



Stock exchange announcement

2010-05-28

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MT Højgaard a/s

Enclosed please find MT Højgaard a/s' report for 1st quarter 2010 (1 January – 31 March 2010), which is hereby published.

Højgaard Holding A/S holds an ownership interest of 54 % in MT Højgaard a/s.

Yours faithfully,
Højgaard Holding A/S

Berit Lovring
CEO

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

28 May 2010

Interim financial report – First quarter 2010 (1/1 – 31/3 2010)

The Supervisory Board of MT Højgaard a/s has today discussed and approved the interim financial report for the first quarter of 2010.

Søborg, 28 May 2010
Supervisory Board and Executive Board

Helge Israelsen
Chairman

Kristian May
President and CEO

This announcement can also be viewed on MT Højgaard's website:
www.mthojgaard.com.

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This announcement is available in Danish and English.

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Financial performance matched expectations

- First-quarter revenue was affected by the hard winter, as expected, and amounted to DKK 1.8 billion, down 17% on the same period last year.
- The pre-tax margin was affected by the revenue performance and amounted to 0.3% versus 3.9% in the same period in 2009.
- Financial resources remain strong.
- The result before tax was a profit of DKK 6 million, as expected.

Outlook for 2010 reaffirmed

- The 2010 revenue outlook of approx. DKK 9 billion is reaffirmed.
- Given the current economic climate, we do not expect to be able to achieve the same pre-tax margin in 2010 as in 2009
- The pre-tax margin is expected to be in the region of 2% to 3%, reaffirming the expectations expressed in the 2009 annual report.
- The order book stood at DKK 8.1 billion at the end of the first quarter, compared with DKK 7.5 billion at the start of the year.
- Financial resources are expected to remain strong.

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Consolidated financial highlights

| Amounts in DKK million | 2010 YTD | 2009 YTD | 2009 Year |
|---|-------------|-------------|--------------|
| Income statement | | | |
| Revenue | 1,758 | 2,116 | 9,087 |
| Operating profit (loss) (EBIT) | -3 | 73 | 290 |
| Net financing costs and profit of associates | 9 | 10 | 17 |
| Profit before tax | 6 | 83 | 307 |
| Profit after tax | 4 | 61 | 223 |
| Balance sheet | | | |
| Share capital | 220 | 220 | 220 |
| Equity | 1,616 | 1,502 | 1,610 |
| Balance sheet total | 5,139 | 5,295 | 5,504 |
| Interest-bearing net deposit/net debt (+/-) | 895 | 898 | 824 |
| Invested capital | 816 | 684 | 880 |
| Cash flows | | | |
| Cash flows from operating activities | 75 | 443 | 485 |
| Cash flows for investing activities: | | | |
| <i>Net investments excl. securities</i> | -4 | -57 | -159 |
| <i>Net investments in securities</i> | -106 | -291 | -362 |
| Cash flows from financing activities | 40 | -9 | -69 |
| Net increase (decrease) in cash and cash equivalents | 5 | 86 | -105 |
| Financial ratios (%) | | | |
| Gross margin | 5.5 | 7.8 | 7.6 |
| Operating margin (EBIT margin) | -0.2 | 3.4 | 3.2 |
| Pre-tax margin | 0.3 | 3.9 | 3.4 |
| Return on invested capital (ROIC) * | -0.4 | 7.8 | 30.7 |
| Return on equity (ROE) * | 0.2 | 4.1 | 14.4 |
| Equity ratio | 31.5 | 28.4 | 29.2 |
| Other information | | | |
| Order book, year end | 8,105 | 9,668 | 7,455 |
| Average number of employees | 5,395 | 5,744 | 5,872 |

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

The presentation in the income statement of gains and losses on derivative financial instruments arising in connection with operating activities was changed in connection with the 2009 annual report. These are now recognised as production costs. Comparative figures in the interim financial report have been restated accordingly.

The financial ratios have been calculated in accordance with the Danish Society of Financial Analysts' 'Recommendations & Financial Ratios 2005'. Financial ratios are defined in the 2009 annual report.

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

*) Not converted to full-year figures.

Management's review

Group diagram

| MT Højgaard | | | | | | |
|------------------|--|--------------|----------------|---------------------|----------------------------|--|
| Business areas | Civil Engineering | Construction | Major Projects | Project Development | Utility Services (Subtera) | Subsidiaries |
| | | | | | | Ajos a/s Enemærke & Petersen a/s Lindpro a/s Promecon a/s Scandi Byg a/s Timbra a/s Greenland Contractors I/S (67%) Seth S.A. (60%) |
| Business support | Business Processes :: Design & Engineering :: Facility Management :: Finance :: HR :: IT Legal & Insurance :: Marketing & Communications :: Purchasing :: QHSE :: Strategy & Business Development | | | | | |

The Group is organised into five business areas, separate subsidiaries and the Group's corporate functions in Business Support.

