-9,035,795	-7,493,276
	Gross profit	**1,218,082**	**1,033,766**
6, 7, 8	Administrative expenses and selling costs	-747,667	-684,243
6, 9	Other operating income and expenses	16,719	-446
	Operating profit	**487,134**	**349,077**
14	Profit/loss in associates and joint ventures	-3,153	1,874
	Profit before interest	**483,981**	**350,951**
10	Financial income	3,865	3,393
10	Financial expenses	-33,083	-24,666
	Profit before tax	**454,763**	**329,678**
11	Tax on profit for the year	-88,400	-75,069
	Profit for the year	**366,363**	**254,609**
	Profit for the year accrues to:		
	Shareholders in Per Aarsleff A/S	366,526	254,108
	Minority shareholders	-163	501
	Total	**366,363**	**254,609**
12	**Earnings per share (DKK)**		
	Earnings per share	179.8	124.6
	Earnings per share, diluted	179.8	124.6

STATEMENT OF COMPREHENSIVE INCOME

1/10-30/9

GROUP

Note	tDKK	2014/2015	2013/2014
	Profit for the year	**366,363**	**254,609**
	Items which may be reclassified to the income statement		
	Exchange rate adjustments relating to foreign entities	-18,488	-7,981
	Fair value adjustments of derivative financial instruments, net	-4,884	7,511
11	Tax on other comprehensive income	1,217	-1,840
	Other comprehensive income	-22,155	-2,310
	Total comprehensive income	**344,208**	**252,299**
	Total comprehensive income accrues to:		
	Shareholders of Per Aarsleff A/S	344,371	251,798
	Minority shareholders	-163	501
	Total	**344,208**	**252,299**

BALANCE SHEET

ASSETS

GROUP

Note	tDKK	30/9 2015	30/9 2014
	Goodwill	147,346	147,349
	Patents and other intangible assets	30,798	17,631
13	**Intangible assets**	**178,144**	**164,980**
	Land and buildings	615,983	540,971
	Plant and machinery	993,124	915,773
	Other fixtures and fittings, tools and equipment	67,997	69,158
	Property, plant and equipment in progress	66,302	26,981
13	**Property, plant and equipment**	**1,743,406**	**1,552,883**
14	Investments in associates and joint ventures	12,132	17,498
11	Deferred tax	5,666	3,767
	Other non-current assets	**17,798**	**21,265**
	Non-current assets	**1,939,348**	**1,739,128**
15	**Inventories**	**210,726**	**199,256**
17	Contracting debtors	2,154,706	2,037,102
16	Work in progress	530,874	527,690
	Receivables from associates and joint ventures	10,523	18,798
	Other receivables	53,232	84,979
	Corporation tax receivable	8,076	13,779
	Prepayments	20,636	19,661
	Receivables	**2,778,047**	**2,702,009**
	Securities	**196,457**	**0**
25	**Cash**	**865,568**	**322,821**
	Current assets	**4,050,798**	**3,224,086**
	Total assets	**5,990,146**	**4,963,214**

BALANCE SHEET

EQUITY AND LIABILITIES

GROUP

Note	tDKK	30/9 2015	30/9 2014
	Share capital	45,300	45,300
	Reserve for exchange rate adjustments	-52,494	-33,961
	Hedging reserve	850	4,517
	Retained earnings	2,196,912	1,894,893
	Proposed dividend	67,950	33,975
	Equity, shareholders of Per Aarsleff A/S	2,258,518	1,944,724
	Minority interests' share of equity	6,585	7,584
18	**Equity**	**2,265,103**	**1,952,308**
	Mortgage debt	174,857	187,820
	Credit institutions	9,151	11,160
19	Provisions	82,008	52,910
11	Deferred tax	402,416	300,397
	Other debt	56,738	37,410
	Non-current liabilities	**725,170**	**589,697**
	Mortgage debt	18,521	3,578
	Credit institutions	429,890	292,808
16	Work in progress	626,308	512,037
19	Provisions	36,061	10,850
	Trade payables	1,312,437	1,072,508
	Corporation tax payable	3,734	27,867
	Other debt	572,922	501,561
	Current liabilities	**2,999,873**	**2,421,209**
	Total liabilities	**3,725,043**	**3,010,906**
	Total equity and liabilities	**5,990,146**	**4,963,214**

Notes without reference:

1	Accounting policies
2	Accounting estimates and assessments
3	New accounting standards and interpretations
4	Segment information
20	Credit, interest rate and currency risks and use of financial instruments
21	Contingent liabilities and other financial obligations
22	Related party transactions
27	Highlights for the Group, EUR

CASH FLOW STATEMENT

1/10-30/9 GROUP

Note	tDKK	2014/2015	2013/2014
	Cash flow from operating activities		
	Profit before interest	483,981	350,952
	Depreciation, amortisation and impairment losses	298,441	277,936
23	Other adjustments	42,291	3,651
24	Change in working capital	337,536	45,593
	Cash flow from operating activities before net financials and tax	**1,162,249**	**678,132**
	Interest received	3,865	3,393
	Interest paid	-31,488	-22,642
	Cash flow from ordinary activities	**1,134,626**	**658,883**
	Corporation tax paid	-10,333	-47,682
	Cash flow from operating activities	**1,124,293**	**611,201**
	Cash flow from investing activities		
26	Investments in subsidiaries	-54,856	0
	Investments in associates and joint ventures	2,500	0
	Investments in property, plant and equipment	-417,732	-299,287
	Investments in intangible assets	0	-2,175
	Sale of property, plant and equipment	40,680	43,800
	Dividends from associates and joint ventures	0	2,768
	Investment in securities	-196,457	0
	Cash flow from investing activities	**-625,865**	**-254,894**
	Cash flow from financing activities		
	Repayment of non-current liabilities	-60,591	-9,515
	Dividend paid	-30,577	-20,385
	Cash flow from financing activities	**-91,168**	**-29,900**
	Change in liquidity for the year	**407,260**	**326,407**
	Opening liquidity	30,013	-294,370
	Exchange rate adjustment of opening liquidity	-1,595	-2,024
	Change in liquidity for the year	407,260	326,407
25	**Closing liquidity**	**435,678**	**30,013**

STATEMENT OF CHANGES IN EQUITY

GROUP

tDKK	Share capital	Reserve for exchange rate adjustments	Hedging reserve	Retained earnings	Proposed dividend	Shareholders, Per Aarsleff A/S, total	Minority sharehol-ders	Total
Equity at 1 October 2013	**45,300**	**-26,021**	**-1,154**	**1,672,536**	**22,650**	**1,713,311**	**11,019**	**1,724,330**
Total comprehensive income								
Profit for the year				220,133	33,975	254,108	501	254,609
Other total comprehensive income								
Exchange rate adjustments of foreign companies		-7,940		-41		-7,981		-7,981
Reversal of fair value adjustments of derivative financial instruments, transferred to the income statement			1,243			1,243		1,243
Tax on derivative financial instruments			-311			-311		-311
Fair value adjustments of derivative financial instruments			6,268			6,268		6,268
Tax on derivative financial instruments			-1,529			-1,529		-1,529
Other total comprehensive income	0	-7,940	5,671	-41	0	-2,310	0	-2,310
Total comprehensive income	**0**	**-7,940**	**5,671**	**220,092**	**33,975**	**251,798**	**501**	**252,299**
Transactions with owners								
Dividend, minority shareholders							-3,936	-3,936
Dividend paid					-22,650	-22,650		-22,650
Dividend, treasury shares				2,265		2,265		2,265
Total transactions with owners	**0**	**0**	**0**	**2,265**	**-22,650**	**-20,385**	**-3,936**	**-24,321**
Equity at 30 September 2014	**45,300**	**-33,961**	**4,517**	**1,894,893**	**33,975**	**1,944,724**	**7,584**	**1,952,308**
Total comprehensive income								
Profit for the year				298,576	67,950	366,526	-163	366,363
Other total comprehensive income								
Exchange rate adjustments of foreign companies		-18,533		45		-18,488	13	-18,475
Reversal of fair value adjustments of derivative financial instruments, transferred to the income statement			-5,423			-5,423		-5,423
Tax on derivative financial instruments			1,329			1,329		1,329
Fair value adjustments of derivative financial instruments			539			539		539
Tax on derivative financial instruments			-112			-112		-112
Other total comprehensive income	0	-18,533	-3,667	45	0	-22,155	13	-22,142
Total comprehensive income	**0**	**-18,533**	**-3,667**	**298,621**	**67,950**	**344,371**	**-150**	**344,221**
Transactions with owners								
Dividend, minority shareholders							-849	-849
Dividend paid					-33,975	-33,975		-33,975
Dividend, treasury shares				3,398		3,398		3,398
Total transactions with owners	**0**	**0**	**0**	**3,398**	**-33,975**	**-30,577**	**-849**	**-31,426**
Equity at 30 September 2015	**45,300**	**-52,494**	**850**	**2,196,912**	**67,950**	**2,258,518**	**6,585**	**2,265,103**

Note

1 **Accounting policies**

Basis of accounting

The annual report of Per Aarsleff A/S for 2014/15 has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for listed companies, cf. the financial reporting requirements of Nasdaq Copenhagen A/S regarding listed companies and the IFRS notification issued according to the Danish Financial Statements Act.

The annual report is presented in Danish Kroner (DKK), which is considered the primary currency of the Group's activities and the functional currency of the parent company.

The annual report is prepared on the basis of historical cost prices, except for certain financial instruments which are measured at fair value. Significant accounting policies are described below.

Changes to significant accounting policies

With effect from 1 October 2014, Aarsleff has implemented the new accounting standards IFRS 10, Consolidated Financial Statements, and IFRS 11, Joint Arrangements, which both affect significant accounting policies of the Group. For details, reference is made to the disclosures in note 3 on new accounting standards and interpretations.

IFRS 10 changes the definition of control of another entity. Prospectively, Aarsleff will consolidate another entity in the consolidated financial statements if Aarsleff is exposed, or has a right, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over that entity. In accordance with the transitional provisions of IFRS 10, Aarsleff has therefore at 1 October 2014 reassessed its investments under the new control model. The reassessment did not give rise to changing the consolidation scope.

Aarsleff continuously participates in a number of joint arrangements to perform contracts. IFRS 11 changes, among other things, the classification of such joint arrangements and, thus, how they are to be recognised in the consolidated financial statements.

According to IFRS 11, joint arrangements are to be classified as either joint operations or joint ventures. Joint operations are arrangements in which the participants have direct rights to assets and direct obligations for liabilities, whereas joint ventures are arrangements in which the participants only have rights to net assets.

The majority of the joint arrangements entered into by Aarsleff are established when Aarsleff enters into a single construction contract jointly with another contractor. Usually the contractual relationship for the performance of such single contracts implies that the parties have direct rights and direct obligations towards the builder, which implies that the parties have direct rights to arrangement assets and direct obligations for arrangement liabilities. Such joint arrangements are therefore classified as joint operations. Revenues and expenses as well as assets and liabilities relating to such joint arrangements are recognised in accordance with the joint arrangement agreement. This corresponds to the accounting treatment previously applied.

In a few cases, Aarsleff enters into joint arrangements established with a view to a more permanent strategic alliance which is in the nature of a jointly controlled enterprise in which the parties have rights to the net assets. Due to the contractual relationship, such joint arrangements are therefore classified as joint ventures and are recognised under the equity method. Previously, these joint arrangements were proportionately consolidated.

The accounting policy change has no material effect on revenue, gross profit as well as current and non-current assets and liabilities. The change has not affected profit for the year, diluted earnings per share and equity. The comparative figures for 2013/2014 have been restated.

Note

1 **Accounting policies (continued)**

The changes have affected the following items in the consolidated financial statements for 2013/2014:

	Annual report 2013/2014	Adjustment	Restated comparative figures for 2013/2014
Statement of comprehensive income			
Revenue	8,522,363	4,679	8,527,042
Production costs	-7,487,192	-6,084	-7,493,276
Gross profit	1,035,171	-1,405	1,033,766
Operating profit	350,482	-1,405	349,077
Profit/loss on investments in associates and joint ventures	469	1,405	1,874
Balance sheet			
Plant and machinery	916,614	-841	915,773
Investments in associates and joint ventures	14,642	2,856	17,498
Contracting debtors	2,047,789	-10,687	2,037,102
Work in progress	537,437	-9,747	527,690
Receivables from associates and joint ventures	8,030	10,768	18,798
Cash	322,903	-82	322,821
Total assets	4,970,947	-7,733	4,963,214
Trade payables	1,077,048	-4,540	1,072,508
Other debt	504,754	-3,193	501,561
Total liabilities	3,018,639	-7,733	3,010,906
Cash flow statement			
Cash flow from operating activities	612,123	-922	611,201
Cash flow from investing activities	-255,734	840	-254,894
Closing liquidity	30,095	-82	30,013

Other than that, the accounting policies are unchanged from last year.

