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Stock Exchange Announcement No. 17, 2003

MT Højgaard a/s - Interim report for the first half 2003

Enclosed please find the interim report for the first half 2003 from MT Højgaard a/s about the activities during 1 January – 30 June 2003.

For your information Monberg & Thorsen A/S owns 46% of the shares in MT Højgaard a/s.

Yours faithfully,
Monberg & Thorsen A/S

Mogens Granborg
Chairman of the Board

Erik Søndergaard
President

27 August 2003

Interim report for the first half 2003 (1/1 – 30/06 2003)

The Supervisory Board of MT Højgaard a/s has considered and approved the Company's interim report for the first half 2003. The interim report is un-audited.

Søborg, 27 August 2003
Supervisory and Executive Boards

Per Møller
Chairman of the Supervisory Board

Kristian May
President and CEO

Any questions relating to this announcement should be directed to Kristian May, President and CEO, on telephone +45 3954 4000 or to Per Møller, Chairman of the Supervisory Board, on telephone +45 4520 1503.

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

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

Earnings performance for the first half 2003 in line with expectations

- Revenue for the first half was DKK 3,985 million, down DKK 894 on the first half 2002.
- The result before tax was a profit of DKK 2 million compared with a loss of DKK 8 million for the first half 2002.
- The order book closed at DKK 4,941 million at the end of the first half, corresponding to about seven months' production, which is satisfactory.
- Further structural and capacity adjustments have been put in place during the summer as a result of the decline in the level of activity and the subdued market conditions. The positive effect will not show through until in 2004.

Expectations for 2003

- Production revenue of about DKK 8.2 billion is now expected for 2003. The full-year earnings forecast remains unchanged, which means that pre-tax profit in the region of DKK 50 million is expected. The Group's effective rate of taxation is expected to be on a par with the Danish tax rate.

Group financial highlights

(The interim report is unaudited)

Amounts in DKKm	2003	2002	2003	2002	2002
	2 nd quarter	2 nd quarter	30.06	30.06	Year
Income statement					
Revenue	2,080	2,662	3,985	4,879	9,668
Operating profit (loss) (EBIT)	32	2	6	(3)	(429)
Interest income and expense and similar items and profits (losses) of associates	3	(5)	(4)	(6)	(15)
Profit (loss) before tax	35	(3)	2	(8)	(444)
Group share of profit (loss) for the period	24	(2)	0	(6)	(378)
Balance sheet					
Share capital			220	200	200
Equity			802	862	502
Balance sheet total			3,471	3,931	3,737
Interest-bearing assets			375	358	332
Interest-bearing liabilities			573	668	837
Invested capital			1,001	1,172	1,007
Cash flows					
Cash flows from operating activities			35	73	(9)
Cash flows for investing activities			(28)	(47)	(164)
Cash flows from financing activities			282	55	107
Total cash flows			289	81	(66)
Financial ratios (%)					
Gross margin	6.2	3.9	5.1	4.1	(0.1)
Operating margin	1.6	0.1	0.1	(0.1)	(4.4)
Profit margin	1.2	(0.1)	0.0	(0.1)	(3.9)
Return on avg. inv. capital for the period			0.6	(0.2)	(38.9)
Return on equity after tax for the period			0.0	(0.7)	(55.3)
Equity ratio			23.1	21.9	13.4
Other information					
Order book, end of period			4,941	7,006	5,327
Average number of employees			5,477	6,337	6,225

