



Copenhagen Stock Exchange A/S
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Preliminary statement of accounts 2006

The Board of Directors of Højgaard Holding a/s today considered and approved the Annual Report for 2006 and hereby issues the preliminary statement of accounts.

Summary

- The group's turnover was DKK 6.0 billion, compared to DKK 4.6 billion in 2005.
- The MT Højgaard group realised a profit before tax of DKK 51 million, compared to DKK 125 million in the year before. The performance is unsatisfactory, but in line with the most recently announced expectations.
- The group's profit before tax was DKK 34 million, which is slightly better than the most recently announced expectations. In 2005 profit before tax of continuing operations was DKK 83 million.
- For 2007 a profit before tax of around DKK 130 million is expected.
- No payment of dividends is proposed for 2006.

Yours faithfully,
Højgaard Holding a/s

Per Møller
Chairman of the Board

Berit Lovring
CEO

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This statement has been translated from the Danish language, and in the event of any discrepancies between the Danish and the English language versions, the Danish language version is the governing text.

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Highlights and key figures for the group

DKK million	2002	2003	2004	2005	2006
Income statement					
Net turnover	5,249	4,339	4,014	4,615	6,019
Operating profit/loss	-233	19	74	80	37
Financial items and profit/loss of associates	11	38	4	2	-3
Profit/loss before tax, continuing operations	-222	57	78	83	34
Profit/loss, discontinued operations	136	467	13	17	0
Profit/loss for the year	-54	506	80	82	25
Balance sheet					
Fixed assets	1,081	736	648	578	666
Current assets	2,517	2,137	1,550	1,813	2,043
Total assets	3,598	2,873	2,198	2,391	2,709
Parent company's share of equity	1,557	907	930	793	640
Equity including minority interests	1,561	917	939	804	652
Liabilities	2,037	1,956	1,259	1,587	2,057
Total equity and liabilities	3,598	2,873	2,198	2,391	2,709
Interest-bearing assets	364	1,034	468	396	283
Interest-bearing liabilities	453	319	223	164	163
Invested capital	1,650	202	694	572	532
Cash flow statement					
Cash flows to/from operating activities	10	89	9	198	189
Cash flows to/from investing activities*	202	1,182	97	92	23
Cash flows to/from financing activities	-308	-685	-503	-242	-177
Total cash flows	-96	586	-397	48	35
*) Of which, in property, plant and equipment (gross)	-173	-64	-119	-124	-156
Key figures					
Dividend paid, DKK million	299	603	26	217	173
Share repurchases, DKK million	66	546	30	-	-
Total distributed to shareholders, DKK million	365	1,149	56	217	173
Proposed dividend per share, DKK	75	6	50	40	-
Average number of shares, million	8.2	7.4	4.4	4.3	4.3
Number of shares at end of period, million	8.0	4.5	4.3	4.3	4.3
Earnings per share, DKK	-6.8	67.9	18.2	18.2	4.6
Book value per share, DKK	194	201	215	183	148
Share price at end of period, A-shares	200	148	201	246	228
Share price at end of period, B-shares	197	144	201	239	219
Share price/book value	1.0	0.7	0.9	1.3	1.5
Price/earnings ratio	-	2.2	11.0	13.4	48.6
Return on equity, %	-3.1	38.1	8.6	9.6	2.9
Equity ratio, %	43.4	31.9	42.7	33.6	24.1
Other information					
Order book at end of year	2,899	2,619	2,946	4,537	5,867
Average number of employees	3,394	3,019	2,701	2,868	3,204

The highlights and key figures for 2004-2006 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. For 2002-2003, the highlights and key figures are pro forma; the highlights and key figures so far, based on the Danish Financial Statements Act and Danish accounting standards, have essentially been harmonised with IFRS practice.

MT Højgaard is included in the consolidated accounts on a proportional consolidation basis based on a holding of 54%.

Management's review

Group development

At the end of 2005, it was stated that the strategy plan from 2002 had been completed. The company's activities outside MT Højgaard a/s had been divested, and with the dividend for 2005 of DKK 40 per share, the proceeds from sales of activities had been distributed to the shareholders. In the strategy period, a total of DKK 2.0 billion was distributed in the form of dividends and repurchases of shares.

