



Stock exchange announcement

28 May 2010

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## **Interim report for 1 January to 31 March 2010 (1st quarter 2010)**

The board of directors of Højgaard Holding A/S has today considered and approved this interim report for the period from 1 January to 31 March 2010.

- As expected, the group's revenue has been affected by the hard winter and amounts to DKK 1.0 billion, down 17% on the same period last year.
- MT Højgaard A/S' pre-tax profit has been affected by the revenue performance and, as expected, amounts to DKK 6 million versus DKK 83 million for the same period last year.
- The group's pre-tax profit was DKK 7 million versus DKK 50 million for the same period last year.
- For 2010, the Højgaard Holding group still expects a revenue of approximately DKK 5 billion and a pre-tax margin in the region of 2% to 3%.

Best regards,  
Højgaard Holding A/S

Helge Israelsen  
Chairman of the board

Berit Lovring  
CEO

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### Highlights and key figures for the group

DKK million	2010 1st quarter	2009 1st quarter	2009 Full year
<b>Income statement</b>			
Revenue	969	1.163	4,979
Operating profit	1	43	169
Financial items and profit of associates	6	7	15
Profit before tax	7	50	184
Profit after tax	5	37	134
<b>Balance sheet</b>			
Non-current assets	549	547	560
Current assets	2,341	2,436	2,520
Total assets	2,890	2,983	3,080
Equity	971	917	964
Liabilities	1,919	2,066	2,116
Total equity and liabilities	2,890	2,983	3,080
Interest bearing net deposit	584	592	547
Invested capital	387	325	417
<b>Cash flows</b>			
Cash flow to/from operating activities	39	236	274
Cash flow to/from investing activities	-61	-190	-269
Cash flow to/from financing activities	21	-5	-57
Total cash flows	-1	41	-52
<b>Key figures</b>			
Pre-tax margin	0.7	4.3	3.7
Dividend paid, DKK million	-	-	42
Share buy-backs, DKK million	-	-	5
Average number of shares, million	4.2	4.2	4.2
Number of shares at end of period, million	4.2	4.2	4.2
Earnings and diluted earnings per share (EPS and EPS-D), DKK	1.3	8.7	31.7
Book value per share, DKK	231	216	229
Share price at end of period, A-shares	242	107	178
Share price at end of period, B-shares	244	115	186
Share price/book value	1.0	0.5	0.8
Return on equity for the period, %	0.6	4,1	14.6
Equity ratio, %	33.6	30.7	31.3
<b>Other information</b>			
Order book at end of period	4,423	5,268	4,087
Average number of employees	2,943	3,132	3,201

The interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting", as adopted by the EU, and additional Danish disclosure requirements for interim reporting by listed companies. IFRSs and IFRICs with an effective date of 1 January 2010, including IFRS 3 and updated IAS 27, have been implemented. These changes have not had any impact on the preparation of the interim report.

The presentation in the income statement of profits and losses on derivative financial instruments that arise in connection with operating activities was changed in connection with the annual report for 2009. These items are now reported under production costs. Comparative figures in the interim report have been restated accordingly.

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

The key figures have been calculated in accordance with the Danish Society of Financial Analysts' guidelines for the calculation of key figures.

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

## Management's review

Højgaard Holding A/S' main asset is the 54% ownership share of MT Højgaard a/s. 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 2012. The parent company's cash resources amount to approximately DKK 85 million, after the dividend for 2009 has been paid.

The group's profit before tax was DKK 7 million versus DKK 50 million for the same period last year.

Tax on the profit for the period was DKK 2 million, which corresponds to an effective tax rate of 26%.

The group's equity stood at DKK 971 million on 31 March 2010, and the book value corresponds to DKK 231 per share of DKK 20. A dividend of DKK 10 per share for 2009 (in total DKK 42.5 million) was paid at the end of April 2010.

In 2009, 42,329 own B-shares were repurchased and subsequently cancelled at the annual general meeting on 23 April 2010.

### MT Højgaard group

Holding 54%. The following figures are 100%

DKK million	2010	2009	2009
	1st quarter	1st quarter	Full year
Revenue	1,758	2,116	9,087
Profit before tax	6	83	307
Profit after tax	4	61	223
Total assets	5,139	5,295	5,504
Equity	1,616	1,502	1,610
Order book	8,105	9,668	7,455
Employees	5,395	5,744	5,872
Pre-tax margin, %	0.3	3.9	3.4

As expected, the MT Højgaard group's revenue has been affected by the hard winter and amounts to DKK 1.8 billion, down 17% on the same period last year.

The pre-tax margin was affected by the revenue performance and amounts to 0.3% versus 3.9% for the same period in 2009.

The result before tax is as expected a modest profit of DKK 6 million.



