



The Board of the Copenhagen Stock
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Århus, 18 December 2003
JSZ/til

Announcement of the Annual Report for 2002/2003

Today the Board of Per Aarsleff A/S has discussed and adopted the Annual Report covering the period 1 October 2002 – 30 September 2003. Comments to the Annual Report can be found in the following pages.

Palle Svejstrup
Chairman of the Board

Ebbe M. Iversen
General Manager

Further information can be obtained from:
General Manager Ebbe M. Iversen, tel +45 8744 2222



1. Highlights and financial ratios for the Group (DKK '000)

	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003
Income statement					
Net revenue, work performed	2,608,667	2,540,962	2,515,636	3,016,907	3,119,796
Of this figure, work performed abroad	823,649	735,817	868,342	953,992	893,021
Foreign activities, including shares from					
Associates	937,360	928,111	1,098,016	1,162,581	1,099,880
Profit on primary operations	101,666	80,818	33,681	70,787	36,838
Profit on associates	16,677	12,012	4,937	8,036	1,305
Profit before interest	118,875	92,715	39,203	79,375	38,493
Finance, net	-3,971	7,421	1,204	-12,721	-17,491
Profit before tax	114,904	100,136	40,407	66,654	21,002
Profit after tax	85,871	70,392	32,258	44,494	11,685
Balance sheet					
Intangible assets	25,878	42,795	35,793	29,165	22,089
Property, plant and equipment	526,972	603,274	669,770	697,176	641,092
Investments	56,298	79,472	62,882	64,100	60,134
Current assets	962,688	839,326	915,844	1,045,255	1,000,137
Total assets	1,571,836	1,564,867	1,684,289	1,835,696	1,723,452
Equity	634,820	680,060	706,748	747,666	736,136
Provisions	179,622	114,809	116,251	122,942	120,383
Liabilities other than provisions	757,394	769,998	861,290	965,088	866,933
Total liabilities and equity	1,571,836	1,564,867	1,684,289	1,835,696	1,723,452
Cash flow statement					
Operating activities	150,814	188,769	-94,045	196,913	160,775
Investment in property, plant and equipment	-125,104	-167,121	-167,437	-130,917	-51,623
Other investing activities	-11,671	-28,158	22,185	-1,721	200
Financing activities	-30,956	-34,778	62,503	14,681	-17,512
Change in liquidity for the year	-16,917	-41,288	-176,794	78,956	91,840
Financial ratios					
Return after tax on the average equity, %	14	11	5	6	2
Solvency ratio, %	40	43	42	41	43
Profit after tax per share of DKK 20 (DKK)	39	32	16	21	6
Dividend, %	12	12	12	12	12
Stock-exchange quotation at 30 Sept. per share of DKK 20	295	325	166	200	178
Price earning	7.5	10.1	10.7	9.3	31.3
Total market value	616,948	676,843	343,926	414,369	362,853
Number of employees	1,960	1,954	2,028	2,147	2,211

Financial ratios for the Group have been calculated in accordance with the "Recommendations and financial ratios" of the Danish Society of Investment Professionals.

Changes have been made to the accounting policies, cf. "The financial statements" on page 11.

The comparative figures have been changed accordingly.



2. Comments to the Annual Report for 2002/2003

The consolidated profit for the year 2002/2003 is DKK 21 million before tax, an improvement of DKK 6 million compared to the forecast expressed in the notice given to the Copenhagen Stock Exchange on 26 August 2003. Revenue is up 3% to DKK 3,120 million.

The profit before tax is considerably lower than the DKK 80 million forecasted at the beginning of the financial year and the previous year's profit before tax at DKK 67 million. The Danish part of the revenue amounts to DKK 2,227 million against DKK 2,063 million in the previous financial year. Revenue from abroad came to DKK 893 million against DKK 954 million last year.

The profit after tax for the year is DKK 12 million.