Description of significant accounting policies

Consolidated financial statements
The consolidated financial statements comprise the parent company Per Aarsleff A/S and the subsidiaries in which Per Aarsleff A/S has control. The Group is considered to have control if it is exposed, or has a right, to variable returns from its involvement with the enterprise and has the ability to affect those returns through its power over the enterprise.

When assessing whether the Group has control, de facto control and any potential voting rights actually existing at the balance sheet date are taken into account.

Enterprises in respect of which the Group exercises significant influence, but not control, over operational and financial policies are classified as associates. Significant influence exists where the Group directly or indirectly holds or controls between 20% and 50% of the voting rights.

The consolidated financial statements have been prepared on the basis of the financial statements of the parent company and the individual subsidiaries – prepared under the Group's accounting policies – by combining accounting items of a uniform nature. At the consolidation, elimination is made of intercompany income and expenses, unrealised intercompany profits/losses, accounts and settlement of intercompany shareholdings. Unrealised gains on transactions with associates are eliminated in proportion to the Group's ownership share of the enterprise. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Investments in subsidiaries are set off against the parent company's share of the fair value of the subsidiaries' identifiable net assets and recognised contingent liabilities at the date of acquisition.

The subsidiaries' items are fully consolidated in the consolidated financial statements. Minority interests' share of profit/loss for the year and of equity in subsidiaries that are not fully owned is included as part of the consolidated profit and equity, respectively, but is presented separately.

Note

1 **Accounting policies (continued)**

Joint arrangements
The Group participates in a number of joint arrangements, including consortia and working partnerships, in which the Group has joint control through cooperative agreements with one or more parties. Joint control implies that decisions about the relevant operations require unanimous consent of the parties with joint control.

Joint arrangements are classified as joint operations or joint ventures. Joint operations are arrangements in which the participants have direct rights to assets and direct obligations for liabilities, whereas joint ventures are arrangements in which the participants only have rights to net assets.

Revenues and expenses as well as assets and liabilities relating to joint operations are recognised in accordance with the joint arrangement agreement. Joint ventures are recognised under the equity method.

Business combinations
Upon acquisition of subsidiaries, associates and joint ventures, the acquisition method is applied. Identifiable assets, liabilities and contingent liabilities of the enterprises are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if these can be separated or are contractually or legally based. Deferred tax on revaluations made is recognised.

The cost of an enterprise consists of the fair value of the remuneration paid. If part of the cost is conditional on future events or the fulfilment of agreed conditions, the part of the cost is recognised at fair value at the acquisition date. Costs related to business combinations are recognised directly in the income statement when these are incurred.

Positive differences between cost and fair value (goodwill) on acquisition of subsidiaries are recognised in intangible assets and are tested for impairment on an annual basis. On acquisition, goodwill is transferred to the cash-generating units, subsequently forming the basis of an impairment test. Positive differences (goodwill) on acquisition of associates are recognised in the balance sheet under investments in associates. Negative differences (negative goodwill) are recognised as income in the income statement at the date of acquisition.

Enterprises acquired are recognised from the date of acquisition, while enterprises sold are recognised up until the date of sale. The date of acquisition is the date at which Per Aarsleff A/S effectively obtains control over the enterprise acquired.

If the fair values of assets and liabilities acquired subsequently turn out to deviate from the values preliminarily calculated at the date of acquisition, goodwill in this respect is adjusted until 12 months after the acquisition.

In connection with each acquisition, goodwill and a non-controlling interest (minority) are recognised according to one of the following methods:

1) Goodwill relating to the enterprise acquired comprises a positive difference, if any, between the total fair value of the enterprise acquired and the fair value of the total net assets for accounting purposes. The non-controlling interest is recognised at the share of the total fair value of the enterprise acquired (full goodwill).

2) Goodwill relating to the enterprise acquired comprises a positive difference, if any, between cost and the fair value of the Group's share of the net assets for accounting purposes of the acquired enterprise at the date of acquisition. The non-controlling interest is recognised at the proportionate share of the net assets acquired (proportionate goodwill).

Gains or losses on disposal or winding-up of subsidiaries and associates are calculated as the difference between the consideration received and the carrying amount of net assets including goodwill at the time of sale and expenses to sell or wind up.

Foreign currency translation
A functional currency is determined for each of the reporting entities. The functional currency is the currency used in the primary financial environment in which the individual entity is operating. Transactions in currencies other than the functional currency are transactions in foreign currencies, which are translated into the functional currency at the exchange rates at the date of transaction.

Receivables and payables in foreign currencies are translated into the functional currency at the official exchange rates at the balance sheet date. Exchange differences arising between the transaction date rate and the rate at the date of payment and the balance sheet date, respectively, are recognised in financial items, net in the income statement.

The balance sheets and goodwill of foreign consolidated enterprises are translated at the exchange rate at the balance sheet date while the income statements are translated at the exchange rate prevailing at the date of transaction. Exchange differences arising upon translation of the equity of foreign subsidiaries and associates at the beginning of the year at the exchange rates at the balance sheet date as well as at the translation of income statements from the exchange rates prevailing at the date of transaction to the exchange rates at the balance sheet date are taken directly to equity as a special translation reserve.

Note

1 **Accounting policies (continued)**

Derivative financial instruments
Derivative financial instruments are recognised in the balance sheet at fair value as from the trading day. Positive and negative fair values of derivative financial instruments are included in other receivables and other debt, respectively. Fair values are determined on the basis of market data as well as recognised valuation methods.

Changes in the fair values of derivative financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future cash flows are recognised in other comprehensive income. At realisation of the hedged transaction, gains or losses concerning such hedging transactions are transferred from other comprehensive income and recognised in the same accounting item as the hedged instrument.

For derivative financial instruments not qualifying as hedges, changes in the fair value are recognised currently in net financials in the income statement.

Leases
Lease contracts whereby the Group bears substantially all the risks and rewards of ownership are treated as finance leases. Other lease contracts are treated as operating lease contracts. Payments in connection with operating leases are recognised in the income statement over the lease term.

State grants
State grants comprise grants for projects and investments etc. Grants for projects are systematically booked as income in the income statement to offset the expenses for which they compensate. Grants for investments are set off against the costs of the assets for which grants are provided.

Segment information
The segment information has been prepared in accordance with the Group's accounting policies and is in accordance with the Group's internal management reporting.

Segment income and expenses as well as segment assets and segment liabilities include the items that are directly attributable to the individual segment as well as items that can be allocated to the individual segments on a reliable basis.

Segment assets comprise non-current assets used directly for segment operations, including intangible assets, property, plant and equipment and investments in associates as well as current segment assets used directly for segment operations, including inventories, trade receivables, other receivables and prepayments.

Segment liabilities related to segments comprise liabilities derived from segment operations, including trade payables, provisions and other debt.

Transactions between segments are priced according to assessed market values.

Allocation of revenue to geographical areas is stated according to the geographical location of the customers. Information on the allocation of segment assets into geographical segments is stated according to the physical location of the assets and comprises subsidiaries and joint operations abroad.

INCOME STATEMENT

Revenue
Revenue comprises finished contract work and contract work in progress as well as the sale of goods for resale and finished goods.

Revenue from the sale of goods for resale and finished goods is recognised in the income statement if delivery has taken place before the end of the year. Revenue is measured exclusive of value added tax and price reductions directly related to the sale.

Contract work in progress is recognised in revenue at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method).

NOTES

GROUP

Note

1 **Accounting policies (continued)**

Production costs
Production costs comprise direct and indirect expenses paid to achieve revenue for the year, including expenses for materials, consumables, wages and salaries, rent and leases, amortisation, depreciation and impairment losses, subcontractor expenses, expenses for design and submission of tender as well as provision for bad debts in respect of work in progress and warranty obligations for finished contracts.

Administrative expenses and selling costs
Administrative expenses and selling costs comprise expenses for management and administration, including expenses for administrative staff, management, office supplies, insurance, sales and marketing as well as depreciation.

Other operating income and expenses
Other operating income and expenses comprise accounting items of a secondary nature in relation to the activities of the company.

Profit/loss on investments in associates and joint ventures
The share of profit/loss after tax in associates and joint ventures is recognised in the consolidated income statement after adjustment for unrealised intercompany gains/losses and less any impairment of goodwill.

Net financials
Financial income and expenses comprise interest, capital gains and losses on securities as well as balances and transactions in foreign currencies, amortisation of financial assets and liabilities as well as extra payments and repayment under the on-account taxation scheme etc. Moreover, realised and unrealised gains and losses concerning derivative financial instruments that cannot be classified as hedging agreements are included.

Tax on profit/loss for the year
Tax for the year which consists of current tax for the year and changes in deferred tax is recognised in profit for the year, other comprehensive income or directly in equity.

Changes in deferred tax as a consequence of changed tax rates are recognised in the income statement.

Per Aarsleff A/S is jointly taxed with all Danish subsidiaries. The current Danish corporation tax is allocated to the jointly taxed enterprises in proportion to their taxable incomes. The jointly taxed enterprises are comprised by the on-account taxation scheme.

BALANCE SHEET

Intangible assets
Goodwill is initially recognised in the balance sheet at cost. Subsequently, goodwill is measured at cost less accumulated impairment losses.

The carrying amount of goodwill is allocated to the cash generating units of the Group at the date of acquisition. The determination of cash generating units is based on management structure and internal financial management.

Patents and other intangible assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over the period of the agreement or the useful life, if this is shorter, at present corresponding to 2-7 years. The basis of amortisation is reduced by impairment losses, if any.

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and subsuppliers as well as borrowing costs from specific and general borrowing related to the construction of that asset.

Depreciation is calculated on a straight-line basis over the useful lives of the assets, which are:

Production buildings	20 years
Administration buildings	50 years
Plant and machinery	8-10 years
Other fixtures and fittings, tools and equipment	5-10 years

Land is not depreciated.

Note

1 **Accounting policies (continued)**

The basis of depreciation is determined in consideration of the residual value of the asset less any impairment losses. The residual value is determined at the time of acquisition and is reassessed on an annual basis.

Property, plant and equipment are recorded at the lower of recoverable amount and carrying amount.

Gains and losses on the sale of property, plant and equipment are recognised in the income statement under production costs or administrative expenses or other operating income/expenses and are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of the sale.

Investments in associates and joint ventures
Investments in associates and joint ventures are measured under the equity method.

In the balance sheet, the investments are measured at the proportionate share of the net asset value of the associates with deduction or addition of unrealised intercompany gains and losses, and with addition of the carrying amount of goodwill. Associates and joint ventures with negative net asset values are measured at DKK 0. Any legal or constructive obligation of the Group to cover the negative balance of the associate or the joint venture is recognised in liabilities.

Any receivables from associates and joint ventures are written down to the extent these are considered irrecoverable.

Upon acquisition of investments in associates and joint ventures, the acquisition method is applied, see description of business combinations.

Impairment of non-current assets
The carrying amount of intangible assets, property, plant and equipment as well as other non-current assets are assessed at least once a year in order to determine whether there is any indication of impairment. If so, the recoverable amount of the asset is assessed. The recoverable amount of goodwill and intangible assets with indefinite useful lives is, however, always assessed on an annual basis.

If the asset does not generate cash flows independently, the recoverable amount of the smallest cash-generating unit of which the asset is part is determined.

The recoverable amount is the higher of the selling price of an asset less the expected costs of disposal or value in use, which is the discounted value of expected future cash flows from the asset.

Impairment losses are recognised in the income statement when the carrying amount of an asset exceeds the recoverable amount of the asset.

Impairment losses on goodwill are not reversed. Impairment losses on other assets are reversed to the extent of changes in the assumptions and estimates underlying the impairment calculation. Impairment losses are reversed only to the extent that the new carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Inventories
Inventories are measured at the lower of cost under the FIFO method or net realisable value for the individual item groups.

The cost of raw materials, consumables and goods for resale comprise the invoiced price with addition of direct costs incurred in connection with the acquisition.

The cost of finished goods comprises the cost of materials and direct labour with addition of indirect production costs. Financing expenses in the construction period are not recognised.

Receivables
Receivables are measured at amortised cost less provisions for bad and doubtful debts.

Contract work in progress
Contract work in progress is measured at the selling price of the work performed less invoicing on account and write-downs to meet expected losses.

The selling price is based on the stage of completion at the balance sheet date and the total expected income on the individual work in progress. The stage of completion is determined on the basis of an assessment of the work completed usually calculated as the relationship between costs incurred and the total expected costs on the individual work in progress.

Note

1 **Accounting policies (continued)**

When it is probable that total expenses exceed total income from work in progress, provision is made to meet the total expected loss on the contract. When the selling price cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Construction contracts on which the selling price of the work performed exceeds invoicing on account and expected losses are recognised in receivables. Construction contracts on which invoicing on account and expected losses exceed the selling price are recognised in liabilities. Prepayments from customers are recognised in liabilities.

Costs in connection with sales and tender work for obtaining contracts are charged to the income statement in the financial year in which these are incurred. Specific costs directly related to a contract are transferred to the construction contract when these are identifiable and can be measured reliably – and when it is probable that the construction contract will be entered into at the time of incurrence of the costs.