Højgaard Holding a/s' main asset is now the 54% ownership of MT Højgaard a/s. The cash resources represent around DKK 90 million. The management contract with Banedanmark held by Højgaard Industri a/s for the production of concrete sleepers at the facility in Fredericia owned by Banedanmark runs until the beginning of 2009.

The Højgaard Holding group's results will in all material respects correspond to 54% of the MT Højgaard group's results. Dividends available for distribution to shareholders will be dividends received from MT Højgaard a/s.

The MT Højgaard group experienced unsatisfactory earnings in 2006, which is why no dividend will be paid to the parent companies. Consequently no dividend is proposed from Højgaard Holding a/s.

Performance compared to expectations

The Højgaard Holding group's profit before tax was DKK 34 million, which is slightly better than the most recently announced expectations.

In the preliminary statement of accounts for 2005, we expected a profit before tax of around DKK 100 million, which was adjusted to a profit before tax of around DKK 30 million in the stock exchange announcement of November 13, 2006. The reason for this downward adjustment was the earnings performance of the MT Højgaard group.

Turnover

The group's turnover was DKK 6.0 billion, compared to DKK 4.6 billion in 2005 - an increase of 30%. Virtually all turnover is realised in the MT Højgaard group.

Results

The MT Højgaard group realised a profit before tax of DKK 51 million compared to DKK 125 million in 2005. This performance is unsatisfactory, but in line with the most recently announced expectations.

Højgaard Industri a/s' production of concrete sleepers as well as its profit was lower than in the previous year.

Højgaard NewCo a/s completed the remaining warranty cases, resulting in a previous provision of DKK 1 million being recognised as income.

The financial income of the parent company **Højgaard Holding a/s** decreased, partly due to distributions to shareholders, partly due to a decline in the prices of the bond portfolio.

The profit before tax of continuing operations was DKK 34 million, compared to DKK 83 million in 2005.

In 2005, the 12.5% holding in Denerco Oil A/S was sold at a gain of DKK 17 million.

Tax expenses for the year were DKK 9 million, compared to DKK 18 million in the previous year.

The group's overall profit after tax was DKK 25 million, compared to DKK 82 million in 2005.

Balance sheet and change in equity

The Højgaard Holding group's total assets rose to DKK 2,709 million at the end of 2006 from DKK 2,391 million at the end of 2005, which can be attributed to increasing activity at the MT Højgaard group.

The group's equity as at December 31, 2006 was DKK 652 million, compared to DKK 804 million the year before. In 2006, DKK 173 million was paid out in dividend to shareholders.

The book value of the shares as at December 31, 2006 can be calculated at DKK 148 per share of DKK 20.

Cash flow statement

Cash flow from operating activities was DKK 189 million compared to DKK 198 million in 2005.

Investing activities constituted DKK 23 million compared to DKK 92 million in 2005. Net investments in property, plant and equipment constituted DKK 118 million and sales of securities constituted DKK 136 million.

The cash flows to financing activities of DKK 177 million are attributable mainly to the distribution of dividend.

In overall terms, the group's liquid assets rose by DKK 35 million to DKK 126 million.

MT Højgaard Group

Holding 54%. The following figures are 100%.

DKK million	2006	2005
Net turnover	11,083	8,463
Profit before tax	51	125
Profit for the year	37	100
Total assets	4,833	3,926
Equity	1,048	1,016
Order book	10,752	8,352
Employees	5,889	5,260

The MT Højgaard group' profit before tax was an unsatisfactory profit of DKK 51 million compared to DKK 125 million in 2005. This profit is in line with the most recently announced expectations.

Turnover in 2006 rose to DKK 11,083 million compared to DKK 8,463 million in 2005. The level of activity has increased in both the Contracting business and in the subsidiaries.

The performance primarily reflected a negative development on a few large residential and refurbishment projects in Greater Copenhagen. The main reasons were the historically high level of activity in the industry which is adversely affecting planning potential and the access to resources, and more onerous and more costly contracting with trade contractors than foreseen.

Subsidiaries continue to experience positive developments with an operating profit of DKK 243 million in 2006 compared to DKK 128 million in 2005. This improvement is to some extent due to non-recurring factors.

As regards the Buxton project, there are no changes to report in relation to what was stated in the 2005 annual report. The claims raised by MT Højgaard for extra payments are subject to arbitration and in accordance with the company's policy no income has been recognised in the financial statements in this respect.

