

NASDAQ OMX Copenhagen A/S  
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Aabyhoej 28 May 2014  
Ref.: EMI/til



## Interim report for the period 1 October 2013-31 March 2014

Today, the Board of Directors of Per Aarsleff A/S has discussed and approved the interim report for the first six months of the financial year 2013/2014. The interim report has not been audited or reviewed by the company's auditor.

### Results of the first six months:

- Profit before tax came to DKK 117 million compared to DKK 84 million in the same period last financial year.
- Consolidated revenue came to DKK 3,808 million.
- Construction generated profit before interest of DKK 72 million.
- Pipe Technologies generated profit before interest of DKK 27 million.
- Piling generated profit before interest of DKK 27 million.
- Net interest-bearing debt came to DKK 178 million as at 31 March 2014.

### Outlook for the financial year 2013/2014:

- The company maintains its expectations for a profit before tax of DKK 260 million for the full financial year 2013/2014.

Andreas Lundby  
Chairman of the Board of Directors

Ebbe Malte Iversen  
General Manager

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### Further information:

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**AARSLEFF**

## Highlights for the Group

Amounts in DKK million

	Q1		H1		Financial year
	2013/2014	2012/2013	2013/2014	2012/2013	2012/2013
<b>Income statement</b>					
Revenue	1,662	1,511	3,808	3,497	7,376
Of this figure, work performed abroad	536	570	1,360	1,281	2,477
Operating profit	48	8	126	89	213
Profit before interest	48	7	126	90	213
Net financials	-5	-3	-9	-6	-17
Profit before tax	43	4	117	84	197
Profit after tax	32	-3	86	56	150
<b>Balance sheet</b>					
Non-current assets			1,742	1,644	1,739
Current assets			2,526	2,219	2,798
Total assets			4,268	3,863	4,537
Equity			1,793	1,621	1,724
Non-current liabilities			481	472	486
Current liabilities			1,994	1,770	2,326
Total equity and liabilities			4,268	3,863	4,537
Net interest-bearing debt			178	46	507
Invested capital (IC)			1,955	1,604	2,214
<b>Cash flow statement</b>					
Cash flows from operating activities	189	75	472	271	42
Cash flows from investing activities	-70	-51	-124	-137	-370
Of this figure, investment in property, plant and equipment, net	-69	-51	-122	-102	-241
Cash flows from financing activities	-22	-27	-23	-28	-24
Change in liquidity for the period	97	-3	325	106	-352
<b>Financial ratios</b>					
Gross margin ratio, %	12.9	9.6	12.0	10.5	10.8
Profit margin (EBIT margin), %	2.9	0.6	3.3	2.6	2.9
Net profit ratio (pre-tax margin), %	2.6	0.3	3.1	2.4	2.7
Return on invested capital (ROIC), % *			6.0	5.5	11.0
Return on invested capital after tax (ROIC), % *			4.5	3.6	8.4
Return on equity (ROE), % *			4.9	3.5	9.0
Equity interest, %			42.0	42.0	38.0
Earnings per share (EPS), DKK	15.7	-1.5	42.3	27.4	73.5
Number of employees			4,452	3,875	4,019

Please see page 54 of the 2012/2013 annual report for financial ratio definitions.

\*Not translated into full year figures.



## **Management's review concerning the first six months of the financial year 2013/2014**

### **Financial development of the Aarsleff Group**

#### **Income statement**

In the first six months of the financial year 2013/2014, consolidated revenue increased by DKK 311 million or 9% from DKK 3,497 million to DKK 3,808 million. The Danish operations reported a revenue increase of 11%, while the foreign operations reported a revenue increase of 6%.

Administrative expenses and selling costs amounted to 8.7% of revenue compared to 8% in the first half of last financial year.

Operating profit came to DKK 126.1 million against DKK 89.7 million in the same period last financial year.

Net financials were negative at DKK 9.1 million against a negative DKK 6.2 million last financial year.

In the first six months of the financial year, profit before tax reached DKK 116.9 million against a profit of DKK 84.1 million in the same period of last year.

