Per Aarsleff A/S
in the course of formation

Lokesvej 15
DK-8230 Åbyhøj

Opening Balance Sheet at 1 October 2015
following contribution of activities from
Per Aarsleff Holding A/S,
CVR No 24 25 77 97

Contents

Management's Statement

The Opening Balance Sheet has been prepared in connection with Per Aarsleff Holding A/S (previously Per Aarsleff A/S), CVR No 24 25 77 97, forming Per Aarsleff A/S and contributing the activities of the previous Per Aarsleff A/S the specialty of which is to devise, plan and implement large-scale projects within infrastructure, climate change adaptation, environment, energy and construction. The Company has, among other things, special expertise within port and marine construction, railway work, establishment of off-shore wind forms, pile foundation and trenchless pipe renewal.

In connection with the contribution, all assets and all liabilities of the previous Per Aarsleff A/S will be contributed to the receiving company exclusive of the following items which remain in the contributing company:

- Shareholdings in subsidiaries and associates with a carrying amount of DKK 1,302,562k (subsidiaries) and DKK 9,422k (associates).

- Receivables from subsidiaries of DKK 2,306k. These concern capital investments in two subsidiaries which structurally correspond to contribution of equity.

- Assets and liabilities in the Polish permanent establishment (branch) with net assets of DKK 11,095k.

- Share of receivables (DKK 221,065k) from and payables (DKK 235,993k) to subsidiaries as well as share of cash holdings (DKK 261,849k). Moreover, bank loans of DKK 346,665k remain in the contributing company.

  The share of receivables from and payables to subsidiaries is the portion which relates to the Group's cash pool arrangement.

- Corporation tax receivable of DKK 741k.

- Employee obligations at 30 September 2015 of DKK 5,780k relating to Group Management who will also in future be employed by/receive salary from the contributing company. Group Management includes the currently registered Executive Board and Board of Directors as well as the Group CFO.

  The employee obligations mentioned above relating to Group Management comprise accrued holiday pay and other employee obligations.

The Opening Balance Sheet has been prepared in accordance with the Danish Financial Statements Act.

We consider the accounting policies applied appropriate and the estimates made reasonable.

Management's Statement

Furthermore, we consider the overall opening balance sheet presentation true and fair. Therefore, in our opinion the Opening Balance Sheet gives a true and fair view of the financial position of the Company at 1 October 2015.

Aarhus, 22 February 2016
Founder:

Representing Per Aarsleff Holding A/S

Andreas Lundby	Ebbe Malte Iversen
Chairman of the Board of Directors	CEO

Independent Auditor's Report

To the Shareholder of Per Aarsleff A/S in the course of formation

We have audited the Opening Balance Sheet of Per Aarsleff A/S in the course of formation at 1 October 2015 comprising Management's statement, summary of significant accounting policies, balance sheet and notes. The Opening Balance Sheet is prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Consolidated Statement of Assets and Liabilities

The Founder (The Management of the contributed company) is responsible for the preparation of an Opening Balance Sheet that gives a true and fair view of the assets and liabilities contributed to Per Aarsleff A/S in the course of formation in accordance with the Danish Financial Statements Act, and for such internal control as the Founder determines is necessary to enable the preparation of an Opening Balance Sheet that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility and the Audit Performed

Our responsibility is to express an opinion on the Opening Balance Sheet based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Opening Balance Sheet is free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Opening Balance Sheet. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Opening Balance Sheet, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of an Opening Balance Sheet that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Founder, as well as evaluating the overall presentation of the Opening Balance Sheet.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Independent Auditor's Report

Opinion

In our opinion, the Opening Balance Sheet gives a true and fair view of the financial position of the Company at 1 October 2015 in accordance with the Danish Financial Statements Act.

Aarhus, 22 February 2016
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Claus Lindholm Jacobsen	Michael Nielsson
State Authorised Public Accountant	State Authorised Public Accountant

Company Information

The Company	Per Aarsleff A/S Lokesvej 15 DK-8230 Åbyhøj The first financial year covers the period 1 October 2015 - 30 September 2016. Financial year: 1 October – 30 September Municipality of reg. office: Aarhus
Founder	Per Aarsleff Holding A/S (previously Per Aarsleff A/S), CVR No 24 25 77 97
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C

Accounting Policies

Basis of Preparation

The Opening Balance Sheet of Per Aarsleff A/S in the course of formation has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class large C.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Joint arrangements

The Company participates in a number of joint arrangements, including consortia and working partnerships in respect of which none of the parties have a controlling interest.