As expected cash flows from operating activities after deduction of investments arrive at a very positive DKK 109 million, which is considerably higher than in the previous financial year. Even though part of this amount is the outcome of random fluctuations at the time of settlement, the goal of improving liquidity was achieved.

Seen from an overall point of view the result is not satisfactory. This is especially due to isolated circumstances, mainly concentrated on provisions for a few projects as well as adjustment expenses in Germany, Italy and Poland.

Increased competition, caused by public budget cuts, currently characterises the Danish market. We expect this situation to continue in the coming financial year and prepare ourselves accordingly. The general civil engineering activities are affected the most by this situation whereas our specialised activities Piling and Pipe Technologies, holding large export shares, are less dependent on the domestic market.

The Board of Directors recommend that a dividend be set at 12% or DKK 2.40 per share which equates to DKK 5 million.

The number of directly employed, full-time employees in the Group is 2,211 compared to 2,147 in the previous financial year.



The past year in Construction

The segment result at DKK 10 million before interest is considerably lower than forecasted. A depressed Danish market and a provision for a finished road construction project abroad affect the result negatively. As a consequence of the current market conditions and because we face a period without any major one-off projects, the level of activity declined at the end of the financial year

A number of large jobs in Denmark were finished over the year under review. This concerns land development works for the extension of Ørestaden, a wind turbine project at Rødsand, a major motorway project outside Århus, our involvement in the Copenhagen Metro and a large land development job for a slaughterhouse near Horsens. The area around Copenhagen and Malmö experienced a high level of activity although the competition has increased. The outlook for the area is for a constant demand for extension of the infrastructure. This primarily comprises maintenance and extension of existing supply lines and traffic installations, areas of continuous employment. Secondly, this concerns new installations of a more complex nature such as harbours, roads, railways and underground constructions, which are more isolated. Construction holds a strong position within both fields of activity.

In the area around Fredericia, Vejle and Kolding, and in Århus, the year was characterised by a high level of activity. A consortium for construction of an expressway between Ris and Ølholm progresses as planned. This contract constitutes one of the first major road construction contracts where the design is included in the work. The contract price is DKK 190 million.

New forms of cooperation become popular

Over the year we have entered into several partnering contracts based on various concepts. This includes, among others, a retarding basin executed for Århus Municipality, pipeline works for Gørlev Municipality and several harbour construction projects. This form of cooperation ensures a more efficient implementation of the projects. It has been used for some time within the building industry and is now also becoming popular for civil engineering works. The work in progress indicates that savings can be obtained for client as well as contractor. We have developed our own partnering concept for use within the Group and offer this concept to any interested customers.

Subsidiaries and projects abroad

In Sweden we entered into agreements over the year concerning harbour extensions in Gothenburg, Halmstad and Malmö. In addition we have executed several minor civil engineering works in the Malmö area. These activities still constitute only a modest part in the total picture, but they are growing and contribute satisfactory results. In Central America and in Africa we have been implementing two major road projects in cooperation with NCC Danmark A/S. Upon completion of the project in Central America, a need for substantial remedial works arose. We are of the opinion that our responsibility in this connection is immaterial but have made a provision.

Our subsidiaries Petri & Haugsted and Wicotec mainly engage in service and maintenance activities within pipeline works and technical installations respectively. During the year under review, the subsidiaries have executed a number of small and medium-sized contracts for the Danish Railway Agency in cooperation with the Parent Company. A contract was signed regarding the taking-over of operating and maintenance activities on the railway section Vejle-Århus-Grenå. The contract is for a four-year period and takes effect on 1 January 2004. Furthermore, we have entered into an agreement on renovation of the town centre of Frederiksberg.