In the first six months of the financial year 2013/2014, consolidated profit after tax was DKK 86.2 million against a profit of DKK 55.8 million last financial year.

#### **Balance sheet**

The consolidated balance sheet total came to DKK 4,268 million at 31 March 2014. This corresponds to a decrease of DKK 269 million compared to the balance sheet total of DKK 4,537 million at the end of last financial year.

Consolidated interest-bearing liabilities less interest-bearing assets constituted a net debt of DKK 178 million against a net debt of DKK 507 million at 30 September 2013.

Equity amounted to DKK 1,793 million against DKK 1,724 million at the end of last financial year or 42% of the balance sheet total compared with 38% at the beginning of the financial year.

#### **Cash flow statement**

Cash flows from operating activities amounted to DKK 472 million against DKK 271 million in the same period last financial year.

Cash flows from investing activities were negative at DKK 124 million against a negative DKK 137 million in the same period last financial year.

Cash flows from financing activities were negative at DKK 23 million against a negative amount of DKK 28 million in the same period last financial year.

Thus, the change in liquidity for the period was positive at DKK 325 million.



## Segment results

Amounts in DKK million	Construction		Pipe Technologies		Piling		Total	
	H1		H1		H1		H1	
	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
Segment revenue	<b>2,423</b>	2,492	<b>831</b>	559	<b>582</b>	488	<b>3,836</b>	3,539
Internal revenue	<b>-16</b>	-27	<b>-5</b>	-11	<b>-7</b>	-4	<b>-28</b>	-42
Revenue	<b>2,407</b>	2,465	<b>826</b>	548	<b>575</b>	484	<b>3,808</b>	3,497
Of this figure, work performed abroad	<b>414</b>	689	<b>593</b>	305	<b>353</b>	287	<b>1,360</b>	1,281
Operating profit	<b>72</b>	40	<b>27</b>	38	<b>27</b>	11	<b>126</b>	89
Profit in associates	<b>0</b>	0	<b>0</b>	1	<b>0</b>	0	<b>0</b>	1
Profit before interest	<b>72</b>	40	<b>27</b>	39	<b>27</b>	11	<b>126</b>	90
Net financials							<b>-9</b>	-6
Profit before tax							<b>117</b>	84
Profit before interest, %	<b>3.0</b>	1.6	<b>3.3</b>	7.1	<b>4.7</b>	2.3	<b>3.3</b>	2.6
Number of employees	<b>2,878</b>	2,605	<b>862</b>	601	<b>712</b>	669	<b>4,452</b>	3,875

### Construction – results exceeded expectations

Revenue for the first six months came to DKK 2,407 million, approximately on a par with last financial year. Revenue generated by the Danish operations was DKK 1,993 million corresponding to an increase of 12% from last financial year. Revenue generated by the foreign operations was DKK 414 million against DKK 689 million last financial year.

Profit before interest came to DKK 72 million against DKK 40 million last financial year. Results are above expectations at the beginning of the financial year.

Overall, the results of Construction's subsidiaries exceed expectations at the beginning of the financial year. Petri & Haugsted as reported results significantly below expectations, and improvement measures have been initiated under a new management. Wicotec Kirkebjerg A/S is developing positively after the merger, and results meet expectations at the beginning of the financial year.

The outlook for the entire financial year 2013/2014 is now for a profit before interest of approximately 3% of revenue against previously 2.5-3%.

### Pipe Technologies – total results fell short of expectations

Revenue for the first six months was DKK 826 million against DKK 548 million last financial year. The increase was primarily attributable to the revenue of the German company which was recognised as a 100% owned subsidiary as at 1 June 2013. The foreign operations reported a total revenue increase of DKK 288 million, while the Danish operations reported a revenue decrease of DKK 10 million, corresponding to 4%.

Profit before interest came to DKK 27 million compared to DKK 39 million last financial year and falls below expectations at the beginning of the financial year.

In Denmark, the results of the activities in connection with the public utility companies were in line with expectations at the beginning of the financial year, while the results of the housing and industry segments were significantly below expectations. The activities within the housing and industry segments accounted for approximately 20% of the Danish revenue, and a more focused prioritisation is under implementation.