Prepayments
Prepayments recognised as current assets comprise expenses prepaid concerning subsequent financial years.

Securities
Listed bonds, which are monitored on a current basis, measured and reported at fair value in accordance with the Group's investment policy, are recognised at fair value at the trade date under short-term assets and are subsequently measured at fair value. Changes in the fair value are recognised on a current basis in profit/loss under financial income and expenses.

Equity

Proposed dividend
Dividend is recognised in liabilities at the time of adoption at the Annual General Meeting. Proposed dividend paid for the financial year is disclosed as a separate equity item.

Treasury shares
Purchase and sales sums as well as dividend relating to treasury shares are recognised in equity.

Translation reserve
The translation reserve in the consolidated financial statements comprises exchange adjustments arising on the translation of financial statements of foreign entities from their functional currencies into the Group's reporting currency (Danish Kroner).

Upon full or part realisation of the net investment, exchange adjustments are recognised in the income statement.

Reserve for hedging transactions
The reserve for hedging transactions contains the accumulated net change in the fair value of hedging transactions that meets the criteria for hedging of future payment flows and where the hedged transaction has not yet been realised.

Provisions
Provisions are recognised when the Group has a legal obligation or constructive obligation as a result of events occurred in the financial year or in previous years when it is probable that the settlement of the obligation will result in consumption of financial resources and when the obligation can be calculated reliably.

On measurement of provisions, the expenses required for settling the obligation are discounted if this has a material effect on the measurement of the obligation.

Warranty provisions are recognised as the contracts are completed and are measured based on experience.

Corporation tax and deferred tax
Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items – apart from business acquisitions – where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Note

1 **Accounting policies (continued)**

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective when the deferred tax is expected to crystallise as current tax under the legislation at the balance sheet date. Where the tax base can be determined according to alternative taxation rules, deferred tax is measured on the basis of the planned use of the asset or the settlement of the obligation, respectively.

Provision is made for deferred tax to cover the retaxation of tax losses in foreign companies that are estimated to materialise.

Deferred tax assets, including the tax base of tax-loss carryforwards, are recognised in other non-current assets at the value at which the asset is expected to be realised, either by elimination of tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and tax liabilities are presented offset within the same legal entity.

Financial liabilities
Mortgage debt and payables to credit institutions are recognised at the time of the raising of the loan at the proceeds received less transaction expenses paid. In subsequent periods, financial obligations are measured at amortised cost, corresponding to the capitalised value when using the effective interest rate, so that the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities comprising debt to suppliers, group enterprises and associates as well as state grants and other debt are measured at amortised cost.

Deferred income
Deferred income recognised in liabilities, comprise payments received concerning income in subsequent financial years.

CASH FLOW STATEMENT
The cash flow statement of the Group is prepared according to the indirect method based on the profit/loss before interest for the year.

The cash flow statement shows the cash flows for the year broken down by operating, investing and financing activities and how these cash flows have affected the cash and cash equivalents of the Group.

Cash flows from operating activities
Cash flows from operating activities are calculated as the profit/loss for the year before tax adjusted for non-cash operating items, changes in working capital, payments concerning financial income and expenses and corporation tax.

Cash flows from investing activities
Cash flows from investing activities comprise purchase and sale of enterprises, purchase and sale of intangible assets, property, plant and equipment and other non-current assets, dividend paid from associates as well as purchase and sale of securities that are not recognised as cash and cash equivalents. Cost is measured including acquisition costs and selling prices less trade charges. Cash flows concerning acquired enterprises are recognised from the date of acquisition, and cash flows concerning sold enterprises are recognised until the time of sale.

Cash flows from financing activities
Cash flows from financing activities comprise changes to the amount or composition of the Group's share capital, related expenses, raising of loans and repayment of interest-bearing debt as well as distribution of dividend to shareholders.

Cash and cash equivalents
Cash and cash equivalents comprise cash less debt to credit institutions and with the addition of securities with a time to maturity less than three months at the time of acquisition, which can readily be converted into cash and cash equivalents and which only carry an insignificant risk of changes in value.

Note

1 **Accounting policies (continued)**

FINANCIAL RATIOS
Earnings per share and diluted earnings per share are calculated in accordance with IAS 33.

Other financial ratios have been prepared as stated below.

Definition of financial ratios

Gross margin ratio	=	Gross profit / Revenue
Profit margin (EBIT margin)	=	Operating profit / Revenue
Net profit ratio (pre-tax margin)	=	Profit before tax / Revenue
Invested capital (IC)	=	Total equity, minority interests and net interest-bearing debt less investments in associates and joint ventures
Return on invested capital (ROIC)	=	Operating profit / Average invested capital
Return on invested capital after tax	=	Operating profit after tax / Average invested capital
Return on equity (ROE)	=	Profit for the year exclusive of minority shareholders / Average equity exclusive of minority interests
Equity interest	=	Equity, at year-end / Total liabilities and equity, at year-end
Earnings per share (EPS)	=	Profit for the year exclusive of minority shareholders / Average number of shares in circulation
Share price/equity value	=	Share price, at year-end / Equity value, at year-end

2 **Accounting estimates and assessments**

Estimation uncertainty
Determining the carrying amount of some assets and liabilities requires estimates concerning future events. The estimates made are based on assumptions which Management assesses to be reliable but which by their very nature are associated with uncertainty and unpredictability as unexpected events or circumstances may arise which may change the basis of the assumptions made.

Aarsleff is subject to risks and uncertainties which may lead to actual results differing from these estimates. Specific risks for the Aarsleff Group are discussed in the section Commercial Risk Assessment on page 22 of Management's Review. The most significant accounting estimates in the annual report 2014/2015 are presented below:

Construction contracts
An essential prerequisite for using the percentage of completion method is that a reliable assessment of the revenue and expenses of the individual contracts can be made. However, expected revenue and expenses on a construction contract may change as the contract is performed, and uncertainties are resolved. Also, during the execution of the contract, revisions may occur, and the preconditions for the execution of the contract may turn out not to be fulfilled.

Note

2 **Accounting estimates and assessments (continued)**

Aarsleff's internal business processes, management control and calculation tools together with the project management's knowledge and experience support the reliable measurement of work in progress in accordance with the percentage of completion method.

Impairment test
When testing for indicators of impairment of goodwill and other non-current assets, a number of assumptions are used in the calculations.

Estimates of future expected cash flows are based on budgets and business plans for the next three to five years and projections for subsequent years. Key parameters are revenue development, profit margin, future reinvestments and growth as well as the applied average cost of capital. The current economic situation increases the uncertainty about the assumptions made.

Impairment tests of goodwill are further described in note 13.

Deferred tax assets
Aarsleff recognises deferred tax assets, including the tax value of tax-loss carryforwards, if it is assessed that there is sufficient documentation that these tax assets can be utilised in the foreseeable future.

The assessment is based on budgets and business plans for the coming three years, including planned commercial initiatives which are made in due consideration of actually realised results.

Warranty commitments
The assessment of warranty commitments for completed contracts is based on historical experience with similar work. Aarsleff currently uses new methods and technologies for the execution of construction contracts. In such cases, the extent to which warranty commitments can be expected is specifically assessed.

Contingent liabilities and lawsuits
As part of the contracting business, Aarsleff may become a part in disputes and lawsuits. In such cases, the extent and the probability to which the cases will result in liabilities for Aarsleff are assessed. The assessments are based on available information and legal opinions from consultants. It can be difficult to estimate the final outcome which in the nature of things may deviate from Aarsleff's assessments.

Assessments as part of the applied accounting policies
In applying the Group's accounting policies, assessments as well as accounting estimates are made, which may have a material impact on the amounts recognised in the annual report. This applies to leases and joint arrangements.

Joint arrangements
Aarsleff participates in a number of joint arrangements, including consortia and working partnerships where the treatment for accounting purposes is subject to the classification of the individual joint arrangement and thus the assessment of the specific contractual relationship and circumstances in general.

The majority of these joint arrangements are established when Aarsleff enters into a construction contract jointly with another contractor. The joint arrangement in question is established simultaneously with conclusion of the construction contract with the builder and therefore does not affect the rights and obligations agreed with the builder. Usually the contractual relationship for the performance of such single contracts therefore implies that the parties have direct rights and direct obligations towards the builder, which implies that the parties have direct rights to arrangement assets and direct obligations for arrangement liabilities. Such joint arrangements are therefore classified as joint operations. Depending on the individual contractual relationship, the assessment as to whether the joint arrangement in question should be classified as joint operations may be based on estimate.

In a few cases, Aarsleff enters into joint arrangements established with a view to a more permanent strategic alliance which is not based on the conclusion of single construction contracts. These are in the nature of a jointly controlled enterprise in which the parties have rights to the net assets. Due to the contractual relationship, such joint arrangements are therefore classified as joint ventures.

Leases
Aarsleff has entered into a number of leases, primarily concerning motorised equipment. The treatment for accounting purposes is subject to the classification of the individual lease. The leases are made on the usual market terms and are classified as operating leases, among other things because the lease term is short compared to the useful life of the assets.

Note

3 **New accounting standards and interpretations**

In the annual report for 2014/2015, Per Aarsleff A/S has applied all new and amended standards and interpretations which have become effective and endorsed by the EU, as from the current financial period.

The standards and interpretations are as follows:

IFRS 10 "Consolidated Financial Statements"
IFRS 10 replaces the existing guidance in IAS 27 and SIC 12 in respect of whether a parent/subsidiary relationship exists. The control concept is adjusted, and the standard has comprehensive guidance in different situations.

IFRS 11 "Joint Arrangements"
IFRS 11 replaces IAS 31 and SIC 13 and reduces the number of joint arrangements to two: Joint operations and joint ventures. A participant in a joint operation recognises the share of income and expenses, assets and obligations. A participant in a joint venture recognises its share of investment under the equity method.

IFRS 12 "Disclosure of Interests in Other Entities"
IFRS 12 contains the disclosure requirements for enterprises holding investments in scope of IFRS 10, IFRS 11 or IAS 28.

IAS 32 "Offsetting financial instruments"
The amendment provides further guidance on when offsetting is permitted. The amendment does not involve actual changes to the right of offsetting, but provides further guidance on the interpretation of the standard.

IFRIC 21 "Levies"
The interpretation establishes guidance on when to recognise liabilities related to levies.

Annual improvements 2010-2012 and 2011-2013
Comprises minor amendments to IFRS 1, IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 1, IAS 7, IAS 12, IAS 16, IAS 19, IAS 24 and IAS 40.

The implementation of IFRS 11 has implied a changed classification of joint arrangements without any material effect on profit for the year, the balance sheet or equity. Reference is made to note 2 for a description of the assessments made to determine whether a joint arrangement should be classified as joint operations or a joint venture. The implementation of the other standards and interpretations has not affected recognition and measurement.

Moreover, the IASB has issued the following new standards and new interpretations which have not yet been endorsed by the EU and which are relevant to Per Aarsleff A/S:

IFRS 9 "Financial Instruments, Recognition and Measurement"
IFRS 9 is a new comprehensive standard on recognition and measurement of financial instruments, replacing IAS 39. It provides new guidance in respect of classification and measurement of financial instruments and hedge accounting. Finally, the standard introduces an expected receivables model for impairment losses. The standard is not expected to have any material effect on the annual report.

IFRS 15 "Revenue from Contracts with Customers"
A new comprehensive standard on revenue recognition. The standard may potentially affect revenue recognition in a number of areas including timing of recognition of revenue and recognition of variable consideration. The assessment as to whether the standard will be of importance to the presentation of future financial statements has not yet been finalised.

Amendments to IFRS 11 "Joint Arrangements"
The amendment clarifies the accounting treatment of the acquisition of additional interests in joint operations. The amendment is not expected to have any material effect on the annual report.

Amendments to IAS 1 "Presentation of Financial Statements"
The amendment introduces a requirement for presenting subtotals and provides guidance on materiality as well as the order of notes. The amendment is not expected to have any material effect on the annual report.

Annual improvements 2012-2014
Comprises minor amendments to IFRS 5, IFRS 7 and IAS 19. The amendments are not expected to have any material effect on the annual report.