The future in Construction

The segment Construction comprises the activities of the Parent Company and the subsidiaries Petri & Haugsted, Wicotec and Dan Jord. The total revenue came to DKK 1,934 million. For the coming financial year we expect a declining level of activity. Our volume of orders is smaller than normally at the beginning of a new financial year, and we expect a lack of major assignments in the near future. Therefore, for precautionary reasons, we budget for an unchanged profit before interest in the order of a half per cent of the revenue. It is our goal, over a short period of time, to realise a profit before interest at two to three per cent of the revenue.

The past year in Pipe Technologies

The result of our activities within pipe rehabilitation is DKK 5 million before interest. This is materially lower than expected and is caused by an unfavourable Danish market in the first six month of the year under review, losses generated from one-off projects in the Far East and expenses for restructuring an associate in Italy. At the end of the financial year, employment is back to normal in Denmark and we expect the subsidiaries to develop positively in the coming financial year

Our division for pipe rehabilitation is becoming more and more international, and the Danish market now only makes up approx. 25 per cent of the activities. Denmark, however, is still an important market as this is where we introduce and test new methods before using them abroad. At the beginning of the year, the municipalities displayed an unusually strong reluctance, which left its mark. The situation has been normalised over the year concurrently with the division making itself more independent from the public market. This is the result of a targeted effort towards private customers and industrial enterprises.

The primary activity of the division consists in producing and impregnating liners at a factory and subsequently to install the liners at various work sites. By standardising and exploiting the advantage of large-scale production it is our goal to reduce the direct costs of standard products with an average of two per cent per year, measured over a long period of time. This goal was fully achieved in the year under review.

European market leader

For a period of approx. 15 years we have been establishing subsidiaries in large parts of Europe. In Sweden, Finland, Russia, Poland and the Baltic States we have 100% owned subsidiaries, while in Germany, Italy, Austria, the Czech Republic and Slovakia we own companies in a 50/50 partnership with ITI, Insituform Technologies Inc.. We are a market leader in all markets where we are represented. In the early stages of a new establishment, a number of Danish employees are stationed in the country in question, and over time they are replaced by local employees. The establishments have required a lot of our energy but in return they have become sound enterprises. One of the most recent establishments is in Italy, which produced a loss for the year. At the end of the financial year, we have taken steps to restructure this establishment, and the total amount of goodwill at DKK 5.5 million, which arose from the acquisition, has been amortised. All other companies have contributed satisfactory results, except from Poland which incurred a loss due to a temporary lack of incoming orders.

Focus on pipe rehabilitation on foreign projects

Quite a few of the countries in North-East Europe have markets that differ in nature from our domestic market. This concerns Russia as well as the Baltic States and the Ukraine. A large part of our activities in these countries are financed through grants, making for a broad spectrum of activities. In the year under review, we have signed a contract in Latvia for yet another large, EU financed infrastructure project, and in Estonia and Lithuania we are working on smaller projects. In St. Petersburg we produce liners at our impregnation facility for our own consumption as well as for another player in the market. The year has seen a steady level of



activity. At the end of the financial year we signed a contract for our first major project in Moscow. The work concerns a locally financed rehabilitation of large sewer pipes in Moscow. In the Ukraine two large EU financed projects have been completed. Forecasts for the coming years in the North-East European countries are positive.

In the East a few isolated projects involving a large degree of civil engineering activities developed negatively, and therefore we will concentrate our efforts in this area on assignments involving a high degree of pipe rehabilitation activities. In the future the division will engage more selectively in one-off projects focusing on Eastern Europe.

On Taiwan we own half of a company rehabilitating water supply pipes and discharge pipes. The result is above expectations and the company has a good volume of orders at the beginning of the new financial year.

The future in Pipe Technologies

The outlook for the coming financial year is for a minor decline in the total revenue, comprising a steadily growing core market in Europe and a reduced volume of project exports based on a more cautious order intake. The profit before interest is expected to make up approx. four per cent of the revenue.