Export projects within drinking water supply and wastewater reported results slightly below expectations.

The total performance of the subsidiaries was slightly below expectations at the beginning of the financial year. The performance of the now fully integrated German subsidiary was in line with expectations at the beginning of the financial year. The performance of the subsidiaries in Poland and Finland fell below expectations, and adjustments have been initiated in these subsidiaries.

The outlook for the entire financial year 2013/2014 is now for a profit before interest of approximately 3% of revenue against previously approximately 4% of revenue.

### **Piling – results up on last financial year, but slightly below expectations**

Revenue for the first six months came to DKK 575 million against DKK 484 million last financial year, corresponding to an increase of 19%. Revenue generated by the Danish operations was DKK 222 million, corresponding to an increase of 13% compared with last financial year. Revenue generated by the foreign operations was DKK 353 million, corresponding to an increase of 23%.

Profit before interest came to DKK 27 million compared to DKK 11 million last financial year and was slightly below expectations at the beginning of the financial year.

The results of the activities in the parent company were above expectations, among other things as a result of increased activity within infrastructure projects in cooperation with the Construction division.

The total results of the subsidiaries were significantly below expectations, especially as a result of the performance of the subsidiaries in Sweden and the UK. However, the Polish subsidiary has performed above expectations at the beginning of the financial year.

For the full financial year, we maintain our expectations for an increasing level of activity and a profit before interest of approx. 5% of revenue.

### **Outlook for the financial year 2013/2014**

The company maintains its expectations for a profit before tax of DKK 260 million for the full financial year 2013/2014, as announced in the 2012/2013 annual report.

The expectations concerning the future financial performance are subject to uncertainties and risks that may cause the performance to differ from the expectations. Significant commercial risks are described in Assessment of commercial risks of the annual report of 2012/2013 and note 2 on Estimation uncertainty. Significant risks and uncertainties remain unchanged compared with the description in the annual report.

### **Accounting policies**

The interim report covering the first six months of the financial year 2013/2014 has been prepared in accordance with IAS 34 "Interim Financial Reporting" and additional Danish disclosure requirements for interim reports of listed companies.

No interim report has been prepared for the parent company.

The accounting policies of the interim report remain unchanged from the 2012/2013 Annual Report which has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. Please refer to the 2012/2013 Annual Report for a further description of the accounting policies.



Certain new or changed standards or interpretations have become effective for the financial year 2013/2014. It is the Management's view that these standards and interpretations will have no significant effect on the annual report.

The interim report is presented in Danish kroner (DKK) which is the Parent Company's functional currency.

## Management's statement

Today, the Board of Directors and Executive Management have discussed and approved the interim report of Per Aarsleff A/S for the period 1 October 2013-31 March 2014.

The interim report has been prepared in accordance with IAS 34 "Interim Financial Reporting" and additional Danish disclosure requirements for interim reports of listed companies.

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

We consider the accounting policies used to be appropriate. Accordingly, the interim report gives a true and fair view of the financial position at 31 March 2014 of the Group as well as of the results of the Group's operations and cash flows in the period 1 October 2013 to 31 March 2014.

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 period and of the financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group.

Aabyhoej, 28 May 2014

## 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


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## Consolidated income statement

Amounts in tDKK

	Q1		H1	
	2013/2014	2012/2013	2013/2014	2012/2013
<b>Revenue</b>	<b>1,662,515</b>	<b>1,510,995</b>	<b>3,808,151</b>	<b>3,497,382</b>
Production costs	-1,448,859	-1,365,627	-3,352,452	-3,129,570
<b>Gross profit</b>	<b>213,656</b>	<b>145,368</b>	<b>455,699</b>	<b>367,812</b>
Administrative expenses and selling costs	-166,325	-136,881	-330,091	-279,453
Other operating income and expenses	270	871	452	1,367
<b>Operating profit</b>	<b>47,601</b>	<b>9,358</b>	<b>126,060</b>	<b>89,726</b>
Profit in associates	0	-1,784	0	644
<b>Profit before interest</b>	<b>47,601</b>	<b>7,574</b>	<b>126,060</b>	<b>90,370</b>
Net financials	-4,333	-3,330	-9,129	-6,237
<b>Profit before tax</b>	<b>43,268</b>	<b>4,244</b>	<b>116,931</b>	<b>84,133</b>
Tax on profit for the period	-11,263	-7,344	-30,715	-28,315
<b>Profit after tax</b>	<b>32,005</b>	<b>-3,100</b>	<b>86,216</b>	<b>55,818</b>
Earnings per share (DKK)	15.7	-1.5	42.3	27.4