Note mDKK

4 Segment information	Construction		Pipe Technologies		Ground Engineering		Total	
	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014
Segment revenue	7,150	5,673	1,529	1,601	1,677	1,328	10,356	8,602
Internal revenue	-38	-41	-17	-12	-47	-22	-102	-75
Revenue	7,112	5,632	1,512	1,589	1,630	1,306	10,254	8,527
Of this figure, work performed abroad	1,086	865	1,098	1,187	961	803	3,145	2,855
Operating profit	309	243	70	35	108	71	487	349
Profit/loss in associates and joint ventures	0	0	-3	2	0	0	-3	2
Profit before interest	309	243	67	37	108	71	484	351
EBIT margin, %	4.3	4.3	4.6	2.2	6.4	5.4	4.8	4.1
ROIC, %	37.4	26.9	12.9	5.5	16.8	10.9	24.2	16.0
ROIC after tax, %	30.2	20.8	10.4	4.6	13.6	8.4	19.5	12.4
Segment assets	2,541	2,422	842	921	1,531	1,279	4,914	4,622
Capital expenditure	214	143	56	54	107	58	377	255
Depreciation, amortisation and impairment losses	148	130	62	69	89	79	299	278
Investments in associates and joint ventures	0	0	12	17	0	0	12	17
Goodwill	83	83	57	57	7	7	147	147
Segment liabilities	1,592	1,340	230	244	865	604	2,687	2,188
Invested capital (IC)	755	897	488	602	637	646	1,880	2,145
Number of employees:								
Paid every two weeks	2,299	1,998	456	475	510	437	3,265	2,910
Engineers, technicians and administrative staff	994	950	364	368	309	304	1,667	1,622
Total	3,293	2,948	820	843	819	741	4,932	4,532

Revenue and profit before interest for reportable segments can be reconciled directly to the income statement of the Group.

Assets	Total	
	2014/2015	2013/2014
Segment assets for reportable segments	4,914	4,622
Corporation tax receivable	8	14
Deferred tax	6	4
Securities	196	0
Cash	866	323
Consolidated assets	5,990	4,963

Liabilities	Total	
	2014/2015	2013/2014
Segment liabilities for reportable segments	2,687	2,188
Mortgage debt	193	191
Credit institutions	439	304
Corporation tax payable	4	28
Deferred tax	402	300
Consolidated liabilities	3,725	3,011

Geographical information	Denmark		Abroad		Total	
	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014
Revenue	7,109	5,672	3,145	2,855	10,254	8,527
Segment assets, non-current	1,517	1,249	416	486	1,933	1,735

NOTES

GROUP

Note	tDKK	2014/2015	2013/2014
5	**Revenue**		
	Sale of goods	130,991	196,387
	Income from construction contracts	10,122,886	8,330,655
	Total	**10,253,877**	**8,527,042**
6	**Depreciation, amortisation and impairment losses**		
	Depreciation, amortisation and impairment losses, intangible assets	7,367	8,177
	Depreciation, amortisation and impairment losses, property, plant and equipment	291,876	269,791
	Total	**299,243**	**277,968**
	Depreciation, amortisation and impairment losses are included in the income statement as follows:		
	Production costs	268,042	244,608
	Administrative expenses and selling costs	31,052	33,171
	Other operating income and expenses	149	189
	Total	**299,243**	**277,968**
7	**Staff costs**		
	Wages, salaries and remuneration	2,278,860	2,022,725
	Pensions	135,218	113,795
	Other costs, social security costs etc.	116,706	104,811
	Total	**2,530,784**	**2,241,331**
	Of this figure, consideration for:		
	Remuneration, Board of Directors	1,880	1,880
	Remuneration, Executive Management	8,535	8,006
	Total	**10,415**	**9,886**
	Average number of full-time employees	4,932	4,532

Note	tDKK	2014/2015	2013/2014
8	**Remuneration to auditors appointed by the Annual General Meeting**		
	PricewaterhouseCoopers	6,416	5,857
	Other auditors	1,122	1,131
	Total	**7,538**	**6,988**
	Remuneration to PricewaterhouseCoopers can be specified as follows:		
	Statutory audit	3,274	3,259
	Other assurance engagements	114	264
	Tax consultancy	1,979	1,519
	Other services	1,049	815
	Total	**6,416**	**5,857**
	Remuneration to other auditors can be specified as follows:		
	Statutory audit	372	458
	Other assurance engagements	29	150
	Tax consultancy	16	244
	Other services	705	279
	Total	**1,122**	**1,131**
9	**Other operating income and expenses**		
	Other operating income	17,231	686
	Other operating expenses	-512	-1,132
	Total	**16,719**	**-446**
10	**Financial income and expenses**		
	Interest relating to associates	109	286
	Other interest income	3,756	3,107
	Financial income	**3,865**	**3,393**
	Foreign exchange loss, net	1,963	2,579
	Fair value adjustment of securities	1,615	0
	Value adjustment of option on acquisition of minority interest	16,179	6,215
	Borrowing costs recognised in the cost of assets	-825	-599
	Mortgage interest	7,508	6,584
	Other interest costs	6,643	9,887
	Financial expenses	**33,083**	**24,666**
	Net financials	**-29,218**	**-21,273**
	Of this figure, calculated according to the effective interest method	**-23,687**	**-12,799**

Borrowing costs are recognised in the cost of the assets entered with an effective interest rate of 1-3% (2013/2014: 3%), corresponding to the Group's average borrowing costs.

NOTES

GROUP

Note	tDKK	2014/2015	2013/2014
11	**Corporation tax**		
	Total tax for the year can be broken down as follows:		
	Tax on profit for the year	88,400	75,069
	Tax recognised in other total comprehensive income	-1,217	1,840
	Total	**87,183**	**76,909**
	Tax on profit for the year can be broken down as follows:		
	Current tax	-1,133	23,295
	Adjustment of deferred tax and deferred tax asset for the year	89,533	51,774
	Total	**88,400**	**75,069**
	Tax on profit for the year can be specified as follows:		
	23.5% tax calculated on profit before tax	106,869	80,771
	Tax effect of:		
	Income from abroad	-2,237	1,215
	Deviation concerning associates	741	-117
	Effect of gradual reduction of Danish tax rate	-12,404	-6,816
	Other items	-4,569	16
	Total	**88,400**	**75,069**
	Deferred tax		
	Deferred tax at 1 October	296,630	228,937
	Effect of gradual reduction of Danish tax rate	-12,404	-6,816
	Transferred from current tax	20,728	22,735
	Additions from investments in subsidiaries	2,263	0
	Deferred tax for the year recognised in profit for the year	89,533	51,774
	Deferred tax at 30 September	**396,750**	**296,630**
	Deferred tax is included as follows:		
	Deferred tax (assets)	-5,666	-3,767
	Deferred tax (liabilities)	402,416	300,397
	Total	**396,750**	**296,630**

Deferred tax assets concern the tax base of tax losses allowed for carryforward which are expected to be utilised by setting off in future taxable income.

		2014/2015	2013/2014
	Deferred tax concerns:		
	Intangible assets	8,589	5,753
	Property, plant and equipment	43,145	58,125
	Work in progress	332,526	247,576
	Other current assets	8,052	7,921
	Provisions	-3,111	-4,191
	Other debt	-2,078	-3,459
	Tax losses allowed for carryforward	9,627	-15,095
	Deferred tax at 30 September	**396,750**	**296,630**
	Deferred tax to be recovered within 12 months.	229,313	138,120

Note		2014/2015	2013/2014
12	**Earnings per share**		
	Profit for the year exclusive of minority shareholders (tDKK)	366,526	254,108
	Average number of shares (thousands)	2,265	2,265
	Average number of treasury shares (thousands)	227	227
	Average number of shares in circulation (thousands)	**2,038**	**2,038**
	Average number of diluted shares in circulation (thousands)	**2,038**	**2,038**
	Earnings per share of DKK 20 (current)	179.8	124.6
	Earnings per share of DKK 20 (diluted)	179.8	124.6

NOTES

GROUP

Note	tDKK						
13	**Intangible assets and property, plant and equipment**						
		Goodwill	Patents and other intangible assets	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	Cost at 1 October 2014	188,972	82,599	767,531	2,314,244	199,148	26,981
	Exhange rate adjustments	-227	-131	628	-6,210	-353	-45
	Additions during the year	0	20,568	82,794	269,664	28,687	130,113
	Disposals during the year	0	-28	-9,344	-127,029	-12,250	-1,196
	Transfers	0	0	22,122	67,429	0	-89,551
	Cost at 30 September 2015	**188,745**	**103,008**	**863,731**	**2,518,098**	**215,232**	**66,302**
	Depreciation, amortisation and impairment losses at 1 October 2014	41,623	64,968	226,560	1,398,471	129,990	
	Exchange rate adjustments	-224	-98	1,452	-3,887	-192	
	Depreciation and amortisation for the year	0	7,368	23,738	240,709	27,429	
	Assets sold during the year	0	-28	-4,002	-110,319	-9,992	
	Depreciation, amortisation and impairment losses at 30 September 2015	**41,399**	**72,210**	**247,748**	**1,524,974**	**147,235**	
	Carrying amount at 30 September 2015	**147,346**	**30,798**	**615,983**	**993,124**	**67,997**	**66,302**

	Goodwill	Patents and other intangible assets	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
Cost at 1 October 2013	189,482	82,569	752,562	2,190,270	192,656	28,806
Exchange rate adjustments	-510	-444	158	-3,017	-68	2
Additions during the year	0	2,175	10,976	182,653	27,690	77,337
Disposals during the year	0	-1,701	-508	-119,257	-30,534	-1,822
Transfers	0	0	4,343	63,595	9,404	-77,342
Cost at 30 September 2014	**188,972**	**82,599**	**767,531**	**2,314,244**	**199,148**	**26,981**
Depreciation, amortisation and impairment losses at 1 October 2013	42,133	58,789	201,472	1,284,634	128,700	
Exchange rate adjustments	-510	-297	1,860	-605	49	
Depreciation and amortisation for the year	0	8,177	23,647	219,603	26,541	
Assets sold during the year	0	-1,701	-419	-105,161	-25,300	
Depreciation, amortisation and impairment losses at 30 September 2014	**41,623**	**64,968**	**226,560**	**1,398,471**	**129,990**	
Carrying amount at 30 September 2014	**147,349**	**17,631**	**540,971**	**915,773**	**69,158**	**26,981**

In 2014/2015 damages received concerning property, plant and equipment to the total amount of tDKK 677 against tDKK 164 in 2013/2014 have been recognised as income.

The Group has committed itself to investing in property, plant and equipment; cf. Contingent liabilities and other financial obligations in note 21.

Note tDKK

13 **Intangible assets and property, plant and equipment (continued)**

Goodwill
Goodwill is the only intangible asset with an indefinite useful life.

At 30 September 2015, an impairment test of goodwill has been performed. The impairment test was based on the business unit or the segment representing the base level of cash-generating units to which the goodwill on acquisition can be allocated with a fair degree of accuracy. For the acquired activities and companies not being established as independent units but integrated in existing units, it is not possible to perform impairment tests on these individual acquisitions. In the Group's internal reporting, the accounting value of goodwill in the individual cash-generating units has been allocated to the Group's business segments.

In each case, the recoverable amount is calculated as the value in use. Value in use is calculated as value in use of estimated net cash flows of the cash-generating units. The value in use is compared with the carrying amounts of the net assets. The estimated cash flows are based on budgets for the years 2015/2016-2019/2020 prepared and approved by the Managements of the respective cash-generating units. For financial years after the budget periods (terminal period), cash flows for the latest budget period have been applied, adjusted for expected growth rates.

The tests are based on an expected increase in the cash flows in the terminal period of 1.5% (2013/2014: 1.5%). The growth rate is not assessed to exceed the long-term average growth rate on the company's markets. The distribution by sector and geographical location of the cash-generating units is limited, and thus they are assessed to have identical growth rates.

When calculating value in use, a discount rate before tax of between 9.5-10.5% is used (2013/2014: 9.6-10.5%).

Besides growth and the applied average capital cost (discount rate), the primary assumptions are found to be revenue development, profit margin and future reinvestments. The preparation of budgets for 2015/2016-2019/2020 is based on previous experience, including the return on the portfolio of orders provided for in the budget, expected orders and planned capacity. Also, consideration has been paid to the announced expectations for a future revenue growth of 5-10 % per year, a profit margin of 3.5%-6% and sound financial resources. Uncertainties as to previous profit and possible changes in size or placement of projected cash flows are reflected in the discount rates.

The impairment tests included the cash-generating units Per Aarsleff A/S, Wicotec Kirkebjerg A/S, Centrum Pæle A/S, Østergaard A/S, Aarsleff Rail A/S, Aarsleff Rohrsanierung GmbH and VG Entreprenør A/S.

The impairment tests have not given rise to impairment of goodwill at the recoverable amount.

Sensitivity tests have been performed to determine the lowest growth or the highest increase in the discount rate for each cash-generating unit without resulting in any impairment losses. Probable changes in the underlying assumptions are not assessed to result in the accounting value of goodwill exceeding the recoverable amount.

Note	tDKK	30/9 2015	30/9 2014

14 Investments in associates and joint ventures

Associates

The Group has investments in three associates in the Pipe Technologies segment which are individually insignificant and measured under the equity method:

Total carrying amount	9,422	14,642
Total share of:		
Profit/loss after tax	-3,000	469
Total comprehensive income	-3,000	469

Joint ventures

Besides the above investments in associates, the Group has investments in a joint venture which is individually insignificant and which is also measured under the equity method:

Total carrying amount	2,710	2,856
Total share of:		
Profit/loss after tax	-153	1,405
Total comprehensive income	-153	1,405

The Aarsleff Group possesses 50% of the votes in Nelis Infra-Aarsleff JV. According to the contract between the parties, the collaboration concerns the distribution of different products within the Pipe Technologies segment on the Dutch market. The collaboration is expected to be long-term with the status of a permanent company in which the parties have the rights over the net assets.