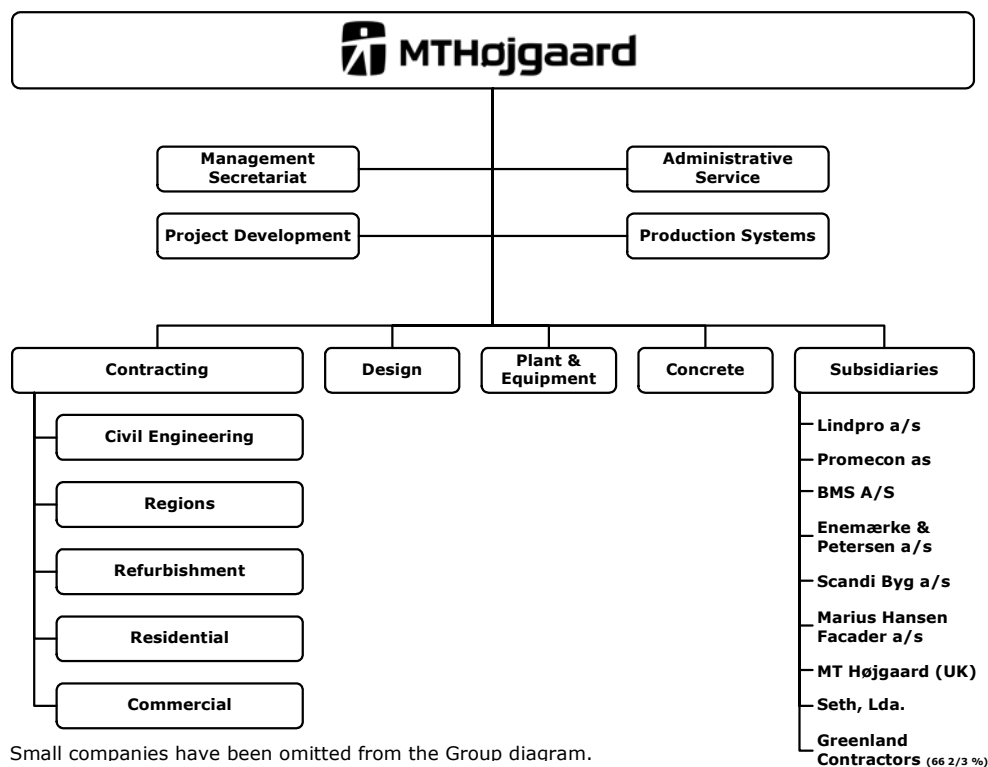
The interim report has been prepared in accordance with the Danish Financial Statements Act, Danish accounting standards and the Copenhagen Stock Exchange financial reporting requirements for listed companies. The accounting policies remain unchanged.

A few reclassifications and changes in the cash flow statement have been made. The comparative figures have been restated accordingly.

The ratios have been calculated in accordance with the Danish Society of Financial Analysts' guidelines for the calculation of ratios.

New organisational structure

Organisational structure effective from 1 July 2003



As part of the ongoing process of efficiency improvement in MT Højgaard a/s an organisational structure with fewer management layers has been established in the contracting arm. Administrative functions that were previously both centralised and decentralised will be streamlined and gathered in the corporate areas Management Secretariat, Administrative Service, and Production Systems.

The area Production Systems is new and covers MT Højgaard's systems for project management, occupational health and safety, quality and environmental management, design management, Partnering and TrimBuild.

The new function is intended to ensure that these systems are developed and implemented in such a way that the productivity and efficiency in the performance of MT Højgaard's diverse activities are improved.

The organisational changes result in clearer and simpler lines of communication between management and those responsible for the business areas, leading to quicker implementation of decisions and changes, including adjustments in response to the development of the market.

The efficiency improvements will result in the shedding of about 60 administrative jobs, and it is planned that the office facilities at Helseholmen in Hvidovre will be vacated at the end of 2003.