The past year in Piling

The foundation activities saw a revenue growth of 15 per cent and produced a profit before interest at DKK 23 million. A depressed Danish market was counterbalanced by a single, large contract abroad. The contract is progressing according to plan and is almost half completed at the end of the financial year. England experienced a high level of activities with a good outcome and in Germany the deficit was reduced. The composition of our activities in Poland has changed and the result is affected by non-recurring costs

As expected the subsidy scheme for wind turbines in Denmark was discontinued at the end of 2002. Furthermore, the construction of business domiciles in urban areas involving challenging foundation work has been reduced considerably. Considering these circumstances the Danish organisation did well, although the level of activities was somewhat lower than forecasted at the beginning of the financial year. Despite these facts the capacity utilisation was high, owing primarily to a contract signed in the spring for installation of approx. 330,000 running metres of piles in Kazakhstan in connection with the extension of an oil treatment plant. This amount of piles corresponds to the annual consumption on the Danish market. The project in Kazakhstan progresses according to plan and at the end of the financial year was almost half finished. For a long time, our pile factory in Vejle has been working on increasing the productivity and the work performed in the year under review is satisfactory.

For several years the competition has been tough in Germany. We have strengthened the organisation at our office in Hamburg and increased the cooperative efforts between the Danish and German staffs. Operations improved towards the end of the financial year and the total result is a loss, but better than last year. The outlook for the coming financial year is more positive. The implemented improvements will have a positive effect whereas no material changes in the market conditions are expected.

In England the financial year was better than forecasted. The general piling market is at a relatively high level and in recent years we have increased our market share. In addition to this, our involvement in the new high-speed train connection between London and the Channel Tunnel was satisfactory. For the coming financial year we expect no similar, large one-off contracts. All piles for the English market are produced at our factory in Newark. The major



part of the production is installed by our own organisation, but we also sell piles to other players on the market. The total volume makes us the second largest producer in England.

Bright prospects in Poland

At the beginning of the year under review, activities in Poland were characterised by a decline in railway electrification works and by one considerable, bad debt. In addition, start-up costs incurred in connection with a campaign for pile foundation of noise barriers. We are the most important player in the general pile foundation market in Poland, still a market of a moderate size. We also execute complete cofferdams, and these activities are developing satisfactorily. Over the financial year the organisation was extended and the revenue grew. Due to the above-mentioned circumstances, operations produced a loss but we expect the coming financial year to be satisfactory. At the end of the year under review, we have negotiated a large piling job for a major road project and a contract was subsequently signed.

The future in Piling

The outlook for the coming financial year is for a small improvement of the level of activities. Germany is still faced with adversity but is developing in the right direction. In England we will see a recession compared to the high level of activity of the last couple of years, and in Poland we expect improved operations based on a good volume of orders at the beginning of the new financial year. The Danish market will continuously be marked by reluctance. We expect the total profit before interest to amount to four or five per cent of the revenue.

The year in the subsidiaries

The main part of our subsidiaries and associates has been established by the individual divisions as an organic development and part of the international growth. They are discussed in the annual report under the divisions in question. Other subsidiaries operate within a more isolated framework. This especially concerns the following three major civil engineering companies:

Petri & Haugsted as, Rødovre, executes telecommunications, service works and railway technical works. The high level of activity seen in the previous year continued into the year under review. This is due to a high level of activity within railway related works and cable works in connection with the burying of overhead lines. The result is satisfactory and as expected.

Wicotec A/S, Tåstrup, executes technical installations and related service works. In the year under review the company reached DKK 300 million in revenue thus continuing the positive development of the result of the previous financial year. The company hereby solidified its position as a considerable player in the market. The biggest contract in the financial year was the establishment of plumbing and heating installations and cooling for the new opera house in Copenhagen.

Dan Jord A/S, Århus, executes minor civil engineering projects, paving works, landscape gardening and district heating works. Some of the most important activities in the financial year comprise the laying of new grass with a heated base at Herning Stadium, establishment of Nørhald Golf Club and various works in connection with the newly established shopping streets in Århus and Vejle, among others. The result for the year did not live up to expectations.



