



Stock exchange announcement

2008-05-23

Page 1 of 14

MT Højgaard a/s

Enclosed please find MT Højgaard a/s' Report for 1st quarter 2008 (January 1 – March 31, 2008), 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.

23 May 2008

Interim financial report – First quarter 2008 (1/1 – 31/3 2008)

The Supervisory Board of MT Højgaard a/s has today discussed and approved the Company's interim financial report for the first quarter of 2008.

Søborg, 23 May 2008
Supervisory Board and Executive Board

Per Møller
Chairman of the Supervisory Board

Kristian May
President and CEO

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

Contacts

Kristian May
President and CEO
Tel. +45 3954 4000

Per Møller
Chairman of the Supervisory Board
Tel. +45 4520 1503

This announcement is available in Danish and English. In case of doubt, the Danish version shall prevail.

MT Højgaard a/s
Knud Højgaards Vej 9
2860 Søborg
Denmark
Tel +45 3954 4000
Fax +45 3954 4900
mail@mth.dk
www.mthojgaard.com
Reg. No. 12 56 22 33

Significant increase in profit

- First-quarter revenue was DKK 2.5 billion, as expected, down 13% on the same period last year.
- The result before tax for the first quarter was a profit of DKK 78 million, DKK 47 million ahead of last year. Accordingly, the pre-tax margin was 3.1% compared with 1.1% for the first quarter of 2007.
- The profit for the period benefited from a satisfactory performance by the parent company. The subsidiaries also delivered satisfactory results, albeit slightly lower than last year.
- Operating activities generated an inflow of DKK 408 million, an improvement of DKK 305 million on the first quarter of 2007.

Outlook for 2008 reaffirmed

- The order book stood at DKK 10.0 billion at the end of the first quarter, compared with DKK 10.7 billion at the start of the year.
- Full-year 2008 revenue is expected to amount to about DKK 11 billion. Pre-tax profit is expected to be in the region of DKK 300 million, reaffirming the outlook expressed in the 2007 annual report.
- The Group's effective tax rate is expected to be on a par with the Danish tax rate.

Consolidated financial highlights

Amounts in DKK million	2008 YTD	2007 YTD	2007 Year
Income statement			
Revenue	2,501	2,865	11,714
Operating profit (EBIT)	76	35	194
Net financing costs and profit (loss) of associates	2	(4)	117
Profit before tax	78	31	311
Profit after tax	58	23	235
Balance sheet			
Share capital	220	220	220
Equity attributable to equity holders of the parent	1,290	1,021	1,231
Equity incl. minority interests	1,290	1,037	1,231
Balance sheet total	4,887	4,531	5,033
Interest-bearing assets	692	395	491
Interest-bearing liabilities	130	283	299
Invested capital	741	944	1,051
Cash flows			
Cash flow from operating activities	408	103	(73)
Cash flows for investing activities	(40)	5	68
Cash flows from financing activities	(3)	(44)	(35)
Net increase (decrease) in cash and cash equivalents	365	64	(40)
Financial ratios (%)			
Gross margin	6.1	4.4	4.7
Operating margin (EBIT margin)	3.0	1.2	1.7
Pre-tax margin	3.1	1.1	2.7
Return on invested capital (ROIC)	8.5	3.6	19.0
Return on equity (ROE)	4.6	2.2	20.9
Equity ratio	26.4	22.9	24.5
Earnings and diluted earnings per share (EPS and EPS-D), DKK**	5.3	2.0	21.3
Other information			
Order book, end of period	10,025	11,098	10,687
Average number of employees	5,308	6,044	6,044

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. The interim financial report has not been audited or reviewed by the company's auditors. The accounting policies are unchanged from those set out in the 2007 annual report.