For 2009, the MT Højgaard Holding group still expects a revenue of approximately DKK 9 billion and a pre-tax margin in the region of 2% to 3%.

For further details regarding MT Højgaard, please refer to MT Højgaard's interim report which Højgaard Holding has today made public.

## Højgaard Industri a/s

Holding 100%

DKK million	2010 1st quarter	2009 1st quarter	2009 Full year
Revenue	19.0	20.2	71.5
Profit before tax	4.1	4.2	14.2
Profit after tax	3.1	3.2	10.6
Total assets	29.5	26.3	22.8
Equity	15.7	13.8	12.6

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

The result achieved is on a par with the same period last year. For 2010 as a whole, a slightly lower result than in 2009 is anticipated.

## Related parties

Knud Højgaards Fond owns 64% of Højgaard Holding A/S.

Apart from intercompany transactions that have been eliminated in the consolidated financial statements and normal management remuneration, no significant transactions have been effected during the period with major shareholders, the board of directors, the management or other related parties.

Transactions between Højgaard Holding A/S and other consolidated enterprises are made on an arm's length basis.

## Outlook for 2010

Overall, the Højgaard Holding group still expects a revenue of approximately DKK 5 billion and a pre-tax margin in the region of 2% to 3%.

The group's effective tax rate is expected to be at a slightly higher level than the Danish corporation tax rate.



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The projections for future economic development are by their very nature subject to uncertainties and risks which may result in a development that deviates from expectations. For a description of risks and uncertainties, refer to the section "Risk factors" in the annual report 2009. The significant risks and uncertainties are unchanged from the annual report.

## **Management's statement**

The board of directors and management have today considered and approved this interim report for Højgaard Holding A/S for the period from 1 January to 31 March 2010.

The interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting", as adopted by the EU, and additional Danish disclosure requirements for interim reporting by listed companies.

In our opinion, the interim financial statement provides a true and fair view of the group's assets, equity and liabilities and financial position on 31 March 2010 and of the results of the group's activities and cash flows for the accounting period from 1 January to 31 March 2010.

Further, in our opinion, the management's review also gives a true and fair description of the development in the group's activities and financial affairs, the results for the period and the group's financial position as a whole and describes the significant risks and uncertainties pertaining to the group.

Kgs. Lyngby, 28 May 2010

## **Management**

Berit Lovring  
CEO

## **Board of directors**

Helge Israelsen  
Chairman

Jens Jørgen Madsen  
Deputy chairman

Lars Rasmussen

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## Group income statement

DKK million	2010 1st quarter	2009 1st quarter	2009 Full year
Revenue	968.5	1,163.0	4,978.7
Production costs	911.5	1,070.0	4,588.5
<b>Gross profit</b>	<b>57.0</b>	93.0	390.2
Sales costs	18.0	15.7	77.3
Administration costs	37.8	34.6	144.4
<b>Operating profit</b>	<b>1.2</b>	42.7	168.5
Share of profit of associated companies after tax	0.0	0.0	0.2
Financial items	6.1	7.5	15.0
<b>Profit before tax</b>	<b>7.3</b>	50.2	183.7
Tax on profit	1.9	13.2	49.9
<b>Profit after tax</b>	<b>5.4</b>	37.0	133.8
The profit before tax can be specified as follows:			
MT Højgaard group	3.0	44.6	165.7
Højgaard Industri a/s	4.1	4.2	14.2
Højgaard Holding A/S	0.2	1.4	3.8
<b>Profit before tax</b>	<b>7.3</b>	50.2	183.7
Earnings and diluted earnings per share (EPS and EPS-D), DKK	1.3	8.7	31.7

## Group statement of comprehensive income

DKK million

<b>Profit after tax</b>	<b>5.4</b>	37.0	133.8
<b>Other comprehensive income</b>			
Exchange adjustments, foreign companies	1.4	-0.1	0.1
Value adjustment of hedging instruments	0.0	0.0	-2.8
Tax on other comprehensive income	0.0	0.0	0.0
<b>Other comprehensive income after tax</b>	<b>1.4</b>	-0.1	-2.7
<b>Total comprehensive income</b>	<b>6.8</b>	36.9	131.1



