

Nasdaq Copenhagen A/S
 P.O. Box 1040
 1007 København K

24 February 2017
 Ref.: JSZ/til



Interim financial report for the period 1 October-31 December 2016

Today, the Board of Directors of Per Aarsleff Holding A/S has discussed and approved the interim financial report for the first quarter of the financial year 2016/2017. The interim financial report has not been audited or reviewed by the company's auditor.

First quarter results

- Operating profit (EBIT) came to DKK 103 million compared to DKK 123 million in the first quarter of last financial year. Results are in line with expectations.
- Consolidated revenue came to DKK 2,917 million compared to DKK 2,555 million in the first quarter of last financial year.
- Construction generated EBIT of DKK 62 million.
- Pipe Technologies generated EBIT of DKK 31 million.
- Ground Engineering generated EBIT of DKK 10 million.
- The Group's net interest-bearing debt came to DKK 205 million as at 31 December 2016.
- The equity ratio was 40.5% as at 31 December 2016.

Outlook for the financial year 2016/2017

- The outlook for the full financial year remains unchanged. EBIT is expected to amount to DKK 430 million. Revenue is expected to be approx. 5% up on the financial year 2015/2016.

Andreas Lundby
 Chairman of the Board

Ebbe Malte Iversen
 General Manager

Per Aarsleff Holding A/S
 Main office
 Hasselager Allé 5
 DK-8260 Viby J
 Denmark
 Tel +45 8744 2222

Copenhagen office
 Industriholmen 2
 DK-2650 Hvidovre
 Denmark
 Tel +45 3679 3333

CVR no. 24257797

Further information:

General Manager Ebbe Malte Iversen, tel. +45 8744 2222.



Highlights for the Group

Amounts in mDKK

	First quarter		Financial year
	2016/2017	2015/2016	2015/2016
Income statement			
Revenue	2,917	2,555	10,420
Of this figure, work performed abroad	775	673	2,843
Operating profit	103	123	418
Profit before interest	103	123	416
Net financials	-5	-4	-17
Profit before tax	98	119	399
Profit after tax	74	90	304
Balance sheet			
Non-current assets	2,476	2,012	2,420
Current assets	3,885	3,445	4,113
Total assets	6,361	5,457	6,533
Equity	2,579	2,353	2,503
Non-current liabilities	766	725	767
Current liabilities	3,016	2,379	3,263
Total equity and liabilities	6,361	5,457	6,533
Net interest-bearing debt	205	-435	61
Invested capital (IC)	2,775	1,907	2,555
Cash flow statement			
Cash flows from operating activities	-21	201	430
Cash flows from investing activities	-118	-138	-782
Of this figure, investment in property, plant and equipment, net	-118	-138	-572
Cash flows from financing activities	8	-1	-77
Change in liquidity for the period	-131	62	-429
Financial ratios			
Gross margin ratio, %	10.9	12.7	12.0
Profit margin (EBIT margin), %	3.5	4.8	4.0
Net profit ratio (pre-tax margin), %	3.4	4.7	3.8
Return on invested capital (ROIC), % *	3.9	6.5	18.8
Return on invested capital after tax (ROIC), % *	2.9	4.9	14.4
Return on equity (ROE), % *	2.9	3.9	12.7
Equity ratio, %	40.5	43.1	38.3
Earnings per share (EPS), DKK	3.63	4.41	14.84
Number of employees	6,056	5,364	5,906

Please see page 55 of the 2015/2016 annual report for financial ratio definitions.
*Not translated into full year figures.



Management's review concerning the first quarter of the financial year 2016/2017

Financial development of the Aarsleff Group

Income statement

In the first quarter of the financial year 2016/2017, consolidated revenue came to DKK 2,917 million, or 14% up on last financial year. The Danish operations reported a revenue increase of 14%, while the foreign operations reported a revenue increase of 15%.

Administrative expenses and selling costs came to 7.7%, in line with the level of last financial year.

The period includes profit of DKK 9.6 million from the sale of the former main office in Aabyhøj.

Operating profit (EBIT) came to DKK 102.9 million against DKK 122.8 million in the first quarter of last financial year.

Net financials were negative at DKK 4.3 million against a negative amount of DKK 3.8 million last financial year.

Profit before tax reached DKK 98.5 million in the first quarter of the financial year against DKK 118.8 million in the same quarter of last financial year.

Consolidated profit after tax was DKK 74 million in the first quarter of the financial year against DKK 90 million last financial year.