Civil Engineering undertakes infrastructure and civil engineering projects in Denmark and internationally, Construction carries out construction projects in Denmark and the North Atlantic region, Major Projects takes care of the Group's large projects, while Project Development develops projects for or together with investors and clients and Utility Services undertakes all forms of utility services assignments.

Subsidiaries comprises the Group's subsidiaries and jointly controlled entities with separately profiled capabilities.

Business Support comprises the company's corporate functions, which are responsible for ensuring operation and development.

Income statement

First-quarter revenue was DKK 1.8 billion, down 17% on the same period last year. The development was expected and was partly a consequence of the hard winter. Revenue can be broken down by activity as illustrated in the table below.

| Revenue DKK million | YTD 2010 | YTD 2009 | Year 2009 |
|--------------------------|--------------|--------------|--------------|
| Civil Engineering | 447 | 541 | 2,334 |
| Construction | 575 | 606 | 2,847 |
| Major Projects | 72 | 10 | 152 |
| Project Development | 2 | 60 | 258 |
| Utility Services | 24 | 96 | 345 |
| Subsidiaries | 736 | 902 | 3,619 |
| Eliminations/other | -98 | -99 | -468 |
| MT Højgaard Group | 1,758 | 2,116 | 9,087 |

The first-quarter operating result was a loss of DKK 3 million versus a profit of DKK 73 million in the first quarter of 2009.

Net financing costs amounted to net income of DKK 9 million versus DKK 10 million in the same period last year.

The result before tax was a modest profit of DKK 6 million, as expected, down DKK 77 million on last year, and should be viewed in the context of the 17% decline in revenue. The pre-tax margin was consequently 0.3% versus 3.9% in the same period in 2009.

Income tax expense was DKK 2 million, corresponding to an effective tax rate of 28.0%, compared with 26.5% in the same period last year.

The result after tax was consequently a profit of DKK 4 million compared with a profit of DKK 61 million in the same period last year.

Balance sheet

The consolidated balance sheet total stood at DKK 5,139 million at 31 March 2010, a reduction of DKK 365 million on the end of 2009, primarily reflecting a decrease in receivables and trade payables.

Equity stood at DKK 1,616 million, giving an equity ratio of 31.5% compared with 29.2% at the end of 2009. Equity includes dividend of DKK 50 million for 2009, which was paid in April 2010.

The interest-bearing net deposit has increased by DKK 71 million in 2010, standing at DKK 895 million, primarily due to less funds tied up in working capital.

Cash flows and financial resources

Cash flows from operating activities benefited from the results for the period and less funds tied up in working capital, and amounted to an inflow of DKK 75 million compared with an inflow of DKK 443 million in the same period last year.

Cash flows for investing activities amounted to an outflow of DKK 110 million net, with acquisition of short-term securities absorbing DKK 106 million. The securities form part of the Group's financial resources.

Financing activities generated a cash inflow of DKK 40 million compared with an outflow of DKK 9 million in the same period last year.

There was a DKK 5 million net increase in cash and cash equivalents in the first three months of 2010 compared with a net increase of DKK 86 million in the same period last year.

The Group's financial resources, calculated as cash, including cash and cash equivalents in joint ventures and jointly controlled entities, and securities and undrawn credit facilities, amounted to DKK 1,418 million at 31 March 2010.

The financial resources included cash and cash equivalents in joint ventures and jointly controlled entities of DKK 132 million that are available exclusively to the joint ventures and jointly controlled entities, compared with DKK 88 million in the same period last year.

Order book

The order book stood at DKK 8,105 million at the start of the second quarter, compared with DKK 7,455 million at the start of the year.

| DKK million | 2010 YTD | 2009 YTD | 2009 Year |
|----------------------------------|--------------|--------------|--------------|
| Order book, beginning of period | 7,455 | 9,461 | 9,461 |
| Order intake during period | 2,408 | 2,323 | 7,081 |
| Production during period | -1,758 | -2,116 | -9,087 |
| Order book, end of period | 8,105 | 9,668 | 7,455 |

The order intake in the first quarter of 2010 was DKK 2,408 million compared with DKK 2,323 million for the same period last year, and the order book was DKK 650 million higher than on 31 December 2009. The order book includes a number of large orders extending over several years.

Related parties

MT Højgaard a/s is owned by Højgaard Holding a/s (54%) and Monberg & Thorsen A/S (46%), both of which are listed on NASDAQ OMX Copenhagen.