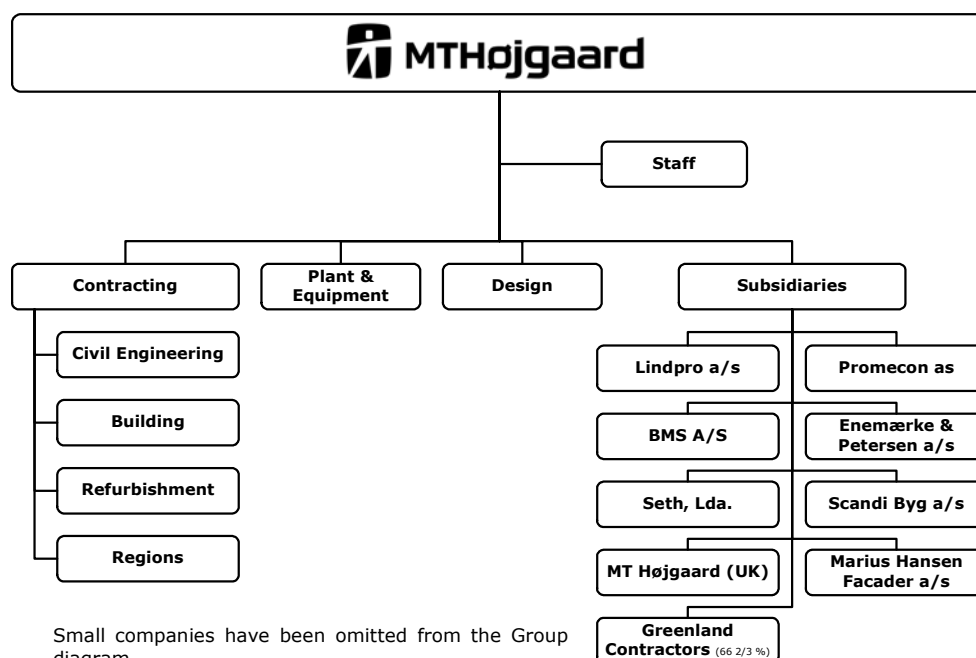
Group performance in the first half 2003

Financial statements - first half 2003

As mentioned on page 4, MT Højgaard effected organisational changes at the end of the first half 2003.

The review of the results for the first half 2003 is based on the organisational structure below, which was in place in the first half 2003.

Group diagram



Revenue and earnings performance

The MT Højgaard Group reported revenue of DKK 2,080 million in the second quarter compared with DKK 2,662 million in the second quarter 2002. Revenue for the first half was DKK 3,985 million, down DKK 894 million on the same period a year ago. International activities accounted for 10% of revenue versus 18% in the first half 2002. The level of activity developed as expected, and the decline is a consequence of the strategy of focus and market conditions.

Operating profit (EBIT) was DKK 32 million in the second quarter and DKK 6 million for the first half compared with a loss of DKK 3 million for the same period last year. Resources and costs were incurred in the first half 2003 for implementation of various Group projects.

The financial performance of the contracting activities in Denmark was adversely affected by a lower than expected profit in Building, primarily reflecting write-down on a single large project. The activities in Civil

flecting write-down on a single large project. The activities in Civil Engineering developed better than expected, whereas the other areas developed in line with expectations.

The organisation has been restructured during the summer and the number of staff has been cut still further. With the adjustments put in place in 2003 it is judged that the capacity basis has been aligned to the market conditions in 2004. It is estimated that the number of salaried staff, which stood at 1,925 at the end of 2002, will have been reduced by about 270 by the end of 2003.

The Buxton project did not impact on the half-year result. It is still anticipated that the project, which is expected to be completed in the current year, can be finished within the framework of the provisions made. Claims are still being advanced against MT Højgaard as a result of extra works, delays and disruptions in production, but provisions have been made in this respect on the basis of an evaluation of these claims. The statement of the total costs on the project is therefore subject to uncertainty. MT Højgaard has similarly advanced claims for extra payment and extension of time. As the outcome of these claims is still to be clarified, no income has been recognised in the financial statements in this respect, in accordance with the company's policy.

The earnings share from associates was DKK 0 million for the first half versus a loss of DKK 4 million for the same period a year ago. Interest income and expense and similar items for the first half was a net charge of DKK 4 million compared with a net charge of DKK 2 million for the first half 2002.

The result after tax and minority interests for the first half was breakeven against a loss of DKK 6 million for the first half 2002.