Note	tDKK	30/9 2015	30/9 2014
15	**Inventories**		
	Raw materials and consumables	139,822	127,068
	Finished goods	70,904	72,188
	Total	**210,726**	**199,256**
16	**Work in progress**		
	Selling price of construction contracts	11,393,717	9,672,586
	Invoicing on account	-11,489,151	-9,656,933
	Total	**-95,434**	**15,653**
	The following is recognised:		
	Receivables	530,874	527,690
	Current liabilities	-626,308	-512,037
	Total	**-95,434**	**15,653**
	Prepayments from customers concerning non-commenced contracts	1,023	2,394
	Retained payments	24,549	20,764
17	**Contracting debtors**		
	The fair value of receivables is considered to correspond to the carrying amount.		
	Write-down, contracting debtors at 1 October	27,195	52,095
	Additions during the year	5,555	5,868
	Disposals during the year:		
	- Used	-947	-30,686
	- Reversed	-1,394	-82
	Write-down, contracting debtors at 30 September	**30,409**	**27,195**
	Write-downs included in receivables which are recognised in the income statement	5,555	5,868

Write-down of other receivables has not been made.

Current follow-up is made on outstanding receivables. In case of uncertainty in respect of a customer's ability or will to pay a receivable, and when it is estimated that the receivable is subject to risk, write-down is made to hedge this risk. Individually depreciated contracting debtors and write-downs of these are recorded on separate accounts which are both included in the carrying amount of contracting debtors.

	The balance of contracting debtors falls due as follows:		
	Balances not due	1,585,292	1,697,923
	Due balances:		
	Less than 30 days	237,268	152,859
	Between 30 and 90 days	163,193	50,802
	More than 90 days	168,953	135,518
	Total	**2,154,706**	**2,037,102**
	Receivables falling due more than one year after the balance sheet date	0	0

Note	tDKK

18 **Equity**

Share capital
The share capital consists of 135,000 A shares at a price of DKK 20 and 2,130,000 B shares at a price of DKK 20. The nominal value is tDKK 2,700 and tDKK 42,600, respectively. The share capital is unchanged compared to 2013/2014.

The A shares carry ten times the voting right of the B shares. The A shares are non-negotiable instruments.

See section on Information to shareholders.

	Number of shares		Nominal value (tDKK)		% of share capital	
Treasury shares (B shares)	2014/2015	2013/2014	2014/2015	2013/2014	2014/2015	2013/2014
Holding at 1 October	226,500	226,500	4,530	4,530	10.00	10.00
Additions during the year	0	0	0	0	0.00	0.00
Disposals during the year	0	0	0	0	0.00	0.00
Holding at 30 September	**226,500**	**226,500**	**4,530**	**4,530**	**10.00**	**10.00**

The purchase of treasury shares has been made to increase the financial flexibility in connection with future acquisitions.

To carry a motion to amend the articles of association or to dissolve the company, shareholders representing at least two thirds of the votes cast and two thirds of the voting capital represented at the Annual General Meeting shall vote in favour of the resolution.

19 **Provisions**

	30/9 2015	30/9 2014
Provisions at 1 October	63,760	36,335
Completed contracts transferred from work in progress	8,853	3,399
Used during the year	-11,242	-5,171
Reversal of unused warranty commitments	-11,701	-5,190
Provisions for the year	69,499	34,387
Adjustment of provisions to present value	-1,100	0
Total at 30 September	**118,069**	**63,760**
The following is recognised:		
Non-current liabilities	82,008	52,910
Current liabilities	36,061	10,850
Total	**118,069**	**63,760**

Provisions as at 30 September 2015 comprise warranty obligations on completed contracts for which the warranty period runs for up to 5 years from the time of handing over. The provision has been made on the basis of historical warranty expenses and in consideration of known warranty obligations. The majority of the costs are expected to be incurred within a period of 3 years.

Note tDKK

20 **Credit, interest rate and currency risks and use of financial instruments**

Categories of financial instruments

The Group's categories of financial instruments:

	Carrying amount		Fair value [1]	
	30/9 2015	30/9 2014	30/9 2015	30/9 2014
Contracting debtors	2,154,706	2,037,102	2,154,706	2,037,102
Work in progress	530,874	527,690	530,874	527,690
Receivables from associates and joint ventures	10,523	18,798	10,523	18,798
Other receivables	53,232	84,979	53,232	84,979
Cash	865,568	322,821	865,568	322,821
Loan and receivables	**3,614,903**	**2,991,390**	**3,614,903**	**2,991,390**
Securities	196,457	0	196,457	0
Financial assets measured at fair value through the income statement	**196,457**	**0**	**196,457**	**0**
Other debt (earn-out)	51,489	35,310	51,489	35,310
Financial liabilities measured at fair value through the income statement	**51,489**	**35,310**	**51,489**	**35,310**
Derivative financial instruments used for hedging of future cash flows	140	5,593	140	5,593
Financial liabilities used as hedging instruments	**140**	**5,593**	**140**	**5,593**
Mortgage debt	193,378	191,398	194,360	189,785
Credit institutions	439,041	303,968	439,041	303,968
Work in progress	626,308	512,037	626,308	512,037
Trade payables	1,312,437	1,072,508	1,312,437	1,072,508
Financial liabilities measured at amortised cost	**2,571,164**	**2,079,911**	**2,572,146**	**2,078,298**

[1] **Fair value measurement**
The Group uses the fair value principle in connection with certain disclosure requirements and for recognition and measurement of financial instruments. The fair value is defined as the price received when selling an asset or the price paid when transferring a liability in an ordinary transaction between the market participants (exit price). Assets and liabilities which are measured at fair value or where the fair value is stated are categorised in accordance with the fair value hierarchy made up of three levels based on input for the valuation methods used for fair value measurement. To the extent possible, fair value measurement is based on market prices on active markets (level 1) or alternatively on prices derived from observable market information (level 2). To the extent that such observable information is not present or cannot be used without significant modifications, recognised valuation methods and fair estimates are used as the basis of the fair values (level 3).

Current loans and receivables as well as current financial obligations
The fair value of current loans and receivables as well as current financial obligations is not considered to differ significantly from the carrying amount.

Securities
Securities are valued at officially quoted prices or price quotes. This is a fair value measurement in accordance with level 1 of the fair value hierarchy applied.

Mortgage debt
The fair value of mortgage debt has been determined on the basis of the fair value of the underlying bonds. This is a fair value measurement in accordance with level 2 of the fair value hierarchy applied.

Derivative financial instruments
Forward exchange contracts are measured on the basis of externally calculated fair values based on generally accepted valuation methods. This is a fair value measurement in accordance with level 2 of the fair value hierarchy applied.

Contingent acquisition consideration
The fair value of the contingent consideration (earn-out) at the acquisition of Kirkebjerg A/S at 1 October 2012 has been estimated on the basis of the income approach. The estimate is based on weighted probabilities of the expected payments of the earn-out agreement, discounted with a discount rate of 6%. This is a fair value measurement in accordance with level 3 of the fair value hierarchy applied. The change in the fair value of the earn-out agreement has been recognised under financial expenses in the income statement at tDKK 16,179 (2013/14: tDKK 6,215).

Note tDKK

20 **Credit, interest rate and currency risks and use of financial instruments (continued)**

Liquidity risk
It is the policy of the Group to have a significant cash reserve. The Group's stable and good solvency entails high creditworthiness reflected in expedient credit facilities and loan commitments, both in the short and the long term.

For the majority of the Group's subsidiaries, a cash pool scheme has been set up.

The Group's liabilities fall due as follows:

30/9 2015	Carrying amount	Contractual cash flows ²	Within 1 year	1-2 years	2-5 years	After 5 years
Non-derivative financial instruments:						
Mortgage debt	193,378	217,480	22,609	23,419	56,102	115,350
Credit institutions	439,041	441,593	430,120	1,161	2,066	8,246
Trade payables	1,312,437	1,312,437	1,312,437	0	0	0
Other debt	51,489	51,489	0	0	51,489	0
Derivative financial instruments:						
Derivative financial instruments used for hedging of future cash flows	-140	-140	1,786	534	-2,567	107
Total liabilities	**1,996,205**	**2,022,859**	**1,766,952**	**25,114**	**107,090**	**123,703**

30/9 2014	Carrying amount	Contractual cash flows ²	Within 1 year	1-2 years	2-5 years	After 5 years
Non-derivative financial instruments:						
Mortgage debt	191,398	223,104	7,951	12,250	60,163	142,740
Credit institutions	303,968	303,968	293,798	1,628	1,508	7,034
Trade payables	1,072,508	1,072,508	1,072,508	0	0	0
Other debt	35,310	35,310	0	0	0	35,310
Derivative financial instruments:						
Derivative financial instruments used for hedging of future cash flows	-5,593	-5,593	-5,423	-170	0	0
Total liabilities	**1,597,591**	**1,629,297**	**1,368,834**	**13,708**	**61,671**	**185,084**

² All cash flows are undiscounted and comprise all obligations under agreements concluded, including future interest payments on loans.

The Group's cash outflow can be fully covered by the continuous operating profit and the possibility to make drawdowns on credit facilities and refinancing.

Note tDKK

20 **Credit, interest rate and currency risks and use of financial instruments (continued)**

Currency risks
Currency risks are managed centrally in the Aarsleff Group. It is Group policy to reduce its currency risks, as individual projects and markets are assessed with a view to hedging. Normally, currency overdraft facilities are established on the basis of a current calculation of the foreign exchange exposure of the most important currencies. Moreover, forward exchange contracts and options are used to secure future cash flows in the form of income from construction contracts.

Translation adjustment of investments in foreign subsidiaries and associates with a different functional currency than that of the parent company is recognised directly in equity. Related currency risks are not hedged.

Short and long-term outstanding amounts in Group enterprises are normally not currency hedged.

The Group's balances in foreign currency (excluding currencies in the Euro cooperation) and related hedging transactions are as follows:

				30/9 2015	**30/9 2014**
Currency	Financial assets	Financial liabilities	Hedged amount	Net position	Net position
SEK	248,178	-157,212	-4,577	86,389	101,504
PLN	187,133	-95,213	0	91,920	42,331
GBP	99,982	-153,582	0	-53,600	-41,154
USD	39,322	-89,703	-14,828	-65,209	19,882
RUB	28,189	-6,652	0	21,537	22,151
ISK	62,511	-110,269	0	-47,758	0
LTL	0	0	0	0	10,431
NOK	60,100	-12,315	0	47,785	13,388
Other	7,540	-1,320	0	6,220	352
	732,955	-626,266	-19,405	87,284	168,885
Payment/maturity profile can be specified as follows:					
Less than 1 year	732,955	-576,480	-19,405	137,070	170,068
1-5 years	0	-20,502	0	-20,502	-1,183
More than 5 years	0	-29,284	0	-29,284	0
	732,955	-626,266	-19,405	87,284	168,885

Note	tDKK

20 **Credit, interest rate and currency risks and use of financial instruments (continued)**

An increase of 10% in the currencies specified below against Danish Kroner, would have the following isolated effects at 30 September (before tax):

	30/9 2015		30/9 2014	
Currency	Profit/loss	Equity	Profit/loss	Equity
SEK	230	8,639	594	10,150
PLN	1,345	9,192	-119	4,233
GBP	-2,062	-5,360	572	-4,115
USD	-1,203	-6,521	1,182	1,988
RUB	185	2,154	213	2,215
ISK	0	-4,776	0	0
LTL	0	0	0	1,043
NOK	1,173	4,779	-847	1,339
Other	0	622	0	35

The above analysis is based on the assumption that all other variables, interest rates in particular, remain constant. The expectations are based on the market data presently available.

A corresponding decline in the exchange rates for the above currencies would have the same but opposite effect for both equity and profit for the year. The differences between the 2014/2015 and 2013/2014 values are solely due to differences in the nominal amounts in the individual currencies.

Derivative financial instruments
The Group has established currency overdraft facilities and forward exchange contracts to hedge future cash flows on construction contracts in SEK, EUR, ISK, PLN and USD totalling tDKK 260,135 compared to tDKK 169,974 in 2013/2014.

At the balance sheet date, these financial instruments have a positive fair value of tDKK 140 against a positive fair value of tDKK 5,593 at 30 September 2014 recognised in other comprehensive income. The hedged cash flows are expected to be realised within 15 months as in 2013/2014.

The currency swaps used in 2013/2014 in USD, EUR, NOK and SEK of a total amount of tDKK 326,000 have expired and thus the value is DKK 0 against a negative fair value of tDKK 558 in 2013/2014.

As regards financial risks, refer to the section on Commerical risk assessment in Management's Review.