Apart from intragroup 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, members of the Supervisory Board or Executive Board or other related parties.

Transactions between MT Højgaard a/s and the other group enterprises are based on arm's length terms.

Management information

At MT Højgaard's Annual General Meeting on 16 April 2010, the Supervisory Board was reduced from 12 to 10 members.

The Supervisory Board consequently consists of: Helge Israelsen (Chairman), Jørgen Nicolajsen (Deputy Chairman), Curt Germundsson, Poul Lind, Jens Jørgen Madsen and Lars Rasmussen, who have been elected by the shareholders in general meeting, and Irene Chabior, Torsten Ask Overgaard, Hans-Henrik H. Hansen and Knud Rasmussen, who have been elected by the employees.

Outlook for 2010

The development in the past months since the presentation of the 2009 annual report has not changed our overall expectations concerning the level of activity in 2010.

The activities in the markets in Denmark are still facing pressure, and competition is extremely fierce. We expect a slightly lower level of activity than in 2009.

In the international markets, we are focusing on selective identification of project opportunities that match our capabilities and resources. We are applying particular attention to the market for foundations for offshore wind farms - an area in which we are among the most experienced in the world. We estimate that the level of activity in 2010 will be slightly higher than in 2009.

Based on our order book and the market outlook at the start of the second quarter, we still expect revenue to be approx. DKK 9 billion.

Given the current economic climate, we do not expect to be able to achieve the same satisfactory pre-tax margin in 2010 as in 2009. The full-year pre-tax margin for 2010 is still expected to be 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 corporate income tax rate.

By their nature, these expectations concerning the future financial performance are subject to uncertainties and risks that may cause the performance to differ from the expectations expressed in this report. For a description of risks and uncertainties, reference is made to the section "Risk

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factors” in the 2009 annual report. The significant risks and uncertainties are consistent with those described in the annual report.

Statement by the Executive and Supervisory Boards

The Executive and Supervisory Boards have today discussed and approved the interim financial report of MT Højgaard a/s for the period 1 January – 31 March 2010.

The interim financial report has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and Danish disclosure requirements for interim financial reports.

In our opinion, the interim financial statements give a true and fair view of the Group’s financial position at 31 March 2010 and of the results of the Group’s operations and cash flows for the period 1 January - 31 March 2010.

Further, in our opinion, the Management’s review gives fair review of the development in the Group’s operations and financial matters, the results for the period and the Group’s financial position and a description of the significant risks and uncertainty factors pertaining to the Group.

Søborg, 28 May 2010

Executive Board

Kristian May
President and CEO

Johnny Rasmussen Jens Nyhus
Executive Vice President, Executive Vice President
Finance

Peter Kofoed Thorbjørn N. Rasmussen
Executive Vice President Executive Vice President

Supervisory Board

Helge Israelsen Jørgen Nicolajsen Irene Chabior*
Chairman Deputy Chairman

Curt Germundsson Hans-Henrik Hansen* Poul Lind

Jens Jørgen Madsen Torsten Ask Overgaard *

Knud Rasmussen* Lars Rasmussen

*) Employee representative

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Income statement

| Amounts in DKK million | 2010 Q1 | 2009 Q1 | 2009 Year |
|---|-------------|------------|--------------|
| Revenue | 1,758.4 | 2,116.2 | 9,087.4 |
| Production costs | -1,661.2 | -1,952.1 | -8,396.2 |
| Gross profit | 97.2 | 164.1 | 691.2 |
| Distribution costs | -33.4 | -29.0 | -143.2 |
| Administrative expenses | -66.9 | -62.4 | -258.5 |
| Operating profit (loss) | -3.1 | 72.7 | 289.5 |
| Share of profit after tax of associates | 0.0 | 0.0 | 0.3 |
| Net financing costs | 8.7 | 9.9 | 17.0 |
| Profit before tax | 5.6 | 82.6 | 306.8 |
| Income tax expense | -1.6 | -21.9 | -84.1 |
| Profit after tax | 4.0 | 60.7 | 222.7 |

Statement of comprehensive income

| | | | |
|--|------------|------|-------|
| Profit after tax | 4.0 | 60.7 | 222.7 |
| Other comprehensive income | | | |
| Foreign exchange adjustments, foreign enterprises | 2.7 | -0.1 | 0.3 |
| Value adjustments of hedging instruments | 0.0 | 0.0 | -5.2 |
| Tax on other comprehensive income | 0.0 | 0.0 | 0.0 |
| Other comprehensive income after tax | 2.7 | -0.1 | -4.9 |
| Total comprehensive income | 6.7 | 60.6 | 217.8 |