Segments

The following table shows the three segments of the Group: Construction, Pipe Technologies and Piling. The information in the table comprises the divisions of the Parent Company, all subsidiaries and associates as well as shares of consortia. Associates are shown separately.

All directly attributable income and expenditure have been allocated to the respective segments. As the segments are supported by staff and joint functions in the Parent Company, comprising group management, administration, project development and design and IT support, the costs connected to these functions have been allocated to the segments on the basis of the drain by the segments on the staff and joint functions.

Equity has been assessed as the value of the property, plant and equipment, subsidiaries, associates, goodwill etc. as well as a proportional distribution of other assets and liabilities. Fixed assets comprise intangible assets and property, plant and equipment.

	Construction		Pipe Technologies		Piling		Total	
	02/03	01/02	02/03	01/02	02/03	01/02	02/03	01/02
Primary segment								
Revenue	1,934	1,923	724	691	462	403	3,120	3,017
Profit on primary operations	9	28	5	18	23	25	37	71
Profit on associates	1	0	0	8	0	0	1	8
Profit before interest	10	28	5	26	23	25	38	79
Finance, net							-17	-12
Profit before tax							21	67
Equity at year-end	267	265	239	250	230	233	736	748
Fixed assets	275	325	192	196	196	205	663	726
Investments in associates	3	2	56	56	0	0	59	58
Liabilities other than provisions	381	407	160	126	80	77	621	610
Number of employees:								
Paid every two weeks	1,131	1,101	203	187	163	168	1,497	1,456
Engineers, technicians and administrative staff	399	368	209	212	106	111	714	691
In total	1,530	1,469	412	399	269	279	2,211	2,147
Secondary segment								
Revenue:								
Work performed abroad	138	224	682	660	280	279	1,100	1,163
Of this figure, shares from associates	-10	-12	-197	-197	0	0	-207	-209
Abroad, consolidated	128	212	485	463	280	279	893	954
Denmark	1,806	1,711	239	228	182	124	2,227	2,063
Total revenue	1,934	1,923	724	691	462	403	3,120	3,017



3. The future

For the coming financial year, the company forecasts a slightly decreasing level of activity and a profit before tax at DKK 40 million.

Cash flows from operating activities with deduction of investments are expected to arrive at a considerably positive amount again this year.

The subsidiaries are soundly growing.

The specialised areas of Pipe Technologies and Piling are market leaders in the majority of the markets where they are represented, and the related core activities are growing steadily. We continuously strive to mature new markets, and production and installation processes connected to our industrial activities are constantly being developed.

The general activities related to the implementation of infrastructure projects will adjust to the difficult conditions on the Danish market, and abroad our order intake will be selective.



4. Resolutions by the Board of Directors and proposals for the Annual General Meeting

The Board of Directors submits the following proposals to the Annual General Meeting:

- A dividend of DKK 4,892 thousand shall be paid, which equates to 12% of the share capital less the holding of own shares.
- As in earlier cases, the Board of Directors shall be empowered until the next ordinary general meeting to acquire own shares at a nominal value not exceeding a total of 10% of the Company share capital, cf. the Danish Companies Act S. 48. The payment shall not be allowed to deviate by more than 10% from the share price quoted on the Copenhagen Stock Exchange at the time of purchase.

Announcements to the Stock Exchange

19 December 2002

Presentation of the Annual Report for 2001/2002.

27 February 2003

Approval by the Annual General Meeting of the Annual Report for 2001/2002.
Presentation of financial statement concerning the first quarter of 2002/2003.

8 May 2003

Readjustment of forecasted profit for the year.

28 May 2003

Presentation of financial statement concerning the first half of 2002/2003.

26 August 2003

Presentation of financial statement concerning the third quarter of 2002/2003.

2 December 2003

Aarsleff obtains road construction contract in Ghana.