Capital management
The need to adjust the capital structure of the Group and the individual subsidiaries is assessed on an ongoing basis so that the capital situation complies with current rules and is adjusted to the business foundation and the level of activity.

The Group assesses the capital on the basis of the solvency ratio. The Group's target is a solvency ratio of 40-45%.

Note tDKK

20 **Credit, interest rate and currency risks and use of financial instruments (continued)**

Interest rate risk
The interest rate risk is mainly attributable to interest-bearing debt and cash holdings. In order to minimise both interest and risks, cash pool and interest netting agreements have been entered into with the Group's Danish bank in DKK, SEK, EUR, USD, RUB, PLN, NOK and GBP.

The Group's interest rate risk is related to the below items. The earliest date of maturity is stated:

		Effective interest rate		Carrying amount		Fair value	
	Fixed/	30/9 2015	30/9 2014	30/9 2015	30/9 2014	30/9 2015	30/9 2014
	Floating	%	%	tDKK	tDKK	tDKK	tDKK
Cash	Floating	0	0	865,568	322,821	865,568	322,821
Securities	Floating	0-2	0	196,457	0	196,457	0
Interest-bearing assets, total				**1,062,025**	**322,821**	**1,062,025**	**322,821**
Mortgage debt and credit institutions, non-current	Fixed	1-3	1-3	104,872	156,271	105,401	154,071
Mortgage debt and credit institutions, non-current	Floating	1-3	1-3	97,657	46,287	98,110	46,874
Credit institutions, current	Floating	1-10	1-10	429,890	292,808	429,890	292,808
Interest-bearing liabilities, total				**632,419**	**495,366**	**633,401**	**493,753**
Net interest-bearing debt				**-429,606**	**172,545**		
The payment/maturity profile can be specified as follows:							
Less than 1 year				-604,445	-15,043		
1-5 years				68,047	46,910		
More than 5 years				106,792	140,678		
				-429,606	172,545		

An increase in the interest rate level of 1% compared to the interest rate level at the balance sheet date and the net interest-bearing debt of the balance sheet would, other things being equal, have had a positive effect on the profit/loss before tax and on equity of the Group of tDKK 5,345 (2013/2014: negative effect tDKK 162). A decrease in the interest rate level would have had a similar negative effect on profit/ loss and equity.

Credit risk
The Group is exposed to credit risks relating to receivables and deposits in banks. It is not assessed that there are any significant credit risks related to cash and cash equivalents, portfolio of securities and derivative financial instruments, as the Group's banks, issuers of bonds as well as counterparties to derivative financial instruments all have a good credit rating. The maximum credit risk corresponds to the carrying amount.

A significant part of the Group's customers comprise public or semi-public clients, so the exposure to financial losses is minimal. The trade receivables of the Group from other customers is subject to the usual credit risk. Therefore, the customers are credit rated before work is commenced. To the extent this is considered expedient and possible, trade receivables are also hedged by bank and insurance guarantees and letters of credit.

The Group does not have any material risks regarding one customer or cooperative partner.

As was the case at 30 September 2014, the Group's write-downs at 30 September 2015 are related only to financial assets classified as receivables, cf. note 17.

NOTES

GROUP

Note	tDKK	30/9 2015	30/9 2014
21	**Contingent liabilities and other financial obligations**		
	Operating leases		
	Future rent and lease payments under non-cancellable contracts (minimum lease payments):		
	Maturity within 1 year	79,375	75,920
	Maturity between 2 and 5 years	91,821	115,698
	Maturity over 5 years	0	384
	Total	**171,196**	**192,002**
	Expensed lease payments for the year	91,683	65,229
	Operating leasing commitments concern cars, technical plant and machinery as well as furniture and fittings. The term of the contracts in the Group is maximum 5 years at 30 September 2015.		
	Capital and purchase commitments		
	Investment in property, plant and equipment	33,508	14,456
	Contingent assets and liabilities		
	Guarantee for bank balances in joint ventures	0	0
	The Aarsleff Group is engaged in various litigation and arbitration proceedings which are not expected to influence future earnings of the Group negatively.		
	Security		
	The carrying amount of land and buildings that are pledged as security for mortgage debt to credit institutions amounts to	316,905	298,779
	The carrying amount of other property, plant and equipment that are pledged as security for mortgage debt to credit institutions amounts to	0	0
	As security for completion of contracts, the usual security in the form of bank guarantees and insurance bonds have been placed.	3,313,269	2,715,701
	Warranty obligations primarily concern completed contracts, which are executed against a warranty of normally up to five years. Obligations have been determined on the basis of historical warranty expenses.		
	The Group participates in joint ventures under a joint and several liability. At 30 September 2015, total payables amount to DKK 647 million against DKK 630 million at 30 September 2014 of which DKK 580 million and DKK 563 million, respectively, are recognised in the consolidated balance sheet. The company does not expect any losses in addition to those included in the consolidated financial statements.		

Note tDKK

22 Related party transactions

Group	Associates and joint ventures 2014/2015	Associates and joint ventures 2013/2014	Management [1] 2014/2015	Management [1] 2013/2014
Income [2]	31,503	54,585	1,088	730
Expenses [2]	0	-1,036	-525	-557
Receivables [3]	10,606	21,654	1	582
Liabilities [3]	0	0	9	-45

[1] Includes members of the Board of Directors and Executive Management of the parent company. The amount concerns legal assistance fees for Kromann Reumert to which board member Carsten Fode is connected. Management remuneration appears from note 7.
[2] Includes purchase and sale of goods and services.
[3] Includes receivables and liabilities in connection with purchase and sale of goods and services.

The fund Per og Lise Aarsleffs Fond is considered to have control over the Group as a consequence of own shareholding and distribution of other shares. No transactions with the fund took place in 2014/2015 and 2013/2014.

Transactions with subsidiaries have been eliminated in the consolidated financial statements in accordance with the accounting policies.

No unusual agreements or other transactions have been concluded between the Group and related parties.

Note		2014/2015	2013/2014
23	**Other adjustments – Cash flow statement**		
	Profit/loss in associates	3,153	-1,874
	Provisions	54,311	27,425
	Profit from sale of non-current assets	-15,173	-21,900
	Total	**42,291**	**3,651**
24	**Change in working capital – Cash flow statement**		
	Inventories	-6,225	1,622
	Work in progress, net	121,729	137,974
	Receivables	-46,725	-388,388
	Trade payables, other debt etc.	268,757	294,385
	Total	**337,536**	**45,593**
25	**Liquidity**		
	Cash	865,568	322,821
	Bank overdraft	-429,890	-292,808
	Total	**435,678**	**30,013**
	Cash is combined as follows:		
	Share of cash in joint operations	202,418	283,940
	Other cash	663,150	38,881
	Total	**865,568**	**322,821**

NOTES

GROUP

Note tDKK

26 **Investment in subsidiaries**

2014/2015

In the financial year 2014/2015, Per Aarsleff A/S has made the following acquisitions:

As at 1 October 2014, Aarsleff Rail A/S has acquired the Swedish company Anker AB which executes, services and maintains the Swedish railways.

The total consideration came to DKK 17.7 million, and DKK 13.1 million was a cash consideration.

Identifiable assets and liabilities etc. are recognised at fair value.

As at 15 May 2015, Per Aarsleff A/S has acquired the contracting company Ístak hf.

The total consideration came to DKK 15.1 million, and DKK 41.7 million was a cash consideration.

Identifiable assets and liabilities etc. are recognised at fair value.

Fair value at the date of acquisition	Anker AB	Ístak hf
Intangible assets	8,879	11,310
Property, plant and equipment	1,862	91,659
Inventories	496	4,747
Receivables	16,883	44,634
Cash	1,411	44
Non-current liabilities	0	-48,769
Short-term bank loan	0	-26,632
Other current liabilities	-9,791	-59,603
Net assets acquired	19,740	17,390
Deferred tax	-2,040	-2,262
Acquisition cost	17,700	15,128
Of this figure, cash/bank loan	-1,411	26,588
Deferred contingent consideration	-3,149	0
Purchase consideration in cash	**13,140**	**41,716**

External costs of investment in subsidiaries amount to tDKK 282.

Revenue and profit for the acquired companies included in the consolidated financial statements since the acquisition amount to DKK 173 million and DKK -2.1 million, respectively.

The nominal value of the above receivables is	21,169	44,634

Note tEUR

27 **Highlights for the Group, EUR**

	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Income statement					
Revenue	826,087	895,468	988,990	1,145,630	1,374,551
Of this figure, work performed abroad	375,347	375,424	332,080	383,601	421,630
Operating profit	18,318	24,365	28,613	46,900	65,301
Profit before interest	20,538	24,486	28,624	47,151	64,879
Net financials	-2,615	-2,229	-2,217	-2,858	-3,917
Profit before tax	17,923	22,257	26,407	44,293	60,962
Profit for the year	13,139	15,031	20,098	34,207	49,112
Balance sheet					
Non-current assets	213,384	217,219	233,139	233,656	259,973
Current assets	373,423	351,743	375,150	433,165	543,017
Total assets	586,808	568,962	608,289	666,821	802,990
Equity	197,784	213,768	231,205	262,298	303,641
Non-current liabilities	60,338	67,082	65,171	79,227	97,210
Current liabilities	328,685	288,112	311,912	325,296	402,139
Total equity and liabilities	586,808	568,962	608,289	666,821	802,990
Net interest-bearing debt	31,054	20,050	67,929	28,197	-49,984
Invested capital (IC)	225,015	296,998	296,898	288,144	252,031
Cash flow statement					
Cash flows from operating activities	44,426	50,243	5,668	82,116	150,714
Cash flows from investing activities	-57,624	-37,926	-49,638	-34,245	-83,898
Of this figure, investment in property, plant and equipment, net	-37,361	-38,999	-32,370	-34,325	-50,545
Cash flows from financing activities	3,556	-43	-3,263	-4,017	-12,221
Change in liquidity for the year	-9,641	12,273	-47,233	43,854	54,594
Financial ratios					
Gross margin ratio, %	10.0	10.3	10.8	12.1	11.9
Profit margin (EBIT margin), %	2.2	2.7	2.9	4.1	4.8
Net profit ratio (pre-tax margin), %	2.2	2.5	2.7	3.9	4.4
Return on invested capital (ROIC), %	8.9	11.0	11.0	16.0	24.2
Return on invested capital (ROIC) after tax, %	6.5	7.4	8.4	12.4	19.5
Return on equity (ROE), %	6.8	7.3	9.0	13.9	17.4
Equity interest, %	33.7	37.6	38.0	39.3	37.8
Earnings per share (EPS), EUR	6.45	7.38	9.81	16.75	24.10
Share price per share at 30 September, EUR	50.53	53.25	91.31	130.59	307.11
Price/equity value, EUR	0.52	0.51	0.81	1.01	2.06
Dividend per share, EUR	0.65	1.34	1.34	2.02	4.02
Number of employees	3,473	3,620	4,019	4,532	4,932
Applied translation rate	*7.4417*	*7.4555*	*7.4580*	*7.4431*	*7.4598*

COMPANIES IN THE AARSLEFF GROUP

GROUP

COMPANY NAME	REGISTERED OFFICE			OWNERSHIP SHARE %
CONSTRUCTION				
Dan Jord A/S	Aarhus	Denmark	Contractor	100
Petri & Haugsted AS	Rødovre	Denmark	Contractor	100
Wicotec Kirkebjerg A/S	Taastrup	Denmark	Contractor	80
E. Klink A/S	Skovlunde	Denmark	Contractor	100
Danklima Entreprise A/S	Aarhus	Denmark	Contractor	100
PAA Project Finance A/S	Hvidovre	Denmark	Contractor	100
Aarsleff Rail A/S	Aarhus	Denmark	Contractor	100 **
Anker AB	Varberg	Sweden	Contractor	100
Per Aarsleff GmbH	Hamburg	Germany	Contractor	100
Aarsleff Anläggning AB	Limhamn	Sweden	Contractor	100
VG Entreprenør A/S	Lemvig	Denmark	Contractor	100
Lemvig Transport A/S	Lemvig	Denmark	Contractor	67
Østergaard A/S	Vejle	Denmark	Contractor	100
Per Aarsleff Grønland ApS	Nuuk	Greenland	Contractor	100
Per Aarsleff East Africa A/S	Aarhus	Denmark	Contractor	100
Ístak hf	Mosfellsbær	Iceland	Contractor	100
PIPE TECHNOLOGIES				
Danpipe A/S	Aarhus	Denmark	Contractor	100
Aarsleff Rörteknik AB	Stockholm	Sweden	Contractor	100
Aarsleff OY	Helsinki	Finland	Contractor	100
Per Aarsleff ZAO	St Petersburg	Russia	Contractor	100
Per Aarsleff Polska Sp. z o.o.	Warsaw	Poland	Contractor	100
UAB Aarsleff	Kaunas	Lithuania	Contractor	100
Aarsleff Rohrsanierung GmbH	Nuremberg	Germany	Contractor	100
Aarsleff Hulín s.r.o.	Hlohovec	Slovakia	Contractor	51
Aarsleff AS	Oslo	Norway	Contractor	100
Ukar-Pipe Holding A/S	Aarhus	Denmark	Holding company	50 *
Arpipe Holding A/S	Aarhus	Denmark	Holding company	40 *
GROUND ENGINEERING				
Centrum Pæle Holding A/S	Vejle	Denmark	Holding company	100
Centrum Pfähle GmbH	Hamburg	Germany	Contractor	100
Centrum Pæle A/S	Vejle	Denmark	Pile production	100
CP Test A/S	Vejle	Denmark	Vibration and noise measurements	100
Per Aarsleff (UK) Limited	Newark	United Kingdom	Contractor	100
Centrum Pile Limited	Newark	United Kingdom	Pile production	100
Aarsleff Sp. z o.o.	Warsaw	Poland	Contractor	100
KPB Kutno Sp. z o.o.	Kutno	Poland	Pile production	100
Metris Sp. z o.o. Instytut Badań dla Budownictwa	Kutno	Poland	Contractor	100
Aarsleff Grundläggnings AB	Gunnilse	Sweden	Contractor	100
Centrum Påle AB	Älvängen	Sweden	Pile production	100
DORMANT COMPANIES				
Aarsleff S.r.l.	Milan	Italy	Contractor	100
Aarsleff, S.L.U.	Barcelona	Spain	Contractor	100
PAA International Engineering Corp.	Taichung	Taiwan	Contractor	50 *