Balance sheet and statement of changes in equity

The Group balance sheet stood at DKK 3,471 million at 30 June 2003, down DKK 266 million on the end of 2002.

Equity amounted to DKK 802 million at 30 June 2003, corresponding to an equity ratio of 23%. The development in the first half 2003 primarily reflected the DKK 300 million capital increase in April 2003.

Net interest-bearing debt fell by DKK 307 million in the first half, standing at DKK 198 million at 30 June versus DKK 505 million at the end of 2002. The development was due partly to the capital increase referred to above, and partly to a decrease in funds tied up in operating-related receivables.

Cash flows and financial matters

Cash flows from operating activities amounted to DKK 35 million for the first half compared with DKK 73 million for the first half 2002.

Cash flows for investing activities in the first half, consisting primarily of replacement of and new investment in contracting equipment, etc., amounted to DKK 28 million against DKK 47 million for the first half 2002.

Cash flows from financing activities totalled DKK 282 million compared with DKK 55 million in the same period a year ago, and related mainly to the capital increase.

Total cash flow in the first half was DKK 289 million against DKK 81 million in the first half 2002.

The Group's capital resources at 30 June 2003, calculated as net cash, securities and undrawn credit facilities, provide it with satisfactory liquidity of DKK 732 million.

The capital resources include liquid resources in joint ventures of DKK 153 million that are available exclusively to the joint ventures.

Order book

The order book, which was affected by the subdued market conditions, amounted to DKK 4,941 million at the end of the first half.

DKKm	30.06 2003	30.06 2002
Order book, beginning of period	5,327	7,807
Order intake for the period	3,599	4,078
Production for the period	(3,985)	(4,879)
Order book, end of period	4,941	7,006

The order book corresponds to on average just over seven months' production, which is satisfactory.

Contracting activities

In the first half 2003, MT Højgaard's contracting activities consisted of four business areas: Civil Engineering, Building, Refurbishment and Regions.

The business units Plant & Equipment and Design function as competence centres for the entire company and, together with corporate functions and management, etc., feature under "Others" in the segment information.

Civil Engineering

Business area Civil Engineering comprises MT Højgaard's competencies within civil engineering, infrastructure, utility services and harbour and marine works in the Metropolitan area. Civil Engineering is also responsible for the Group's international activities within its chosen focus areas.

Civil Engineering achieved revenue of DKK 0.7 billion in the first half, on a par with expectations.

The satisfactory development of Civil Engineering's activities generated operating profit of DKK 30 million, slightly ahead of expectations.

The order book stood at DKK 1.0 billion at the end of June, and full-year revenue for Civil Engineering is expecting to reach DKK 1.4 billion.

Building

Business area Building carries out all types of residential and commercial building projects in the Metropolitan area, including concrete and erection works and drilling and cutting works. Building also undertakes project development across Denmark.

Building reported revenue of DKK 0.8 billion in the first half. The operating result, a loss of DKK 21 million, was substantially lower than expected, principally reflecting write-down in connection with the completion of a single large project.

At the end of the first half the order book stood at DKK 1.0 billion, and Building's full-year revenue is expected to amount to DKK 1.6 billion.

Refurbishment

Business area Refurbishment undertakes all types of refurbishment projects in the Metropolitan area, including conversion and conservation work as well as building trade work on new builds.

Refurbishment reported revenue of DKK 0.3 billion in the first half, below expectations, whereas operating profit, at DKK 4 million, met expectations.

The order book closed at DKK 0.3 billion, and revenue of DKK 0.6 billion is expected for Refurbishment in 2003.

Regions

Business area Regions takes care of MT Højgaard's local building and civil engineering activities across Denmark outside the Metropolitan area. The business area is organised into six regions.

Regions achieved revenue of DKK 1.0 billion in the first half, in line with expectations. At DKK 9 million, operating profit for the first half was slightly lower than expected. As previously announced, this was due, in particular, to write-downs on a few projects in connection with their completion in the first months of 2003.