Financial Calendar

30 January 2004

Annual General Meeting is held at the Group headquarters, Lokesvej 15, Åbyhøj, at 14:30.

5 February 2003

Dividend paid to shareholders.

25 February 2004

Financial statement presented concerning the first quarter of 2003/2004.

27 May 2004

Financial statement presented concerning the first half of 2003/2004.

26 August 2004

Financial statement presented concerning the third quarter of 2003/2004.

16 December 2004

Presentation of the Annual Report for 2003/2004.



5. The financial statements

In order to comply with the new Danish Financial Statements Act, the accounting policies have been changed in the following areas:

Financial assets and liabilities are measured at amortised cost. Previously, these were measured at nominal value and the capital loss relating to financial obligations was recognised as an asset in property, plant and equipment at the time of raising the loan and then depreciated over the term of the loan. The effect of this change has been insignificant in respect of the profit for the year and has reduced equity by DKK 1,697 thousand as at 30 September 2002.

Proposed dividend is recognised separately in equity until adoption at the Annual General Meeting, and then it is recognised as a liability. Previously, proposed dividend not yet adopted at the Annual General Meeting was recognised in short-term debt. The effect of this change is an increase in equity of DKK 4,972 thousand as at 30 September 2002.

Derivative financial instruments are measured at fair value and recognised in other receivables/other payables. If these are entered into to hedge future cash flows, the value changes are recognised directly in equity until the hedged asset is realised. Previously, the value of derivative financial instruments entered into to hedge future cash flows was not recognised in the balance sheet. This change has no significant effect on the profit for the year and equity.

Other financial assets classified as held-for-trading are recognised at fair value. These assets comprise the Company's holding of shares and the bonds not classified as held-to-maturity. Previously, these assets were measured at the lower of cost and any written-down value. This change has no significant effect on the profit for the year and equity.

Comparative figures and financial highlights have been restated to the changed accounting policies.

In addition to the change of policies, changes have been made to the format including adjustment of the comparative figures, and the description of accounting policies has been partly revised. These changes have no effect on results and equity.

The Group and Parent Company income statement and balance sheet as well as the changes in equity are shown in appendix 1. The cash flow statement appears from appendix 2.

We expect the printed financial statements to be available by mid-January 2004.



Income statement (DKK '000)

Appendix 1 – page 1

PARENT COMPANY			GROUP	
2001/2002	2002/2003		2002/2003	2001/2002
2,059,790	2,091,292	Net revenue, work performed	3,119,796	3,016,907
-1,895,515	-1,926,053	Production costs	-2,786,046	-2,651,669
164,275	165,239	Gross profit	333,750	365,238
-156,731	-162,699	Administrative expenses	-296,912	-294,451
7,544	2,540	Profit on primary operations	36,838	70,787
373	221	Other operating income and expenses	350	552
		Result of capital participation in affiliated companies before tax:		
64,089	29,770	Subsidiaries		
7,999	1,176	Associates	1,305	8,036
80,005	33,707	Profit before interest	38,493	79,375
-13,351	-12,705	Finance, net	-17,491	-12,721
66,654	21,002	Profit before tax	21,002	66,654
-22,160	-9,317	Tax on the profit for the year	-9,317	-22,160
<u>44,494</u>	<u>11,685</u>	Profit for the year	<u>11,685</u>	<u>44,494</u>

PROPOSAL FOR DISTRIBUTION OF PROFIT:

4,972	4,892	Dividend to shareholders
30,002	5,888	Reserve for net revaluation under the equity method
9,520	905	Profit carried forward
<u>44,494</u>	<u>11,685</u>	



Balance sheet (DKK '000)