## Statement of comprehensive income

Amounts in tDKK

	Q1		H1	
	2013/2014	2012/2013	2013/2014	2012/2013
<b>Profit after tax</b>	<b>32,005</b>	<b>-3,100</b>	<b>86,216</b>	<b>55,818</b>
<b>Items which may become reclassified to the income statement</b>				
Exchange rate adjustment of foreign companies	-3,547	-1,460	-4,621	-2,197
Fair value adjustments of derivative financial instruments, net	-1,272	-8,032	9,918	-5,581
Tax on other comprehensive income	-2,480	0	-2,480	0
Other total comprehensive income	-7,299	-9,492	2,817	-7,778
<b>Total comprehensive income</b>	<b>24,706</b>	<b>-12,592</b>	<b>89,033</b>	<b>48,040</b>
<b>Total comprehensive income accrues to</b>				
Shareholders of Per Aarsleff A/S	24,756	-12,592	88,677	48,040
Minority shareholders	-50	0	356	0
<b>Total</b>	<b>24,706</b>	<b>-12,592</b>	<b>89,033</b>	<b>48,040</b>

**AARSLEFF****Consolidated balance sheet**

Amounts in tDKK

	31/3 2014	30/9 2013	31/3 2013
<b>Total assets</b>			
Intangible assets	168,049	171,129	113,318
Property, plant and equipment	1,552,042	1,549,488	1,466,221
Other non-current assets	22,255	18,135	64,957
<b>Non-current assets</b>	<b>1,742,346</b>	<b>1,738,752</b>	<b>1,644,496</b>
Inventories	207,512	200,879	195,757
Contracting debtors	1,338,961	1,701,766	963,692
Work in progress	426,505	449,319	334,041
Other receivables	139,533	93,864	98,294
Cash	413,371	352,039	626,939
<b>Current assets</b>	<b>2,525,882</b>	<b>2,797,867</b>	<b>2,218,723</b>
<b>Total assets</b>	<b>4,268,228</b>	<b>4,536,619</b>	<b>3,863,219</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>1,792,980</b>	<b>1,724,330</b>	<b>1,621,403</b>
Mortgage debt and credit institutions	204,896	208,495	205,883
Other debt and provisions	50,352	47,156	40,374
Deferred tax	225,904	230,397	225,465
<b>Non-current liabilities</b>	<b>481,152</b>	<b>486,048</b>	<b>471,722</b>
Mortgage debt and credit institutions	386,743	650,155	466,833
Work in progress	383,541	295,693	304,016
Trade payables	701,323	828,957	583,736
Other liabilities	522,489	551,436	415,509
<b>Current liabilities</b>	<b>1,994,096</b>	<b>2,326,241</b>	<b>1,770,094</b>
<b>Total liabilities</b>	<b>2,475,248</b>	<b>2,812,289</b>	<b>2,241,816</b>
<b>Total equity and liabilities</b>	<b>4,268,228</b>	<b>4,536,619</b>	<b>3,863,219</b>