Balance sheet

| | 2010 | 2009 | 2009 |
|--------------------------------------|----------------|--------------|--------------|
| Amounts in DKK million | 31.03 | 31.03 | 31.12 |
| Assets | | | |
| Non-current assets | | | |
| Intangible assets | 109.0 | 94.6 | 108.8 |
| Property, plant and equipment | 771.2 | 776.8 | 797.5 |
| Deferred tax assets | 118.8 | 117.4 | 113.3 |
| Other investments | 16.7 | 21.7 | 16.6 |
| Total non-current assets | 1,015.7 | 1,010.5 | 1,036.2 |
| Current assets | | | |
| Inventories | 597.8 | 549.7 | 575.1 |
| Trade receivables | 1,807.4 | 1,891.9 | 2,171.5 |
| Construction contracts in progress | 366.3 | 500.7 | 383.1 |
| Other receivables | 293.4 | 306.7 | 382.3 |
| Securities | 669.5 | 449.2 | 563.4 |
| Cash and cash equivalents | 389.1 | 585.9 | 392.7 |
| Total current assets | 4,123.5 | 4,284.1 | 4,468.1 |
| Total assets | 5,139.2 | 5,294.6 | 5,504.3 |
| Equity and liabilities | | | |
| Share capital | 220.0 | 220.0 | 220.0 |
| Other equity items | 1,396.3 | 1,282.4 | 1,389.6 |
| Total equity | 1,616.3 | 1,502.4 | 1,609.6 |
| Non-current liabilities | | | |
| Bank loans, etc. | 135.4 | 86.4 | 95.7 |
| Provisions | 149.6 | 100.8 | 144.7 |
| Total non-current liabilities | 285.0 | 187.2 | 240.4 |
| Current liabilities | | | |
| Bank loans, etc. | 27.9 | 50.3 | 36.3 |
| Construction contracts in progress | 1,335.0 | 1,556.1 | 1,527.2 |
| Trade payables | 727.4 | 959.2 | 1,008.6 |
| Other current liabilities | 1,147.6 | 1,039.4 | 1,082.2 |
| Total current liabilities | 3,237.9 | 3,605.0 | 3,654.3 |
| Total liabilities | 3,522.9 | 3,792.2 | 3,894.7 |
| Total equity and liabilities | 5,139.2 | 5,294.6 | 5,504.3 |

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Statement of changes in equity

| Amounts in DKK million | Share capital | Hedging reserve | Translation reserve | Retained earnings | Proposed dividends | Total equity |
|--------------------------------|---------------|-----------------|---------------------|-------------------|--------------------|--------------|
| Equity at 01-01-2009 | 220.0 | 0.0 | 1.9 | 1,169.9 | 50.0 | 1,441.8 |
| Profit after tax | | | | 60.7 | | 60.7 |
| Foreign exchange adjustments | | | -0.1 | | | -0.1 |
| Total changes in equity | 0.0 | 0.0 | -0.1 | 60.7 | 0.0 | 60.6 |
| Equity at 31-03-2009 | 220.0 | 0.0 | 1.8 | 1,230.6 | 50.0 | 1,502.4 |
| Equity at 01-01-2010 | 220.0 | -5.2 | 2.2 | 1,342.6 | 50.0 | 1,609.6 |
| Profit after tax | | | | 4.0 | | 4.0 |
| Foreign exchange adjustments | | | 2.7 | | | 2.7 |
| Total changes in equity | 0.0 | 0.0 | 2.7 | 4.0 | 0.0 | 6.7 |
| Equity at 31-03-2010 | 220.0 | -5.2 | 4.9 | 1,346.6 | 50.0 | 1,616.3 |

Cash flow statement

| Amounts in DKK million | 2010 YTD | 2009 YTD | 2009 Year |
|--|---------------|-------------|--------------|
| Operating profit (loss) | -3.1 | 72.7 | 289.5 |
| Non-cash operating items | 26.6 | 36.9 | 135.8 |
| Cash flows from operating activities before working capital changes | 23.5 | 109.6 | 425.3 |
| Working capital changes | 51.2 | 333.0 | 60.4 |
| Cash flows from operating activities | 74.7 | 442.6 | 485.7 |
| Net investments excl. securities | -3.5 | -57.0 | -159.4 |
| Net investments in securities | -106.1 | -290.5 | -362.0 |
| Cash flows for investing activities | -109.6 | -347.5 | -521.4 |
| Cash flows from financing activities | 39.6 | -9.1 | -69.0 |
| Net increase (decrease) in cash and cash equivalents | 4.7 | 86.0 | -104.7 |
| Cash and cash equivalents at start of period | 371.7 | 476.4 | 476.4 |
| Cash and cash equivalents at end of period | 376.4 | 562.4 | 371.7 |