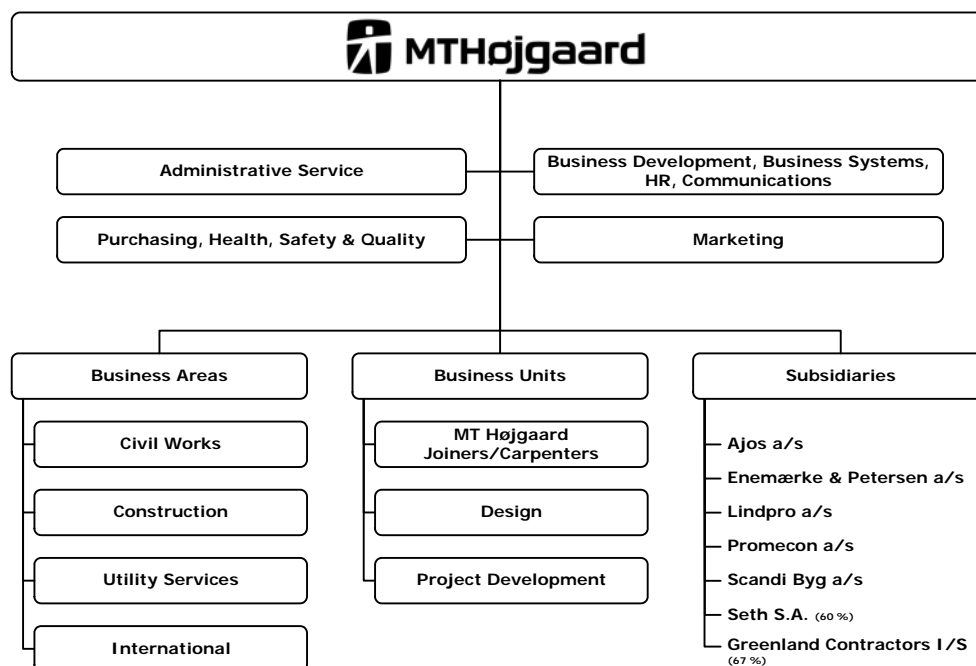
The financial ratios have been calculated in accordance with the Danish Society of Financial Analysts' 'Recommendations & Financial Ratios 2005'. Financial ratios are defined in the 2007 annual report.

*) Not converted to full-year figures.

***) The calculation of EPS is based on share denominations of nominally DKK 20.

Management's review

Group diagram



At 31 March 2008 the Group was organised into four business areas, three business units and the separately profiled subsidiaries as well as the corporate functions.

The business areas Civil Works, Construction and Utility Services, which carries out cable works, are countrywide. International activities, primarily comprising civil works projects, are taken care of by the business area International.

The business units MT Højgaard Joiners/Carpenters, Design and Project Development undertake projects for external clients and for the four business areas.

Subsidiaries comprise the Group's subsidiaries and jointly controlled enterprises with separately profiled capabilities.

Income statement

First-quarter consolidated revenue was DKK 2.5 billion, as expected, down 13% on the same period last year, primarily reflecting the general decline in the level of activity in the Danish building and civil works market. Revenue can be broken down by activity as illustrated in the table below.

Revenue - DKK million	Q1 2008	Q1 2007	Year 2007
Civil Works	203	379	1,546
Construction	767	1,141	4,523
Utility Services	161	123	598
International	429	388	1,698
Business units	249	209	645
Subsidiaries	877	912	3,718
Eliminations/others	(185)	(287)	(1,014)
MT Højgaard Group	2,501	2,865	11,714

The first-quarter operating result was a profit of DKK 76 million versus DKK 35 million in the first quarter of 2007.

The profit for the period benefited from a satisfactory performance by the parent company. The subsidiaries also delivered satisfactory results, albeit slightly lower than last year.

The improvement in profit in the parent company came from across the various business areas and business units, and benefited from the recognition of income in connection with the handing-over of a phase on a residential building project under the company's own auspices.

Net financing costs and share of results of associates amounted to net income of DKK 2 million in the first quarter versus a net charge of DKK 4 million in the same period last year.

The result before tax for the first quarter was a profit of DKK 78 million, DKK 47 million ahead of last year. Accordingly, the pre-tax margin was 3.1% compared with 1.1% for the first quarter of 2007.

The result after tax was consequently a profit of DKK 58 million compared with a profit of DKK 23 million in the same period last year.