Appendix 1 – page 2

PARENT COMPANY		ASSETS	GROUP		
30 Sept. 2002	30 Sept. 2003		30 Sept. 2003	30 Sept. 2002	
	4,167	2,627	Goodwill	20,981	27,413
	1,162	941	Patents and similar rights	1,108	1,752
	<u>5,329</u>	<u>3,568</u>	Intangible assets	<u>22,089</u>	<u>29,165</u>
	174,881	173,416	Land and buildings	273,256	279,573
	242,159	183,574	Technical plant and machinery	330,860	380,939
	11,857	9,907	Cars, furniture and fittings	27,926	31,587
	4,531	8,978	Assets in course of construction	9,050	5,077
	<u>433,428</u>	<u>375,875</u>	Property, plant and equipment	<u>641,092</u>	<u>697,176</u>
	334,356	338,326	Shares in subsidiaries		
	58,003	58,705	Shares in associates	59,098	58,269
	29,372	26,783	Loans to subsidiaries		
	4,900	47	Loans to associates	47	4,900
	529	699	Other securities and shares	989	931
	<u>427,160</u>	<u>424,560</u>	Investments	<u>60,134</u>	<u>64,100</u>
	<u>865,917</u>	<u>804,003</u>	TOTAL FIXED ASSETS	<u>723,315</u>	<u>790,441</u>
	<u>43,270</u>	<u>43,363</u>	Stocks	<u>74,716</u>	<u>70,844</u>
	408,780	401,805	Contracting debtors	674,339	630,575
	134,290	57,985	Work in progress less invoicing on account	112,652	193,988
	72,342	56,662	Accounts receivable from subsidiaries		
	19,211	21,147	Accounts receivable from associates	21,696	19,248
	23,291	9,606	Other debtors	20,560	29,854
	13,137	7,232	Corporation tax	10,195	16,569
	0	0	Deferred tax assets	5,912	0
	1,222	320	Prepayments	6,751	11,065
	<u>672,273</u>	<u>554,757</u>	Debtors	<u>852,105</u>	<u>901,299</u>
	<u>290</u>	<u>204</u>	Securities	<u>1,883</u>	<u>2,562</u>
	<u>43,061</u>	<u>41,242</u>	Cash Funds	<u>71,433</u>	<u>70,550</u>
	<u>758,894</u>	<u>639,566</u>	TOTAL CURRENT ASSETS	<u>1,000,137</u>	<u>1,045,255</u>
	<u>1,624,811</u>	<u>1,443,569</u>	TOTAL ASSETS	<u>1,723,452</u>	<u>1,835,696</u>


Balance sheet (DKK '000)

Appendix 1 – page 3

PARENT COMPANY		LIABILITIES AND EQUITY	GROUP	
30 Sept. 2002	30 Sept. 2003		30 Sept. 2003	30 Sept. 2002
45,300	45,300	Share capital	45,300	45,300
177,835	177,835	Share premium account	177,835	177,835
147,701	143,007	Reserve for net revaluation under the equity method		
371,858	365,102	Profit carried forward to next year	508,109	519,559
4,972	4,892	Proposed dividend	4,892	4,972
<u>747,666</u>	<u>736,136</u>	Total equity	<u>736,136</u>	<u>747,666</u>
71,467	66,417	Provision for deferred tax	105,410	110,855
9,287	12,523	Warranties	14,973	12,087
<u>80,754</u>	<u>78,940</u>	Total provisions	<u>120,383</u>	<u>122,942</u>
79,481	74,079	Mortgage debt	91,661	98,254
51,992	51,979	Financial institutions	66,879	66,892
0	0	Corporation tax	4,567	5,872
<u>131,473</u>	<u>126,058</u>	Total long-term debt	<u>163,107</u>	<u>171,018</u>
4,692	4,675	Mortgage debt	5,923	5,883
166,195	56,846	Financial institutions	88,268	179,904
69,182	70,359	Prepayments regarding work in progress	95,605	87,238
263,689	220,791	Trade creditors	337,155	352,690
70,338	65,101	Accounts payable to subsidiaries		
5,094	2,009	Accounts payable to associates	2,009	5,335
0	0	Corporation tax	3,939	10,173
85,728	82,654	Other creditors	170,927	152,847
<u>664,918</u>	<u>502,435</u>	Total short-term debt	<u>703,826</u>	<u>794,070</u>
<u>796,391</u>	<u>628,493</u>	Total liabilities other than provisions	<u>866,933</u>	<u>965,088</u>
<u>1,624,811</u>	<u>1,443,569</u>	TOTAL LIABILITIES AND EQUITY	<u>1,723,452</u>	<u>1,835,696</u>