Balance sheet

The consolidated balance sheet total came to DKK 6,361 million at 31 December 2016. This corresponds to a decrease of DKK 172 million compared to the balance sheet total of DKK 6,533 million at the end of last financial year.

Contract work in progress, net increased by DKK 142 million in the first quarter.

Consolidated interest-bearing liabilities less interest-bearing assets constituted a net debt of DKK 205 million against a net debt of DKK 61 million at 30 September 2016.

Equity amounted to DKK 2,579 million against DKK 2,503 million at the end of last financial year or 40.5% of the balance sheet total compared to 38.3% at the beginning of the financial year.

Cash flow statement

Cash flows from operating activities amounted to a negative amount of DKK 21 million against a positive amount of DKK 201 million in the same quarter of last financial year.

Cash flows from investing activities were negative at DKK 118 million against a negative amount of DKK 138 million in the same quarter of last financial year.

Cash flows from financing activities amounted to DKK 8 million against a negative amount of DKK 1 million in the same quarter of last financial year.

Thus, the change in liquidity for the period constituted a negative amount of DKK 131 million.



Segment results

Amounts in mDKK	Construction		Pipe Technologies		Ground Engineering		Total	
	First quarter		First quarter		First quarter		First quarter	
	2016/2017	2015/2016	2016/2017	2015/2016	2016/2017	2015/2016	2016/2017	2015/2016
Segment revenue	2,076	1,793	417	412	451	372	2,944	2,577
Internal revenue	-13	-15	-1	-3	-13	-4	-27	-22
Revenue	2,063	1,778	416	409	438	368	2,917	2,555
Of this figure, work performed abroad	254	207	271	254	250	212	775	673
Operating profit (EBIT)	62	78	31	31	10	14	103	123
Profit/loss in associates and joint ventures	0	0	0	0	0	0	0	0
Profit before interest	62	78	31	31	10	14	103	123
Net financials							-5	-4
Profit before tax							98	119
EBIT margin, %	3.0	4.4	7.5	7.6	2.3	3.8	3.5	4.8
Number of employees	4,346	3,682	776	802	934	880	6,056	5,364

Construction – results slightly above expectations

First quarter revenue came to DKK 2,063 million or 16% up on the same period last financial year. The Danish operations reported a revenue increase of 15% to DKK 1,809 million. The foreign operations reported a revenue increase of 23% to DKK 254 million. First quarter revenue in Hansson & Knudsen A/S came to DKK 216 million. The company was included in the Aarsleff Group from January 2016 and is thus not included in the first quarter of the financial year 2015/2016.

Segment results (EBIT) came to DKK 62 million compared to DKK 78 million last financial year and is in line with expectations at the beginning of the financial year. As expected, earnings are affected by high tender costs for exceptionally large tenders with extended preparation periods.

Per Aarsleff A/S performed above expectations at the beginning of the financial year. Single construction projects have been completed with results above expectations.

Overall, the results of Construction's other companies fell short of expectations at the beginning of the financial year. The performance of Wicotec Kirkebjerg A/S is significantly below expectations due to impairment of some large projects. Hansson & Knudsen A/S and Ístak hf. performed in line with expectations.

The outlook for 2016/2017 is unchanged, corresponding to an EBIT margin of approx. 3.5% and revenue which is approx. 5% higher compared to last financial year.

Pipe Technologies – results above expectations at the beginning of the year

First quarter revenue came to DKK 416 million or 2% up on last financial year. The Danish operations reported a revenue decrease of 6% to DKK 145 million. The foreign operations reported a revenue increase of 7% to DKK 271 million.

Segment results (EBIT) came to DKK 31 million and is on par with last financial year. The first quarter of the financial year is Pipe Technologies' peak season. Results exceeded expectations at the beginning of the financial year.



In Denmark, first quarter revenue of the municipal utility companies and the housing and industry segments exceeded expectations and therefore, the contribution to results was higher.

The total performance of the foreign companies was in line with expectations at the beginning of the financial year.

The outlook for 2016/2017 is unchanged, corresponding to an EBIT margin of approx. 3% and revenue which is approx. 5% higher compared to last financial year.

Ground Engineering – results fell short of expectations

First quarter revenue came to DKK 438 million or 19% up on the same period last financial year. The Danish operations reported revenue of DKK 188 million or 21% up on the same period last financial year. The foreign operations reported a revenue increase of 18% to DKK 250 million.

Segment results (EBIT) came to DKK 10 million compared to DKK 14 million last financial year and is below expectations at the beginning of the financial year.

The results of the Danish activities are in line with expectations at the beginning of the financial year.