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## Group balance sheet

DKK million	2010 31 March	2009 31 March	2009 31 December
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	58.9	51.1	58.8
Property, plant and equipment	416.5	419.5	430.6
Deferred tax assets	64.9	64.7	62.0
Other investments	9.0	11.7	8.9
<b>Total non-current assets</b>	<b>549.3</b>	<b>547.0</b>	<b>560.3</b>
<b>Current assets</b>			
Inventories	325.3	300.1	313.0
Receivables from sales and services	985.8	1,032.6	1,172.8
Construction contracts in progress	197.8	270.4	206.9
Other receivables	159.5	167.6	209.0
Securities	449.5	343.0	390.2
Cash and cash equivalents	222.9	322.5	228.0
<b>Total current assets</b>	<b>2,340.8</b>	<b>2,436.2</b>	<b>2,519.9</b>
<b>Total assets</b>	<b>2,890.1</b>	<b>2,983.2</b>	<b>3,080.2</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	<b>971.2</b>	<b>917.3</b>	<b>964.4</b>
<b>Non-current liabilities</b>			
Credit institutions etc.	73.0	46.7	51.7
Other provisions	80.8	54.4	78.2
<b>Total non-current liabilities</b>	<b>153.8</b>	<b>101.1</b>	<b>129.9</b>
<b>Current liabilities</b>			
Credit institutions etc.	15.1	27.1	19.6
Construction contracts in progress	720.9	840.3	824.7
Suppliers of goods and services	396.7	521.8	547.6
Other current liabilities	632.4	575.6	594.0
<b>Total current liabilities</b>	<b>1,765.1</b>	<b>1,964.8</b>	<b>1,985.9</b>
<b>Total liabilities</b>	<b>1,918.9</b>	<b>2,065.9</b>	<b>2,115.8</b>
<b>Total liabilities</b>	<b>2,890.1</b>	<b>2,983.2</b>	<b>3,080.2</b>



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## Group statement of changes in equity

DKK million	Share-capital	Reserve for hedging transactions	Reserve for exchange rate adjustments	Profit carried forward	Proposed dividend	Total equity
<b>Equity at 1 January 2010</b>	<b>84.9</b>	<b>-2.8</b>	<b>1.1</b>	<b>838.7</b>	<b>42.5</b>	<b>964.4</b>
Profit after tax				5.4		5.4
Exchange adjustments			1.4			1.4
<b>Total changes in equity</b>			<b>1.4</b>	<b>5.4</b>		<b>6.8</b>
<b>Equity at 31 March 2010</b>	<b>84.9</b>	<b>-2.8</b>	<b>2.5</b>	<b>844.1</b>	<b>42.5</b>	<b>971.2</b>
<b>Equity at 1 January 2009</b>	<b>86.7</b>		<b>1.0</b>	<b>749.4</b>	<b>43.3</b>	<b>880.4</b>
Profit after tax				37.0		37.0
Exchange adjustments			-0.1			-0.1
<b>Total changes in equity</b>			<b>-0.1</b>	<b>37.0</b>		<b>36.9</b>
<b>Equity at 31 March 2009</b>	<b>86.7</b>		<b>0.9</b>	<b>786.4</b>	<b>43.3</b>	<b>917.3</b>

## Group cash flow statement

DKK million	2010 1st quarter	2009 1st quarter	2009 Full year
<b>Operations</b>			
Operating profit	1.2	42.7	168.5
Operating items with no impact on cash flow	14.4	19.9	73.3
<b>Cash flow to/from primary operations before changes in working capital</b>	<b>15.6</b>	<b>62.6</b>	<b>241.8</b>
Changes in working capital	23.1	173.5	32.6
<b>Cash flow to/from operating activities</b>	<b>38.7</b>	<b>236.1</b>	<b>274.4</b>
Net investments other than securities	-1.9	-30.8	-86.1
Net investments in securities	-58.7	-159.5	-183.1
<b>Cash flow to/from investing activities</b>	<b>-60.6</b>	<b>-190.3</b>	<b>-269.2</b>
<b>Cash flow to/from financing activities</b>	<b>21.4</b>	<b>-5.0</b>	<b>-57.4</b>
<b>Cash flows, net</b>	<b>-0.5</b>	<b>40.8</b>	<b>-52.2</b>
Cash and cash equivalents at beginning of period	216.7	268.9	268.9
<b>Cash and cash equivalents at end of period</b>	<b>216.2</b>	<b>309.7</b>	<b>216.7</b>

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## Segment information

DKK million	2010 1st quarter	2009 1st quarter	2009 Full year
<b>Revenue</b>			
Construction work	949.5	1,142.8	4,907.2
Production	19.0	20.2	71.5
<b>Revenue, total</b>	<b>968.5</b>	<b>1,163.0</b>	<b>4,978.7</b>
<b>Profit before tax</b>			
Construction work	3.0	44.6	165.7
Production	4.1	4.2	14.2
Parent company/eliminations	0.2	1.4	3.8
<b>Profit before tax, total</b>	<b>7.3</b>	<b>50.2</b>	<b>183.7</b>
<b>Total assets</b>			
Construction work	2,775.2	2,859.1	2,972.3
Production	29.5	26.3	22.8
Parent company/eliminations	85.4	97.8	85.1
<b>Total assets</b>	<b>2,890.1</b>	<b>2,983.2</b>	<b>3,080.2</b>