Equity (DKK '000)

Appendix 1 – page 4

Balance at 1 October 2002	744,391
Change in accounting policies:	
Financial obligations are measured at amortised cost	-1,697
Proposal for dividend is recognised separately in equity	<u>4,972</u>
Adjusted balance at 1 October 2002	747,666
Paid dividend	-4,892
Purchase of own shares	-6,014
Exchange rate adjustment of foreign subsidiaries and associates	-12,309
Profit for the year	<u>11,685</u>
Balance at 30 September 2003	<u>736,136</u>



Cash flow statement (DKK '000)

Appendix 2

PARENT COMPANY			GROUP	
2001/2002	2002/2003		2002/2003	2001/2002
CASH FLOW FROM OPERATING ACTIVITIES				
80,005	33,707	Profit before interest	38,493	79,375
75,495	73,779	Depreciation	116,324	114,941
-77,701	-37,247	Other adjustments	-6,682	-12,303
<u>56,683</u>	<u>53,560</u>	Change in operating capital	<u>49,271</u>	<u>37,523</u>
Cash flow from operating activities before financial items and tax				
134,482	123,799	Interest payments received	5,899	9,009
2,958	3,111	Interest payments made	-24,514	-22,351
<u>-16,815</u>	<u>-16,261</u>	Cash flow from ordinary operations	<u>178,791</u>	<u>206,194</u>
120,625	110,649	Corporation tax paid	-18,016	-9,281
<u>3,626</u>	<u>-1,070</u>	Cash flow from operating activities	<u>160,775</u>	<u>196,913</u>
<u>124,251</u>	<u>109,579</u>			
CASH FLOW FROM INVESTMENT ACTIVITIES				
-1,162	221	Patents and similar rights	530	268
-28,075	-2,428	Land and buildings	-2,926	-36,822
-48,237	-637	Technical plant and machinery	-41,455	-81,485
-6,816	-2,084	Cars, furniture and fittings	-7,242	-12,610
-1,519	-2,468	Investment in companies	0	0
16,885	18,703	Dividend received	3,658	0
<u>2,373</u>	<u>2,878</u>	Investment in other financial assets	<u>-3,988</u>	<u>-1,989</u>
<u>-66,551</u>	<u>14,185</u>	Cash flow from investment activities	<u>-51,423</u>	<u>-132,638</u>
CASH FLOW FROM FINANCING ACTIVITIES				
16,778	-5,414	Long-term liabilities	-6,606	20,943
-4,972	-4,892	Dividend paid	-4,892	-4,972
0	-6,014	Own shares	-6,014	0
<u>-1,290</u>	<u>0</u>	Exploitation of share options	<u>0</u>	<u>-1,290</u>
<u>10,516</u>	<u>-16,320</u>	Cash flow from financing activities	<u>-17,512</u>	<u>14,681</u>
TOTAL CHANGE IN LIQUIDITY FOR THE YEAR				
<u>68,216</u>	<u>107,444</u>		<u>91,840</u>	<u>78,956</u>
-191,060	-122,844	Opening liquidity	-106,792	-185,748
<u>68,216</u>	<u>107,444</u>	Change in liquidity for the year	<u>91,840</u>	<u>78,956</u>
<u>-122,844</u>	<u>-15,400</u>	Closing liquidity	<u>-14,952</u>	<u>-106,792</u>