Total results of the foreign companies fell short of expectations. The activities in Poland are loss-making. The market conditions continue to be very difficult, and capacity adjustments plans have been initiated. In the UK, first quarter revenue was high, primarily due to a single, major project which was won with a relatively low margin level for the segment.

The outlook for 2016/2017 is unchanged, corresponding to an EBIT margin of approx. 6.5% and revenue which is approx. 10% higher compared to last financial year.

Outlook for the financial year 2016/2017

The outlook for the full financial year remains unchanged. EBIT is expected to amount to DKK 430 million. Revenue is expected to be approx. 5% up on the financial year 2015/2016.

The expectations for 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 2015/2016 and note 2 on Estimation uncertainty. Significant risks and uncertainties remain unchanged compared with the description in the annual report.



Accounting policies

The interim financial report covering the first quarter of the financial year 2016/2017 has been prepared in accordance with IAS 34 "Interim Financial Reporting" and additional Danish disclosure requirements for interim financial reports of listed companies.

No interim financial report has been prepared for the parent company.

The accounting policies of the interim financial report remain unchanged from the 2015/2016 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 2015/2016 Annual Report for a further description of the accounting policies.

Certain new or changed standards or interpretations have become effective for the financial year 2016/2017. 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 financial report of Per Aarsleff Holding A/S for the period 1 October-31 December 2016.

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

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

We consider the accounting policies used to be appropriate. Accordingly, the interim financial report gives a true and fair view of the financial position at 31 December 2016 of the Group as well as of the results of the Group's operations and cash flows in the period 1 October-31 December 2016.

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.

Viby J, 24 February 2017

Executive Management

Ebbe Malte Iversen
General Manager

Lars M. Carlsen
Deputy General Manager

Jesper Kristian Jacobsen
Group Director

Mogens Vedel Hestbæk
Group Chief Financial Officer

Board of directors

Andreas Lundby
Chairman of the Board

Jens Bjerg Sørensen
Deputy Chairman

Carsten Fode
Board member

Peter Arndrup Poulsen
Board member

Charlotte Strand
Board member



Consolidated income statement

Amounts in tDKK

	First quarter	
	2016/2017	2015/2016
Revenue	2,916,570	2,555,107
Production costs	-2,597,721	-2,229,748
Gross profit	318,849	325,359
Administrative expenses and selling costs	-225,284	-202,423
Other operating income and expenses	9,329	-123
Operating profit	102,894	122,813
Profit/loss in associates and joint ventures	-164	-194
Profit before interest	102,730	122,619
Net financials	-4,276	-3,796
Profit before tax	98,454	118,823
Tax on profit for the period	-24,415	-28,794
Profit after tax	74,039	90,029
Earnings per share (DKK)	3.63	4.41

Statement of comprehensive income

Amounts in tDKK

	First quarter	
	2016/2017	2015/2016
Profit after tax	74,039	90,029
Items which may become reclassified to the income statement		
Exchange rate adjustments relating to foreign entities	2,544	2,058
Fair value adjustments of derivative financial instruments, net	890	-5,589
Tax on other comprehensive income	-189	1,230
Other comprehensive income recognised directly in equity	3,245	-2,301
Total comprehensive income	77,284	87,728
Total comprehensive income accrues to		
Shareholders of Per Aarsleff Holding A/S	77,171	87,528
Minority shareholders	113	200
Total	77,284	87,728



Consolidated balance sheet

Amounts in tDKK

	31/12 2016	30/9 2016	31/12 2015
Assets			
Goodwill	244,584	244,584	147,346
Patents and other intangible assets	83,176	88,164	29,560
Land and buildings	856,338	645,768	611,840
Plant and machinery	1,131,931	1,119,397	998,492
Other fixtures and fittings, tools and equipment	92,417	91,297	64,065
Property, plant and equipment in progress	47,521	212,519	143,391
Other non-current assets	20,010	18,322	17,560
Non-current assets	2,475,977	2,420,051	2,012,254
Inventories	227,228	225,432	219,366
Contracting debtors	2,268,018	2,553,926	1,700,213
Work in progress	654,155	678,638	524,829
Other receivables	175,509	142,005	78,256
Securities	195,815	195,997	196,236
Cash	364,574	317,272	726,047
Current assets	3,885,299	4,113,270	3,444,947
Total assets	6,361,276	6,533,321	5,457,201
Equity and liabilities			
Equity, shareholders of Per Aarsleff Holding A/S	2,572,686	2,495,515	2,346,046
Minority interests' share of equity	6,543	7,916	6,785
Equity	2,579,229	2,503,431	2,352,831
Mortgage debt and credit institutions	188,208	180,264	185,244
Provisions	69,228	71,786	75,332
Other payables	64,871	62,727	55,948
Deferred tax	443,722	452,457	408,268
Non-current liabilities	766,029	767,234	724,792
Mortgage debt and credit institutions	511,810	330,838	246,534
Work in progress	609,689	776,542	623,275
Trade payables	1,089,781	1,376,700	894,204
Other payables	804,738	778,576	615,565
Current liabilities	3,016,018	3,262,656	2,379,578
Total liabilities	3,782,047	4,029,890	3,104,370
Total equity and liabilities	6,361,276	6,533,321	5,457,201