Balance sheet

The consolidated balance sheet total stood at DKK 4,887 million at 31 March 2008, down 3% on the end of 2007.

Equity stood at DKK 1,290 million, giving an equity ratio of 26.4% compared with 24.5% at the end of 2007. Equity includes dividend of DKK 50 million for 2007, which was paid in April.

The interest-bearing net deposit has increased by DKK 370 million in 2008, standing at DKK 562 million at the end of the first quarter, primarily reflecting less funds tied up in receivables and inventories.

Cash flows and financial resources

Cash flows from operating activities were affected by less funds tied up in receivables and inventories, and amounted to an inflow of DKK 408 million compared with an inflow of DKK 103 million in the first quarter of 2007.

Cash flows for investing activities amounted to an outflow of DKK 40 million, with acquisitions absorbing DKK 25 million. Net capital expenditure on property, plant and equipment, primarily relating to replacement of and new investment in contractors' plant and equipment, amounted to DKK 15 million versus DKK 45 million in the same period last year, when BMS was part of the Group.

Financing activities absorbed DKK 3 million compared with DKK 44 million in the same period last year.

There was a DKK 365 million net increase in cash and cash equivalents in the first quarter compared with DKK 64 million last year.

The Group's financial resources, calculated as cash, including cash and cash equivalents in joint ventures, and securities and undrawn credit facilities, stood at DKK 1,147 million at 31 March 2008, which is considered satisfactory.

The financial resources included cash and cash equivalents in joint ventures of DKK 314 million that are available exclusively to the joint ventures, compared with DKK 148 million in the same period last year.

Order book

The order book stood at DKK 10,025 million at the start of the second quarter, compared with DKK 10,687 million at the start of the year.

DKK million	2008 Q1	2007 Q1	2007 Year
Order book, beginning of period	10,687	10,752	10,752
Order intake during period	1,839	3,211	11,649
Production during period	(2,501)	(2,865)	(11,714)
Order book, end of period	10,025	11,098	10,687

The order book corresponds to on average just under 11 months' production based on the projected level of activity in 2008. The order book includes a number of large orders extending over several years.

Acquisition of enterprises

The subsidiary Enemærke & Petersen has strengthened its position within all-in solutions within building maintenance and service by acquiring Bendix Træ og Glas ApS, which has 30 employees.

This acquisition will not have any material impact on consolidated revenue or profit for 2008.

Management information

At MT Højgaard's Annual General Meeting on 17 April 2008, Curt Germundsson was elected to the Supervisory Board. Curt Germundsson, 63, was most recently Senior Vice President of AB Volvo/Volvo Car Corporation and is also a member of the Supervisory Board of various Scandinavian companies.

The Supervisory Board elected by the shareholders in general meeting consequently consists of Per Møller (Chairman), Jørgen Nicolajsen (Deputy Chairman), Curt Germundsson, Erik D. Jensen, Poul Lind, Bent Pedersen and Lars Rasmussen.

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 OMX Nordic Exchange 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 other consolidated enterprises are based on arm's length terms and did not have any significant effect on MT Højgaard's financial position or results during the period.

Outlook for 2008

Due to a slowdown in market conditions, the level of activity in the building and civil works market in Denmark is expected to fall off to a more normalised level in 2008 compared with the very high level in 2007.

The slowdown is broadly based, but is driven, in particular, by a significant decline in private residential construction and an unusually low level of activity within construction of non-profit housing.

Commercial construction is expected to be at a stable level compared with the last few years.

The refurbishment market will benefit from a high level of activity within conversion and upgrading projects again in 2008.

With a continued high level of investment within the transport sector, the civil works market in Denmark is expected to remain stable.

The utility services market is expected to be at the same high level in 2008 as in 2007, based on a sustained willingness to invest within, for example, telecommunications.

As far as concerns the international activities, an increasing level of activity is expected in 2008, with the focus on selective identification of project opportunities in relation to in-house skills and resources.

Full-year 2008 revenue is expected to amount to about DKK 11 billion. Pre-tax profit is expected to be in the region of DKK 300 million, affirming the outlook expressed most recently in the 2007 annual report.