**AARSLEFF****Consolidated cash flow statement**

Amounts in tDKK

H1

	2013/2014	2012/2013
<b>Cash flow from operating activities</b>		
Profit before interest	126,060	90,370
Depreciation, amortisation and impairment losses	136,607	132,659
Other adjustments	248,759	61,515
Net financials	-9,129	-6,237
Corporation tax paid	-30,697	-7,767
<b>Cash flows from operating activities</b>	<b>471,600</b>	<b>270,540</b>
<b>Cash flow from investing activities</b>		
Net investment in property, plant and equipment and intangible assets	-123,745	-101,942
Net investment in subsidiaries	0	-41,409
Net investment in associates	0	6,642
<b>Cash flows from investing activities</b>	<b>-123,745</b>	<b>-136,709</b>
<b>Cash flow from financing activities</b>	<b>-23,111</b>	<b>-28,250</b>
<b>Cash flows from financing activities</b>	<b>-23,111</b>	<b>-28,250</b>
<b>Change in liquidity for the period</b>	<b>324,744</b>	<b>105,581</b>
Opening liquidity	-294,370	57,892
Change in liquidity for the period	324,744	105,581
<b>Closing liquidity</b>	<b>30,374</b>	<b>163,473</b>


**AARSLEFF**
**Statement of changes in equity, Group**

Amounts in tDKK

	A shares	Share capital B shares	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend	Total
<b>Equity at 1 October 2012</b>	<b>2,700</b>	<b>42,600</b>	<b>-13,629</b>	<b>-4,286</b>	<b>1,543,713</b>	<b>22,650</b>	<b>1,593,748</b>
<b>Total comprehensive income</b>							
Profit for the period					55,818		55,818
<b>Other total comprehensive income</b>							
Exchange rate adjustment of foreign companies			-2,197				-2,197
Fair value adjustments of derivative financial instruments				-5,581			-5,581
Other total comprehensive income	0	0	-2,197	-5,581	0	0	-7,778
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-2,197</b>	<b>-5,581</b>	<b>55,818</b>	<b>0</b>	<b>48,040</b>
<b>Transactions with owners</b>							
Dividend paid						-22,650	-22,650
Dividend, treasury shares					2,265		2,265
Total transactions with owners	0	0	0	0	2,265	-22,650	-20,385
<b>Equity at 31 March 2013</b>	<b>2,700</b>	<b>42,600</b>	<b>-15,826</b>	<b>-9,867</b>	<b>1,601,796</b>	<b>0</b>	<b>1,621,403</b>
<b>Equity at 1 October 2013</b>	<b>2,700</b>	<b>42,600</b>	<b>-26,021</b>	<b>-1,154</b>	<b>1,672,536</b>	<b>22,650</b>	<b>1,713,311</b>
<b>Total comprehensive income</b>							
Profit for the period					85,851		85,851
<b>Other total comprehensive income</b>							
Exchange rate adjustment of foreign companies			-4,621				-4,621
Fair value adjustments of derivative financial instruments				9,918			9,918
Tax on derivative financial instruments				-2,480			-2,480
Other total comprehensive income	0	0	-4,621	7,438	0	0	2,817
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-4,621</b>	<b>7,438</b>	<b>85,851</b>	<b>0</b>	<b>88,668</b>
<b>Transactions with owners</b>							
Dividend paid						-22,650	-22,650
Dividend, treasury shares					2,265		2,265
Total transactions with owners	0	0	0	0	2,265	-22,650	-20,385
<b>Equity, shareholders of Per Aarsleff A/S</b>	<b>2,700</b>	<b>42,600</b>	<b>-30,642</b>	<b>6,284</b>	<b>1,760,652</b>	<b>0</b>	<b>1,781,594</b>
Minority interests' share of equity							11,386
<b>Equity at 31 March 2014</b>							<b>1,792,980</b>

**AARSLEFF****Company announcements published this current financial year**

14.10.2013	Aarsleff to extend harbour at Lofoten in Norway
25.10.2013	Aarsleff to extend the port of Beirut in Lebanon
11.12.2013	Aarsleff to carry out electricity supply in Mozambique
18.12.2013	Preliminary announcement of financial statements for the financial year 2012/2013
08.01.2014	Notice of annual general meeting
30.01.2014	Aarsleff's annual general meeting
05.02.2014	Aarsleff to build tunnels on the section between Copenhagen and Ringsted
28.02.2014	Interim report for the period 1 October-31 December 2013
28.05.2014	Interim report for the period 1 October 2013-31 March 2014

See [www.aarsleff.com](http://www.aarsleff.com) for further information.