Joint arrangements with full or proportionate liability are recognised using proportionate consolidation. Other joint arrangements are recognised under the equity method.

Translation policies

Receivables and payables in foreign currencies are translated into Danish kroner at the official exchange rate at the balance sheet date.

Derivative financial instruments

Derivative financial instruments are recognised in the balance sheet at fair value as from the trading date. Positive and negative fair values of derivative financial instruments are included in "Other receivables" and "Other payables", respectively. Fair values are determined on the basis of market data and recognised valuation methods.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are treated as finance leases. Other leases are treated as operating leases.

Accounting Policies

Balance Sheet

Intangible assets

Patents and licences are measured at cost less accumulated amortisation or at a lower value in use. Patents are amortised over the remaining patent period and licences are amortised over the period of the agreement, but not exceeding 8 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers and borrowing costs in respect of specific and general borrowing relating to the construction of the individual asset.

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Production buildings	20 years
Administration buildings	50 years
Plant and machinery	3 - 10 years
Other fixtures and fittings, tools and equipment	6 years

Land is not depreciated.

The basis of depreciation is determined in consideration of the residual value of the asset less any impairment losses. The residual value is determined at the time of acquisition and is reassessed on an annual basis.

Property, plant and equipment are recorded at the lower of recoverable amount and carrying amount.

Gains and losses on disposal of property, plant and equipment are recognised in the income statement under production costs or administrative expenses or other operating income/expenses and are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of disposal.

Current assets

Inventories

Inventories are measured at the lower of cost under the FIFO method or net realisable value for the individual item groups.

The cost of raw materials, consumables and goods for resale comprise the invoiced price with addition of direct costs incurred in connection with the acquisition.

Accounting Policies

The cost of finished goods comprises the cost of materials and direct labour with addition of indirect production costs. Financing expenses in the construction period are not recognised.

Receivables

Receivables are measured at amortised cost less provisions for bad debts.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed less invoicing on account and provisions for estimated bad debts.

The selling price is based on the stage of completion at the balance sheet date and the total expected income on the individual work in progress. The stage of completion is determined on the basis of an assessment of the work completed usually calculated as the relationship between costs incurred and the total expected costs on the individual work in progress.

When it is probable that total expenses exceed total income from work in progress, provision is made to meet the total expected loss on the contract. When the selling price cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Construction contracts on which the selling price of the work performed exceeds invoicing on account and expected losses are recognised in receivables. Construction contracts on which invoicing on account and expected losses exceed the selling price are recognised in liabilities. Prepayments from customers are recognised in liabilities.

Costs in connection with sales and tender work for obtaining contracts are charged to the income statement in the financial year in which these are incurred. Specific costs directly related to a contract are transferred to the construction contract when these are identifiable and can be measured reliably – and when it is probable that the construction contract will be entered into at the time of incurrence of the costs.

Securities

Listed bonds, which are monitored on a current basis, measured and reported at fair value in accordance with the Group's investment policy, are recognised at fair value at the trade date under short-term assets and are subsequently measured at fair value. Changes in the fair value are recognised on a current basis in profit/loss under financial income and expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand less debt to credit institutions and with the addition of securities with a time to maturity of less than three months at the time of acquisition, which can readily be converted into cash and which only carry an insignificant risk of changes in value.

Accounting Policies

Equity

Proposed dividend

Dividend is recognised in liabilities at the time of adoption at the Annual General Meeting. Proposed dividend expected paid for the financial year is disclosed as a separate equity item.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of events occurred in the financial year or in previous years, when it is probable that the settlement of the obligation will result in consumption of financial resources and when the obligation can be calculated reliably.

On measurement of provisions, the expenses required to settle the obligation are discounted if this has a material effect on the measurement of the obligation.

Warranty provisions are recognised as the contracts are performed and are measured based on experience.

Deferred tax

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items – apart from business acquisitions – where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective when the deferred tax is expected to crystallise as current tax under the legislation at the balance sheet date. Where the tax base can be determined according to alternative taxation rules, deferred tax is measured on the basis of the planned use of the asset or the settlement of the obligation, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised in other non-current assets at the value at which the asset is expected to be realised, either by elimination of tax on future earnings or by set-off against deferred tax liabilities.

Financial liabilities

Mortgage loans and loans from credit institutions are recognised at the time of the raising of the loan at the proceeds received less transaction expenses paid. In subsequent periods, financial obligations are measured at amortised cost, corresponding to the capitalised value when using the effective interest rate, so that the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other financial liabilities comprising payables to suppliers, group enterprises and associates as well as state grants and other debt are measured at amortised cost.