Consolidated cash flow statement

Amounts in tDKK

	First quarter	
	2016/2017	2015/2016
Cash flow from operating activities		
Profit before interest	102,730	122,619
Depreciation, amortisation and impairment losses, intangible assets	3,356	1,420
Depreciation, amortisation and impairment losses, property, plant and equipment	79,912	70,171
Other adjustments	-171,982	10,492
Net financials	-4,276	-3,796
Corporation tax paid	-31,310	-401
Cash flows from operating activities	-21,570	200,505
Cash flow from investing activities		
Net investment in property, plant and equipment and intangible assets	-117,858	-138,497
Net investment in associates and joint ventures	0	930
Cash flows from investing activities	-117,858	-137,567
Cash flow from financing activities	7,945	-864
Cash flows from financing activities	7,945	-864
Change in liquidity for the period	-131,483	62,074
Opening liquidity	5,359	435,678
Change in liquidity for the period	-131,483	62,074
Closing liquidity	-126,124	497,752

Net interest-bearing debt

Amounts in tDKK

	First quarter	
	2016/2017	2015/2016
Cash	364,574	726,047
Securities	195,815	196,236
Total interest-bearing assets	560,389	922,283
Mortgage debt and credit institutions	700,020	431,778
Other long-term debt	64,871	55,948
Total interest-bearing liabilities	764,891	487,726
Net interest-bearing debt	204,502	-434,557



Statement of changes in equity, Group

Amounts in tDKK

	Share capital	Reserve for exchange rate adjustments	Hedging reserve	Retained earnings	Proposed dividend	Total shareholders of Per Aarsleff Holding A/S	Minority shareholders	Total
Equity at 1 October 2015	45,300	-52,494	850	2,196,912	67,950	2,258,518	6,585	2,265,103
Total comprehensive income								
Profit for the year				89,829		89,829	200	90,029
Other total comprehensive income								
Exchange rate adjustments of foreign companies		2,058				2,058		2,058
Fair value adjustments of derivative financial instruments			-5,589			-5,589		-5,589
Tax on derivative financial instruments			1,230			1,230		1,230
Other total comprehensive income	0	2,058	-4,359	0	0	-2,301	0	-2,301
Total comprehensive income	0	2,058	-4,359	89,829	0	87,528	200	87,728
Equity at 31 December 2015	45,300	-50,436	-3,509	2,286,741	67,950	2,346,046	6,785	2,352,831
Equity at 1 October 2016	45,300	-67,994	12,320	2,415,289	90,600	2,495,515	7,916	2,503,431
Total comprehensive income								
Profit for the year				73,926		73,926	113	74,039
Other total comprehensive income								
Exchange rate adjustments of foreign companies		2,544				2,544		2,544
Fair value adjustments of derivative financial instruments			890			890		890
Tax on derivative financial instruments			-189			-189		-189
Other total comprehensive income	0	2,544	701	0	0	3,245	0	3,245
Total comprehensive income	0	2,544	701	73,926	0	77,171	113	77,284
Transactions with owners								
Dividend, minority shareholders							-1,486	-1,486
Total transactions with owners	0	0	0	0	0	0	-1,486	-1,486
Equity at 31 December 2016	45,300	-65,450	13,021	2,489,215	90,600	2,572,686	6,543	2,579,229



Company announcements published this current financial year

21 December 2016	Preliminary announcement of financial statements for the financial year 2015/2016
09 January 2017	Notice convening the Annual General Meeting of Per Aarsleff Holding A/S
01 February 2017	Annual General Meeting of Per Aarsleff Holding A/S
10 February 2017	Aarsleff is to construct new headquarters for the Carlsberg Group

See www.aarsleff.com for further information.

This interim financial report is a translation of Per Aarsleff Holding A/S's official Danish interim financial report. The original Danish text shall take precedence and in case of discrepancy the Danish wording shall prevail.