The Group's effective tax rate is expected to be on a par with the Danish 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 factors" in the 2007 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 report of MT Højgaard a/s for the period 1 January – 31 March 2008.

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 reports.

In our opinion, the interim report gives a true and fair view of the Group's financial position at 31 March 2008 and of the results of the Group's operations and cash flows for the period 1 January – 31 March 2008.

Further, in our opinion, the Management's review gives a true and fair review of the development in the Group's operations and financial matters, the results of the Group's operations and the Group's financial position as a whole and describes the significant risks and uncertainties pertaining to the Group.

Søborg, 23 May 2008

Executive Board

Kristian May President and CEO	Jens Bak-Nyhus Executive Vice President	Peter Kofoed Executive Vice President
-----------------------------------	--	--

Johnny Rasmussen
Executive Vice President, Finance

Supervisory Board

Per Møller Chairman	Jørgen Nicolajsen Deputy Chairman	Irene Chabior* Education and Training Consultant
------------------------	--------------------------------------	--

Stefan Hansen* Specialist Worker	Curt Germundsson	Erik D. Jensen
-------------------------------------	------------------	----------------

Poul Lind	Bent Pedersen	Lars Rasmussen
-----------	---------------	----------------

Poul M. Rørup*
Finance Manager

*) Employee representative

23 May 2008

Consolidated income statement

Amounts in DKK million	2008 Q1	2007 Q1	2007 Year
Revenue	2,500.7	2,865.0	11,713.8
Production costs	(2,347.9)	(2,740.3)	(11,159.7)
Gross profit	152.8	124.7	554.1
Distribution costs	(29.5)	(27.8)	(127.5)
Administrative expenses	(47.2)	(61.8)	(232.8)
Operating profit	76.1	35.1	193.8
Share of profit after tax of associates	0.0	0.0	0.0
Net financing costs	1.6	(3.8)	117.3
Profit before tax	77.7	31.3	311.1
Income tax expense	(19.4)	(8.7)	(75.9)
Profit after tax	58.3	22.6	235.2
Attributable to			
Equity holders of MT Højgaard a/s	58.3	22.3	234.3
Minority interests	0.0	0.3	0.9
Total	58.3	22.6	235.2
Earnings and diluted earnings per share (EPS and EPS-D), DKK	5.3	2.0	21.3

Consolidated balance sheet

	2008	2007	2007
Amounts in DKK million	31.03	31.03	31.12
Assets			
Non-current assets			
Intangible assets	80.6	73.6	64.0
Property, plant and equipment	697.6	931.3	699.9
Deferred tax assets	190.8	241.0	210.3
Other investments	15.3	7.7	13.7
Total non-current assets	984.3	1,253.6	987.9
Current assets			
Inventories	572.2	472.1	604.5
Trade receivables	1,978.2	1,880.8	2,225.4
Construction contracts in progress	434.5	381.7	426.0
Other receivables	226.7	147.8	297.5
Securities	149.4	49.9	149.0
Cash and cash equivalents	542.1	344.8	342.4
Total current assets	3,903.1	3,277.1	4,044.8
Total assets	4,887.4	4,530.7	5,032.7
Equity and liabilities			
Equity attributable to equity holders of the parent	1,289.9	1,020.5	1,231.3
Minority interests	0.0	16.5	0.0
Total equity	1,289.9	1,037.0	1,231.3
Non-current liabilities			
Bank loans, etc.	112.8	173.3	115.9
Deferred tax liabilities	0.7	24.1	0.7
Provisions	107.5	67.5	69.1
Total non-current liabilities	221.0	264.9	185.7
Current liabilities			
Bank loans, etc.	17.4	109.3	182.8
Construction contracts in progress	1,379.3	1,127.9	1,335.2
Trade payables	1,081.8	1,160.1	1,078.7
Other current liabilities	898.0	831.5	1,019.0
Total current liabilities	3,376.5	3,228.8	3,615.7
Total liabilities	3,597.5	3,493.7	3,801.4
Total equity and liabilities	4,887.4	4,530.7	5,032.7