The order book represented DKK 10,752 million at the end of 2006, which is equivalent to approx. 12 months' production.

The market conditions are expected to be stable in 2007, and turnover is expected to be approx. DKK 11 billion. In 2007, turnover abroad is expected to increase to just over 20% of the total turnover compared to 17% in 2006.

For 2007, a profit before tax of around DKK 225 million is expected, and Højgaard Holding a/s' share is 54%.

Please refer to MT Højgaard's preliminary statement of accounts for 2006 for more details concerning MT Højgaard.

Højgaard Industri a/s

Holding 100%

DKK million	2006	2005
Profit before tax	10	12
Profit for the year	7	9
Total assets	15	21
Equity	10	11

Højgaard Industri a/s holds a management contract for the production of concrete sleepers for Banedanmark at Banedanmark's facility in Fredericia.

The sleeper factory's production was lower than the previous year, and this was the reason for the lower profit.

For 2007, increased production and a slightly higher profit are expected.

Events occurring after the close of the financial year

Other than the events and developments described and recognised in this preliminary statement, the management is not aware of any other events occurring after December 31, 2006 which will have a significant impact on the financial position or future expectations of the Højgaard Holding group.

Annual General Meeting

The Annual General Meeting will take place on **Monday, April 23, 2007 at 3.00 p.m.** at Birkemosesalen, Borups Allé 177, Copenhagen.

The Board of Directors will not propose distribution of dividend for 2006. Last year, dividend of DKK 40 per share was paid, corresponding to DKK 173 million.

The Board of Directors proposes that the authorisation to have the company acquire own shares equivalent to up to 10% of the share capital be prolonged.

The entire Board of Directors comes up for re-election every year. The Board of Directors will propose re-election of Per Møller, Bent Pedersen and Morten Iversen, whilst Bent Nyløkke will not run for re-election. Following this, members of the Board of Directors of Højgaard Holding a/s will also be members of MT Højgaard a/s' Board of Directors.

The company's Annual Report is expected to be available at the beginning of April 2007.



Expectations for 2007

The MT Højgaard group expects turnover of approx. DKK 11 billion and a profit before tax of around DKK 225 million. Corresponding to its holding, 54% of this will be included in Højgaard Holding's profit.

Overall the Højgaard Holding group expects turnover of approx. DKK 6.0 billion and a profit before tax of around DKK 130 million.

The group's effective tax rate is expected to be at the level of the Danish tax rate.

In 2007, the Danish government expects to introduce a bill on amendment of corporate taxation. A possible reduction of the tax rate in 2007 will affect the tax value of the Højgaard Holding group's deferred net tax asset.

This preliminary statement contains forward-looking statements concerning the management's expectations for turnover and financial results. The projections for future economic development are by their very nature subject to uncertainty and risks that may lead to the development deviating from expectations. For a description of risks, refer to the section "Risk factors" in the Annual Report 2005.

Group income statement

DKK million	2006	2005
Net turnover	6,018.9	4,614.7
Production costs	5,770.4	4,340.2
Gross profit	248.5	274.5
Sales costs	69.6	63.1
Administration costs	141.9	131.0
Operating profit/loss	37.0	80.4
Share of profit/loss after tax of associates	0.0	-1.6
Financial income	19.7	24.0
Financial expenses	22.9	20.2
Profit/loss before tax, continuing operations	33.8	82.6
Tax on profit/loss, continuing operations	9.1	17.8
Profit/loss, continuing operations	24.7	64.8
Profit/loss, discontinued operations	0.0	17.5
Profit/loss for the year	24.7	82.3

The profit/loss for the year breaks down as follows:

Shareholders in Højgaard Holding a/s	20.1	78.9
Minority shareholders	4.6	3.4
Total	24.7	82.3

The profit/loss for the year can be specified as follows:

MT Højgaard group	19.8	54.0
Højgaard Industri a/s	7.5	8.9
Højgaard NewCo a/s	0.8	0.0
Højgaard Holding a/s	-3.4	1.9
Profit/loss, continuing operations	24.7	64.8
Profit/loss, discontinued operations	0.0	17.5
Profit for the year	24.7	82.3

Statement of equity

The change in equity can be specified as follows:

Equity 01-01	803.7	938.5
Dividend paid	-173.4	-225.6
Dividend, own shares	0.0	8.9
Profit/loss for the year	24.7	82.3
Minority interests adjustments	-2.5	-0.8
Exchange rate adjustments	-0.1	0.4
Equity 31-12	652.4	803.7

Group balance sheet

DKK million	2006	2005
Assets		
Fixed assets		
Intangible assets		
Goodwill	39.7	37.4
Total intangible assets	39.7	37.4
Property, plant and equipment		
Land and buildings	193.0	174.3
Production, plant and machinery	240.3	226.3
Other plant, machinery and equipment	42.3	38.7
Property, plant and equipment under construction	15.0	8.2
Total property, plant and equipment	490.6	447.5
Investments		
Investments in associates	0.4	3.1
Receivables from associates	3.0	3.0
Other investments	1.9	2.6
Deferred tax assets	130.7	84.7
Total investments	136.0	93.4
Total fixed assets	666.3	578.3
Current assets		
Inventories		
Raw materials and consumables	30.1	29.2
Real property	120.4	163.2
Total inventories	150.5	192.4
Receivables		
Receivables from sales and services	1,185.0	899.4
Contract work in progress	326.0	254.6
Receivables from associates	3.4	3.2
Corporation tax	0.0	0.5
Other receivables	54.0	34.7
Prepayments	41.9	32.8
Total receivables	1,610.3	1,225.2
Securities	130.9	273.0
Cash and cash equivalents	150.9	122.5
Total current assets	2,042.6	1,813.1
Total assets	2,708.9	2,391.4

Group balance sheet

DKK million	2006	2005
Equity and liabilities		
Equity		
Share capital	86.7	86.7
Reserve for exchange rate adjustments	-1.5	-1.4
Retained earnings	554.4	534.3
Proposed dividend	0.0	173.4
Parent company's share of equity	639.6	793.0
Minority interests	12.8	10.7
Total equity	652.4	803.7
Long-term liabilities		
Credit institutions etc.	94.4	113.8
Deferred tax liabilities	13.0	12.8
Other provisions	33.6	30.9
Total long-term liabilities	141.0	157.5
Short-term liabilities		
Short-term share of long-term liabilities	43.7	18.5
Credit institutions etc.	25.1	31.7
Contract work in progress	657.1	371.6
Prepayments received from customers	74.5	55.2
Suppliers of goods and services	693.9	570.1
Payables to associates	0.2	2.2
Corporation tax	22.1	7.0
Other liabilities	365.3	337.6
Deferred income	32.1	35.1
Other provisions	1.5	1.2
Total current liabilities	1,915.5	1,430.2
Total liabilities	2,056.5	1,587.7
Total equity and liabilities	2,708.9	2,391.4

Group cash flow statement

DKK million	2006	2005
Operations		
Operating profit/loss	37.0	80.4
Operating items with no impact on cash flow	97.3	91.9
Cash flow to/from primary operations before change in working capital	134.3	172.3
Changes in working capital:		
Inventories	41.3	46.8
Receivables excl. contract work in progress	-312.3	-219.0
Contract work in progress	200.8	-80.6
Supplier and other current liabilities	148.3	286.1
Cash flow to/from primary operations	212.4	205.6
Financial income	19.7	24.6
Financial expenses	-17.7	-16.9
Cash flow to/from ordinary operations	214.4	213.3
Corporation tax paid	-25.2	-15.7
Cash flow to/from operating activities	189.2	197.6
Investments		
Acquisition of companies and activities	-3.7	-29.4
Divestment of companies and activities	6.8	135.0
Acquisition of property, plant and equipment	-155.3	-114.4
Divestment of property, plant and equipment	37.0	24.5
Receivables from associates	2.7	0.0
Acquisitions/divestments of securities	135.8	76.8
Cash flow to/from investing activities	23.3	92.5
Financing		
Loan financing:		
Minority interests	-2.5	-0.8
Repayment and reduction of long-term liabilities to credit institutions, etc.	-1.6	-24.6
Shareholders:		
Dividend	-173.4	-216.7
Cash flow to/from financing activities	-177.5	-242.1
Cash flows for the year, net	35.0	48.0
Cash and cash equivalents 01-01	90.8	42.8
Cash and cash equivalents 31-12	125.8	90.8