* Associate
** Owned by Per Aarsleff A/S (67%) and the 100% owned subsidiary Wicotec Kirkebjerg A/S (33%)

	GROUP			PARENT COMPANY	
	OWNERSHIP SHARE % CONSTRUCTION	OWNERSHIP SHARE % PIPE TECHNOLOGIES	OWNERSHIP SHARE % GROUND ENGINEERING	LEAD PARTNER	OWNERSHIP SHARE %
JOINT OPERATIONS					
Banekonsortiet Vedligehold I/S	100			Yes	57
BW Rock Group Swinoujsci – Spolka Cywilna (Poland)	40			Yes	40
Electrification Programme Aarsleff I/S	75		25	Yes	25
Fredericia St. Syd I/S	50			Yes	
Geo Aarsleff JV I/S	9		41		50
JV Aarsleff-Streicher-Bunte I/S	30			Yes	30
JV Värtahamnen HB I/S (Sweden)	75		25	Yes	100
LNG – Breakwater, Civil Group JV – Spolka Cywilna (Poland)	50				33
Malmö Citytunnel Group HB (Sweden)	25				25
NCC-Aarsleff Norvikudden (Sweden)	50				50
Pihl-Banekonsortiet I/S	50				
Pihl-Aarsleff Brokonsortie I/S	50			Yes	
Strukton Aarsleff Denmark I/S	50			Yes	
Strukton-Aarsleff JV I/S	50			Yes	
Wicotec Kirkebjerg-Dan Jord I/S	100			Yes	
Østergaard-Aarsleff JV I/S	83		17	Yes	50
Aarsleff-BAM International Joint Venture V.O.F. (Tanzania)	50				50
Aarsleff Bane & Anlæg I/S	77		23	Yes	70
Aarsleff-Bejstrup I/S	43		22	Yes	65
Aarsleff Bilfinger Berger JV Dan-Tysk	50				50
Aarsleff Bilfinger Berger JV EQ I/S	50			Yes	50
Aarsleff Bilfinger Berger JV I/S	37		13	Yes	50
Aarsleff Bilfinger Berger JV London Array	50			Yes	50
Aarsleff-Dan Jord JV I/S	94		6	Yes	57
Aarsleff-Interbeton J.V. I/S (Tanzania)	50			Yes	50
Aarsleff-Ístak I/S	100			Yes	
Aarsleff-Kamco J.V. I/S	50			Yes	50
Aarsleff Langelinie JV I/S	85		15	Yes	95
Aarsleff-NCC Vejanlæg (Split Joint Venture)	54			Yes	54
Aarsleff Nørreport I/S	100			Yes	25
Aarsleff/Permagreen Konsortium I/S	73			Yes	
Aarsleff-Petri & Haugsted JV I/S	70		30	Yes	89
Aarsleff Rail Nørreport I/S	100			Yes	25
Aarsleff-Seth J.V. I/S (Mozambique)	50			Yes	50
Aarsleff-Spietzke Konsortium I/S	50			Yes	
Aarsleff-VG J.V. I/S	100			Yes	68
Aarsleff-Wicotec Kirkebjerg J.V. I/S	100			Yes	50
JOINT VENTURES					
Nelis Infra-Aarsleff JV (the Netherlands)		50			50

According to section 5 (1) of the Danish Financial Statements Act, partnerships in which Per Aarsleff A/S is lead partner have omitted to prepare financial statements, as these partnerships are included in the consolidated financial statements of Per Aarsleff A/S.

PARTNERS

Arkil A/S
BAM International B.V.
Bejstrup Holding ApS
Bilfinger Berger AG
Boskalis International bv
Damacon A/S
Doraco Sp. z o.o.
Geo
Hochtief Construction AG
Interbeton bv
Kamco A/S
NCC Construction Sverige AB
NCC Danmark A/S
Permagreen Grønland A/S
Seth SA
Spietzke SE Danmark
Strukton Rail A/S

FOREIGN BRANCH OFFICES

Beirut, Lebanon
Kaunas, Lithuania
Nuuk, Greenland
Porto, Portugal
Riga, Latvia
Szczecin, Poland

FINANCIAL STATEMENTS OF THE PARENT COMPANY

ACCOUNTING POLICIES

Basis of accounting

The financial statements of the parent company Per Aarsleff A/S have been prepared in accordance with the provisions of the Danish Financial Statements Act (DK GAAP) applying to enterprises of reporting class D as well as the requirements laid down by Nasdaq Copenhagen A/S in respect of the financial reporting of companies listed on the stock exchange.

For accounting policies refer to note 1 to the consolidated financial statements on page 48. The denomination of the items in the parent company's financial statements complies with the requirements of the DK GAAP but conforms to the content of the accounting policies according to IFRS. Refer to the section Terminology on the next page for a description of the main differences between DK GAAP and IFRS in the denomination of the items.

The accounting policies applied are unchanged from those applied in the previous year.

Supplementary accounting policies for the parent company

Intangible assets

At the initial recognition, goodwill is included at cost in the item Goodwill or in the item Investments in subsidiaries. Subsequently, goodwill is measured at cost less accumulated impairment losses. Goodwill is amortised over the estimated useful life not exceeding 20 years.

Investments

Investments in subsidiaries and associates are recognised and measured under the equity method.

In the income statement, the proportionate share of the profit after tax for the year less goodwill amortisation is included in the items Share of profit in subsidiaries and Share of profit in associates.

The items Investment in subsidiaries and Investments in associates in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated under the accounting policies of the parent company with deduction or addition of unrealised intercompany profits or losses and with addition of any remaning value of goodwill.

Subsidiaries and associates with a negative net asset value are measured at DKK 0. Any legal or constructive obligation of the parent company to cover the negative balance of the company is recognised in provisions.

The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to Reserve under the equity method under equity. The reserve is reduced by means of distribution of dividends to the parent company and is adjusted with other changes in equity in subsidiaries and associates.

Joint arrangements

The parent company participates in a number of joint arrangements, including consortia and working partnerships, in which none of the participating parties have control.

Joint arrangements that are subject to joint liability or proportionate liability are recognised as pro rata consolidation. Other joint arrangements are recognised under the equity method.

Corporation tax

Per Aarsleff A/S is comprised by the Danish rules on compulsory joint taxation of the Danish companies of the Group. Subsidiaries are included in the joint taxation from the time when they are included in the consolidation in the Consolidated Financial Statements and until the time when they are excluded from the consolidation.

Per Aarsleff A/S is the administrative company for the joint taxation and as a result, the company settles corporation tax obligations with the tax authorities.

The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with reimbursement of tax losses). The jointly taxed companies are included in a Danish tax prepayment scheme.

As the administrative company, Per Aarsleff A/S takes over the liability in respect of the corporation taxes of the subsidiaries towards the tax authorities, as the subsidiaries pay their joint taxation contribution.

Cash flow statement

No separate cash flow statement has been prepared for the parent company in accordance with the exemption clause of section 86(4) of the Danish Financial Statements Act.

ACCOUNTING POLICIES

PARENT COMPANY

Terminology

Net revenue (DK GAAP):
Revenue (IFRS)

Fixed assets (DK GAAP):
Non-current assets (IFRS)

Fixed asset investments (DK GAAP):
Other non-current assets (IFRS)

Current assets (DK GAAP):
Current assets (IFRS)

Provisions (DK GAAP):
Non-current and current liabilities (IFRS)

Long-term debt (DK GAAP):
Non-current liabilities (IFRS)

Short-term debt (DK GAAP):
Current liabilities (IFRS)

INCOME STATEMENT

1/10-30/9

PARENT COMPANY

Note	tDKK	2014/2015	2013/2014
1	**Net revenue**	**5,061,483**	**4,241,036**
2	Production costs	-4,599,412	-3,803,640
	Gross profit	**462,071**	**437,396**
2, 3	Administrative expenses and selling costs	-274,737	-261,493
4	Other operating income and expenses	15,038	150
	Operating profit	**202,372**	**176,053**
8	Share of profit in subsidiaries	197,191	105,171
8	Share of profit/loss in associates	-3,000	469
	Profit before interest	**396,563**	**281,693**
5	Financial income	2,944	1,442
5	Financial expenses	-8,677	-7,742
	Profit before tax	**390,830**	**275,393**
6	Tax on profit for the year	-30,378	-34,559
	Profit for the year	**360,452**	**240,834**
	Proposed distribution of profit		
	Reserve for net revaluation under the equity method	108,727	12,815
	Transferred from the profit for the year	183,775	194,044
	Dividend to shareholders	67,950	33,975
	Total	**360,452**	**240,834**

BALANCE SHEET

ASSETS

PARENT COMPANY

Note	tDKK	30/9 2015	30/9 2014
	Patents and other intangible assets	338	493
7	**Intangible assets**	**338**	**493**
	Land and buildings	289,866	281,312
	Plant and machinery	423,127	408,569
	Other fixtures and fittings, tools and equipment	13,293	18,593
	Property, plant and equipment in progress	56,830	20,026
7	**Property, plant and equipment**	**783,116**	**728,500**
8	Investments in subsidiaries	1,302,562	1,060,213
8	Investments in associates	9,422	12,142
	Receivables from subsidiaries	2,306	2,329
	Fixed asset investments	**1,314,290**	**1,074,684**
	Total fixed assets	**2,097,744**	**1,803,677**
9	**Inventories**	**65,941**	**62,416**
	Contracting debtors	900,634	951,314
	Work in progress	151,287	226,274
	Receivables from subsidiaries	316,687	297,396
	Receivables from associates	10,523	8,030
	Corporation tax receivable	741	0
	Other receivables	24,231	67,066
	Total receivables	**1,404,103**	**1,550,080**
	Securities	**196,457**	**0**
	Cash	**721,382**	**271,291**
	Total current assets	**2,387,883**	**1,883,787**
	Total assets	**4,485,627**	**3,687,464**

BALANCE SHEET

EQUITY AND LIABILITIES

PARENT COMPANY

Note	tDKK	30/9 2015	30/9 2014
	Share capital	45,300	45,300
	Reserve for net revaluation under the equity method	381,010	272,283
	Retained earnings	1,699,625	1,534,607
	Proposed dividend	67,950	33,975
10	**Equity**	**2,193,885**	**1,886,165**
6	Deferred tax	221,634	159,143
11	Other provisions	101,794	54,791
	Total provisions	**323,428**	**213,934**
	Mortgage debt	77,449	133,115
	Total long-term debt	**77,449**	**133,115**
	Mortgage debt	5,590	1,886
	Credit institutions	346,665	180,371
	Work in progress	379,940	300,653
	Trade payables	733,623	577,702
	Payables to subsidiaries	196,935	175,174
	Corporation tax payable	0	13,463
	Other liabilities	228,112	205,001
	Total short-term debt	**1,890,865**	**1,454,250**
12	**Total debt**	**1,968,314**	**1,587,365**
	Total equity and liabilities	**4,485,627**	**3,687,464**

Notes without reference:

13 Contingent liabilities and other financial obligations

14 Related party transactions

15 Currency and interest rate risks and the use of derivative financial instruments

STATEMENT OF CHANGES IN EQUITY

PARENT COMPANY

tDKK	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend	Total
Equity at 1 October 2014	**45,300**	**272,283**	**1,534,607**	**33,975**	**1,886,165**
Changes in equity 2014/2015					
Exchange rate adjustments of foreign companies			-18,488		-18,488
Reversal of fair value adjustments of derivative financial instruments, transferred to the income statement (net financials)			-5,423		-5,423
Exhange rate adjustments of derivative financial instruments			539		539
Tax on derivative financial instruments			1,217		1,217
Net gain/loss recognised directly in equity	**0**	**0**	**-22,155**	**0**	**-22,155**
Dividend paid				-33,975	-33,975
Dividend, treasury shares			3,398		3,398
Profit for the year		108,727	183,775	67,950	360,452
Total changes in equity in 2014/2015	**0**	**108,727**	**165,018**	**33,975**	**307,720**
Equity at 30 September 2015	**45,300**	**381,010**	**1,699,625**	**67,950**	**2,193,885**