Consolidated statement of changes in equity

Amounts in DKK million	Share capital	Translation reserve	Retained earnings	Proposed dividends	Total equity attributable to MT Højgaard	Attributable to minority interests	Total
Equity at 01-01-2008	220.0	0.4	960.9	50.0	1,231.3	0.0	1,231.3
Profit for the period			58.3		58.3		58.3
Foreign exchange adjustments, foreign enterprises		0.3			0.3		0.3
Total income and expense for the year	0.0	0.3	58.3	0.0	58.6	0.0	58.6
Total changes in equity	0.0	0.3	58.3	0.0	58.6	0.0	58.6
Equity at 31-03-2008	220.0	0.7	1,019.2	50.0	1,289.9	0.0	1,289.9
Equity at 01-01-2007	220.0	(2.8)	780.0	0.0	997.2	23.6	1,020.8
Profit for the period			22.3		22.3	0.3	22.6
Foreign exchange adjustments, foreign enterprises		1.0			1.0	0.0	1.0
Total income and expense for the year	0.0	1.0	22.3	0.0	23.3	0.3	23.6
Dividends paid						(7.4)	(7.4)
Total changes in equity	0.0	1.0	22.3	0.0	23.3	(7.1)	16.2
Equity at 31-03-2007	220.0	(1.8)	802.3	0.0	1,020.5	16.5	1,037.0

Consolidated cash flow statement

Amounts in DKK million	2008 YTD	2007 YTD	2007 Year
Operating activities			
Operating profit	76.1	35.1	193.8
Non-cash operating items	35.7	54.9	119.8
Cash flows from operating activities before changes in working capital	111.8	90.0	313.6
Working capital changes	296.5	12.5	(386.2)
Cash flows from operating activities	408.3	102.5	(72.6)
Net investments excl. securities	(39.7)	(33.2)	266.6
Net investments in securities	(0.4)	38.0	(199.0)
Cash flows for investing activities	(40.1)	4.8	67.6
Cash flows from financing activities	(3.2)	(44.3)	(35.4)
Net increase (decrease) in cash and cash equivalents	365.0	63.0	(40.4)
Cash and cash equivalents at start of period	177.1	217.5	217.5
Cash and cash equivalents at end of period	542.1	280.5	177.1

Consolidated income statement by quarter

Amounts in DKK million	2008				Total
	Q1	Q2	Q3	Q4	
Revenue	2,500.7				
Production costs	(2,347.9)				
Gross profit	152.8				
Distribution costs	(29.5)				
Administrative expenses	(47.2)				
Operating profit	76.1				
Share of profit after tax of associates	0.0				
Net financing costs	1.6				
Profit before tax	77.7				
Income tax expense	(19.4)				
Profit after tax	58.3				
Attributable to					
Equity holders of MT Højgaard a/s	58.3				
Minority interests	0.0				
Total	58.3				

Amounts in DKK million	2007				Total
	Q1	Q2	Q3	Q4	
Revenue	2,865.0	3,055.9	2,685.0	3,107.9	11,713.8
Production costs	(2,740.3)	(2,903.5)	(2,580.2)	(2,935.7)	(11,159.7)
Gross profit	124.7	152.4	104.8	172.2	554.1
Distribution costs	(27.8)	(38.2)	(19.2)	(42.3)	(127.5)
Administrative expenses	(61.8)	(54.3)	(53.9)	(62.8)	(232.8)
Operating profit	35.1	59.9	31.7	67.1	193.8
Share of profit (loss) after tax of associates	0.0	0.0	0.2	(0.2)	0.0
Net financing costs	(3.8)	11.8	(5.0)	114.3	117.3
Profit before tax	31.3	71.7	26.9	181.2	311.1
Income tax expense	(8.7)	(40.0)	(6.8)	(20.4)	(75.9)
Profit after tax	22.6	31.7	20.1	160.8	235.2
Attributable to					
Equity holders of MT Højgaard a/s	22.3	31.0	20.1	160.9	234.3
Minority interests	0.3	0.7	0.0	(0.1)	0.9
Total	22.6	31.7	20.1	160.8	235.2