Opening Balance Sheet at 1 October 2015

Assets

	Note	1/10 2015
		DKK '000
Patents and other intangible assets		338
Intangible assets	1	**338**
Land and buildings		289.866
Plant and machinery		418.816
Other fixtures and fittings, tools and equipment		13.293
Property, plant and equipment in progress		56.830
Property, plant and equipment	1	**778.805**
Fixed assets		**779.143**
Inventories	2	**60.396**
Contracting debtors		900.634
Work in progress	3	151.287
Receivables from group enterprises		134.677
Other receivables		31.373
Receivables		**1.217.971**
Securities		**196.457**
Cash at bank and in hand		**449.231**
Current assets		**1.924.055**
Assets		**2.703.198**

Opening Balance Sheet at 1 October 2015

Liabilities and equity

	Note	1/10 2015 DKK '000
Share capital		200.000
Share premium		784.378
Equity		**984.378**
Deferred tax	4	221.634
Other provisions	5	101.794
Provisions		**323.428**
Mortgage loans	6	77.449
Long-term debt		**77.449**
Mortgage loans	6	5.590
Work in progress	3	379.940
Trade payables		710.227
Other payables		222.186
Short-term debt		**1.317.943**
Debt		**1.395.392**
Liabilities and equity		**2.703.198**
Contingent liabilities and other financial liabilities	7	

Statement of Changes in Equity

	Share capital	Share premium	Total
	DKK '000	DKK '000	DKK '000
Equity at 1 October 2015	**200.000**	**784.378**	**984.378**

Notes to the Opening Balance Sheet

1 Intangible assets and property, plant and equipment

	Patents and other intangible assets	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Cost at 1 October 2015	3.904	413.970	1.129.074	64.075	56.830
Depreciation, amortisation and impairment losses	3.566	124.104	710.258	50.782	0
Carrying amount at 1 October 2015	**338**	**289.866**	**418.816**	**13.293**	**56.830**

	1/10 2015
	DKK '000

2 Inventories

Raw materials and consumables	60.396
Total	**60.396**

3 Work in progress

Selling price of construction contracts	6.428.476
Invoicing on account	-6.657.130
Total	**-228.653**
Recognised as follows:	
Receivables	151.287
Short-term debt	-379.940
Total	**-228.653**
Prepayments from customers relating to constructing work not initiated.	0
Withheld payments	23.771

4 Deferred tax

Deferred tax relates to:

Intangible assets	2.376
Property, plant and equipment	2.240
Work in progress	216.568
Other current assets	450
Deferred tax at 1 October 2015	**221.634**

Notes to the Opening Balance Sheet

5 Other provisions

At 1 October 2015, provisions comprise warranty obligations relating to completed contract work with a warranty period of up to five years from the date of delivery. The obligation has been calculated on the basis of historical warranty costs in consideration of known warranty obligations. The main part of the costs are expected to be incurred within three years.

Other provisions falling due for payment within one year after the balance sheet date	23.708

6 Mortgage loans

Mortgage loans fall due for payment as follows:

	Carrying amount	Within 1 year	1-5 years	After 5 years
	DKK '000	DKK '000	DKK '000	DKK '000
Mortgage loans	83.039	5.590	35.812	41.637
Total debt	**83.039**	**5.590**	**35.812**	**41.637**

Notes to the Opening Balance Sheet

	1/10 2015
	TDKK
7 Contingent liabilities and other financial liabilities	
Operating leases	
Future lease payments under non-cancellable contracts:	
(minimum lease payments):	
Due within 1 year	22.751
Due between 2 and 5 years	33.681
Due after 5 years	0
Total	**56.432**

Operating leases concern cars, construction equipment and other equipment. The term is maximum 5 years at 1 October 2015.

Capital and purchase commitments

Investment in property, plant and equipment	29.500

Contingent assets and liabilities

Per Aarsleff A/S is party to various litigation and arbitration proceedings which are not expected to influence future earnings of the Company negatively.

The Company is included in the joint taxation with the other Danish enterprises of the Per Aarsleff Holding A/S Group and is jointly and severally liable for the tax on the Group's jointly taxed income etc.

Security

The carrying amount of land and buildings provided as security for mortgage loans amounts to	172.305

Warranty obligations include the obligation to carry out ordinary warranty work for up to generally five years. The obligation is calculated on the basis of historical warranty costs.

Per Aarsleff A/S participates in working partnerships (joint arrangements) under a joint and several liability. At 1 October 2015, total debt amounts to DKK 579 million of which DKK 326 million has been recognised in the balance sheet.
The Company does not expect any losses in addition to those included in the Financial Statements.