Note	tDKK	2014/2015	2013/2014
1	**Net revenue**		
	Income from construction contracts	5,061,483	4,241,036
	Total	**5,061,483**	**4,241,036**
	Business segments		
	Construction	3,647,796	2,908,486
	Ground Engineering	737,093	534,172
	Pipe Technologies	676,594	798,378
	Total	**5,061,483**	**4,241,036**
	Geographical allocation		
	Denmark	3,859,914	2,894,998
	Abroad	1,201,569	1,346,038
	Total	**5,061,483**	**4,241,036**
2	**Staff costs**		
	Wages, salaries and remuneration	957,972	898,215
	Pensions	47,130	44,223
	Other costs, social security costs etc.	23,055	21,588
	Total	**1,028,157**	**964,026**
	Of this figure, consideration for:		
	Remuneration, Board of Directors	1,880	1,880
	Remuneration, Executive Management	8,535	8,006
	Total	**10,415**	**9,886**
	Average number of full-time employees	1,765	1,696
3	**Fees to auditors appointed by the Annual General Meeting**		
	PricewaterhouseCoopers	2,599	2,324
	Other auditors	466	388
	Total	**3,065**	**2,712**
	Fees to PricewaterhouseCoopers can be specified as follows:		
	Statutory audit	830	757
	Other assurance engagements	7	63
	Tax assistance	1,387	1,067
	Other services	375	437
	Total	**2,599**	**2,324**
	Fees to other auditors can be specified as follows:		
	Tax assistance	0	227
	Other services	466	161
	Total	**466**	**388**

NOTES

PARENT COMPANY

Note	tDKK	2014/2015	2013/2014
4	**Other operating income and expenses**		
	Other operating income	15,438	540
	Other operating expenses	-400	-390
	Total	**15,038**	**150**
5	**Financial income and expenses**		
	Other interest income	2,944	1,442
	Financial income	**2,944**	**1,442**
	Foreign exchange loss, net	1,595	2,024
	Mortgage interest	3,633	4,358
	Other interest costs	3,449	1,360
	Financial expenses	**8,677**	**7,742**
	Net financials	**-5,733**	**-6,300**
6	**Corporation tax**		
	Tax on profit for the year can be broken down as follows:		
	Current tax	-30,991	13,560
	Adjustment of deferred tax for the year	73,773	29,842
	Effect of gradual reduction of Danish tax rate	-12,404	-6,773
	Merger adjustment	0	-2,070
	Total	**30,378**	**34,559**
	Total tax for the year can be broken down as follows:		
	Tax on profit for the year	30,378	34,559
	Tax on changes in equity	-1,217	1,840
	Total	**29,161**	**36,399**
	Deferred tax concerns:		
	Intangible assets	2,376	297
	Property, plant and equipment	2,240	23,069
	Work in progress	216,568	136,192
	Other current assets	450	3,443
	Other debt	0	-61
	Tax losses allowed for carryforward	0	-3,797
	Deferred tax at 30 September	**221,634**	**159,143**

Note tDKK

7 **Intangible assets and property, plant and equipment**

	Goodwill	Patents and other intangible assets	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
Cost at 1 October 2014	7,754	3,904	396,273	1,086,002	64,629	20,026
Additions during the year			2,411	87,471	2,055	101,523
Disposals during the year			-6,740	-81,911	-2,609	-870
Transfers			22,026	41,823		-63,849
Cost at 30 September 2015	**7,754**	**3,904**	**413,970**	**1,133,385**	**64,075**	**56,830**
Depreciation, amortisation and impairment losses at 1 October 2014	7,754	3,411	114,961	677,433	46,036	
Depreciation and amortisation during the year		155	12,787	98,772	7,303	
Assets sold during the year			-3,644	-65,947	-2,557	
Depreciation, amortisation and impairment losses at 30 September 2015	**7,754**	**3,566**	**124,104**	**710,258**	**50,782**	
Carrying amount at 30 September 2015	**0**	**338**	**289,866**	**423,127**	**13,293**	**56,830**

NOTES

PARENT COMPANY

Note	tDKK		
8	**Investments in subsidiaries and associates**		
		Investments in subsidiaries	Investments in associates
	Cost at 1 October 2014	826,321	16,489
	Additions during the year	140,852	
	Cost at 30 September 2015	**967,173**	**16,489**
	Value adjustment at 1 October 2014	233,892	-4,347
	Transferred to write-down of other receivables	-563	
	Profit/loss after tax	207,456	-3,000
	Amortisation of goodwill	-8,727	
	Amortisation of other intangible assets	-1,538	
	Received dividend	-77,182	
	Translation adjustments concerning derivative financial instruments	878	
	Exchange rate adjustments	-18,827	280
	Value adjustment at 30 September 2015	**335,389**	**-7,067**
	Carrying amount at 30 September 2015	**1,302,562**	**9,422**
	Of this figure, goodwill amounts to	**59,284**	

The legal entities in the Aarsleff Group are listed on pages 78-79 of the consolidated financial statements.

Note		30/9 2015	30/9 2014
9	**Inventories**		
	Raw materials and consumables	65,941	62,416
	Total	**65,941**	**62,416**

Note tDKK

10 **Equity**

Share capital

The composition of share capital and treasury shares is stated in note 18 to the consolidated financial statements.

11 **Other provisions**

	30/9 2015	30/9 2014
Other provisions at 1 October	54,791	28,808
Completed contracts transferred from work in progress	3,433	3,217
Used during the year	-9,294	-3,541
Reversal of unused warranty commitments	-10,565	-4,465
Provisions for the year	63,429	30,772
Other provisions at 30 September	**101,794**	**54,791**
Other provisions falling due for payment less than one year after the balance sheet date	23,708	6,851

Provisions at 30 September 2015 comprise warranty commitments on completed contracts for which the warranty period runs for up to 5 years from the date of handing over. The provisions have been stated on the basis of historical warranty expenses and in consideration of known warranty commitments. The majority of the expenses are expected to be incurred wihin 3 years.

12 **Time of maturity, short-term debt and long-term debt**

The parent company's short-term debt and long-term debt fall due as follows:

30 September 2015	Carrying amount	Within 1 year	1-5 years	After 5 years
Mortgage debt	83,039	5,590	35,812	41,637
Credit institutions	346,665	346,665		
Trade payables	733,623	733,623		
Payables to subsidiaries	196,935	196,935		
Total short-term debt and long-term debt	**1,360,262**	**1,282,813**	**35,812**	**41,637**

30 September 2014	Carrying amount	Within 1 year	1-5 years	1-5 years
Mortgage debt	135,001	1,886	33,838	99,277
Credit institutions	180,371	180,371		
Trade payables	577,702	577,702		
Payables to subsidiaries	175,174	175,174		
Total short-term debt and long-term debt	**1,068,248**	**935,133**	**33,838**	**99,277**

The parent company's cash outflow can be fully covered by the continuous operating profit and the possibility to make drawdowns on credit facilities and refinancing.

Note	tDKK	30/9 2015	30/9 2014
13	**Contingent liabilities and other financial obligations**		
	Operating leases		
	Future rent and lease payments under non-cancellable contracts (minimum lease payments):		
	Maturity within 1 year	22,751	19,237
	Maturity between 2 and 5 years	33,681	35,835
	Maturity over 5 years	0	0
	Total	**56,432**	**55,072**
	Expensed lease payments for the year	23,765	22,440
	Operating leasing commitments concern cars, technical plant and machinery as well as furniture and fittings. The term of the contracts in the parent company is maximum 5 years at 30 September 2015.		
	Capital and purchase commitments		
	Investment in property, plant and equipment	29,500	11,400
	Contingent assets and liabilities		
	Guarantees for liabilities of subsidiaries	66,058	67,584

Per Aarsleff A/S is engaged in various litigation and arbitration proceedings which are not expected to influence future earnings of the company negatively.

With a view to complying with the going concern concept, Per Aarsleff A/S has issued a limited letter of support in connection with the presentation of financial statements of the following subsidiaries:

- Per Aarsleff Polska Sp. z o.o.
- Aarsleff Sp. z o.o.
- Danpipe A/S
- Aarsleff Rail A/S
- Per Aarsleff (UK) Limited
- Aarsleff Grundläggnings AB

The Group's Danish companies are jointly and severally liable for tax of the Group's jointly taxed income etc. Through the Danish joint taxation, a subsidiary has used losses in foreign subsidiaries. The resulting retaxation liability has been provided for on the basis of a specific assessment, taking into consideration the relationship between using tax losses abroad and retaxation in Denmark.

		30/9 2015	30/9 2014
	Security		
	The carrying amount of land and buildings that are pledged as security for mortgage debt to credit institutions amounts to	172,305	182,353

Warranty obligations primarily concern completed contracts, which are executed against a warranty of normally up to five years. Obligations have been determined on the basis of historical warranty expenses.

Per Aarsleff A/S participates in joint ventures under a joint and several liability. At 30 September 2015, total payables amount to DKK 579 million against DKK 563 million at 30 September 2014 of which DKK 326 million and DKK 335 million, respectively, are recognised in the balance sheet. The company does not expect any losses in addition to those included in the financial statements.

Note	tDKK
14	**Related party transactions**
	For transactions with related parties refer to note 22 to the consolidated financial statements.
15	**Currency and interest rate risks and the use of derivative financial instruments**
	For the use of derivative financial instruments as well as risks and capital management refer to note 20 to the consolidated financial statements.

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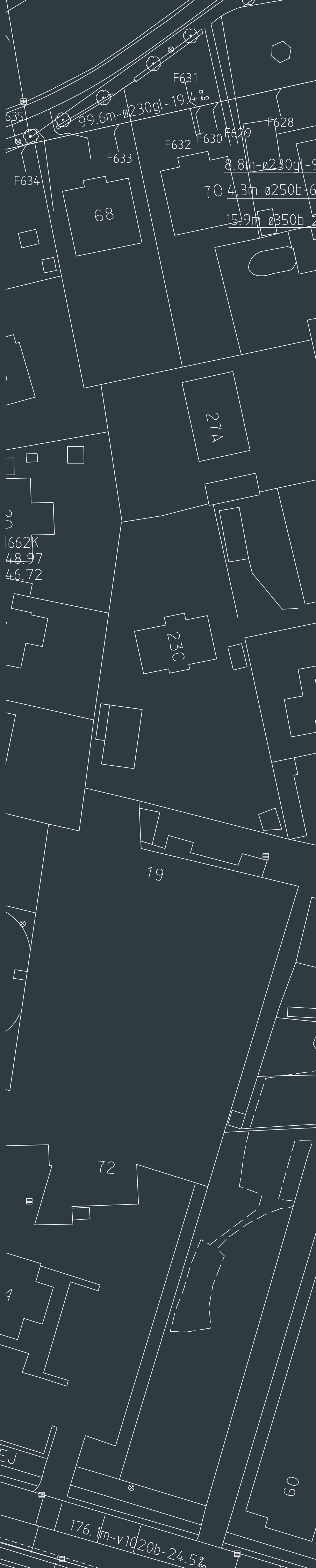

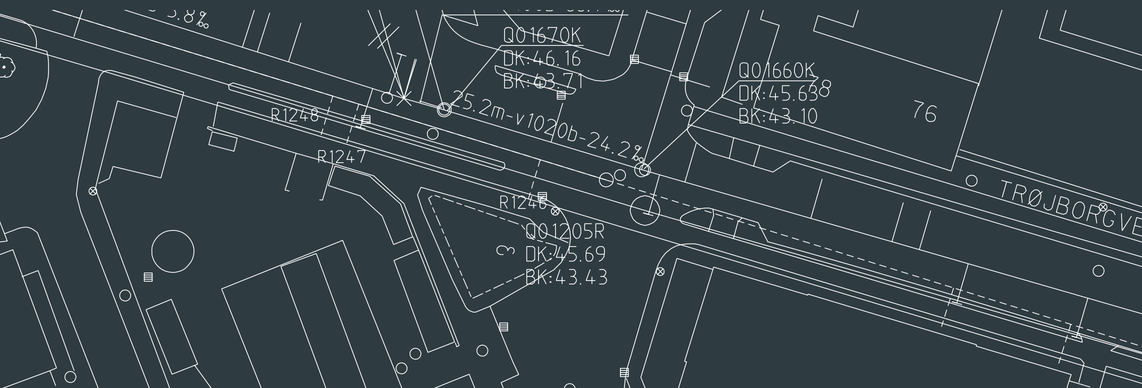

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