At the end of June the order book was DKK 1.0 billion, and full-year revenue of DKK 2.1 billion is expected in Regions.

Subsidiaries

Revenue amounted to DKK 1.4 billion in the first half and operating profit was DKK 27 million, which is somewhat below expectations.

At the end of the first half the order book in the subsidiaries totalled DKK 1.8 billion, and revenue of DKK 2.9 billion is expected for 2003.

Expectations for 2003

The level of activity in the Danish building and civil engineering market is showing a downward trend, as expected, and the market development is still characterised by the uncertainty associated with the general economic outlook.

Within commercial building, the market for office building was particularly hard hit by the decline, with the slowdown having been sharper than anticipated, particularly in the Metropolitan region. Residential construction is showing an upward trend, and a number of projects are expected to be started up in the period ahead. The refurbishment market is fairly stable, although competition is tough, partly as a result of the decline in new building. The civil engineering market is showing a slightly declining trend in 2003, as expected.

Based on the order portfolio and the market outlook, revenue of about DKK 8.2 billion is now expected for 2003. The full-year earnings forecast remains unchanged, which means that pre-tax profit in the region of DKK 50 million is expected. The Group's effective rate of taxation is expected to be on a par with the Danish tax rate.

Other information

MT Højgaard a/s is owned by Højgaard Holding a/s (54%) and Monberg & Thorsen A/S (46%), which are both listed on the Copenhagen Stock Exchange.

Group income statement

Amounts in DKKm	2003	2002	2003	2002	2002
	2 nd quarter	2 nd quarter	30.06	30.06	Year
Revenue	2,079.5	2,661.6	3,984.9	4,878.6	9,668.0
Production costs	(1,950.0)	(2,558.1)	(3,783.1)	(4,679.8)	(9,674.8)
Gross profit (loss)	129.5	103.5	201.8	198.8	(6.8)
Distribution costs	(24.6)	(31.3)	(53.4)	(59.8)	(123.2)
Administrative expenses	(72.5)	(70.1)	(142.6)	(141.7)	(299.5)
Operating profit (loss)	32.4	2.1	5.8	(2.7)	(429.5)
Share of pre-tax profits (losses) of assoc.	(0.2)	(3.1)	(0.1)	(4.0)	(4.9)
Interest income and exp. and similar exp.	2.8	(1.6)	(3.6)	(1.6)	(10.0)
Profit (loss) before tax	35.0	(2.6)	2.1	(8.3)	(444.4)
Tax on profit (loss)	(10.3)	0.8	(1.2)	2.5	68.4
Profit (loss) before minority interests	24.7	(1.8)	0.9	(5.8)	(376.0)
Minority interests' share of profit (loss)	(0.5)	(0.5)	(0.8)	(0.5)	(2.5)
	24.2	(2.3)	0.1	(6.3)	(378.5)
Group share of profit (loss)					

Statement of changes in equity

Amounts in DKKm	2003	2002	2002
	30.06	30.06	Year
Equity at 1 January	501.6	866.3	866.3
Capital increase	300.0	-	-
Foreign exchange adjustments, etc.	(1.4)	1.1	12.9
Profit (loss) for the period	0.1	(6.3)	(378.5)
Value adjustments of hedging instruments at 1 January	(0.9)	-	-
Value adjustments of hedging instruments at end of period	2.8	1.1	0.9
Equity at end of period	802.2	862.2	501.6

Group cash flow statement

Amounts in DKKm	2003	2002	2002
	30.06	30.06	Year
Operating activities			
Operating profit (loss)	5.8	(2.7)	(429.5)
Non-cash operating items	95.2	76.9	484.6
Cash generated from operations (operating activities) before changes in working capital, etc.	101.0	74.2	55.1
Changes in working capital, etc.	(66.5)	(1.1)	(63.8)
Cash flows from operating activities	34.5	73.1	(8.7)
Cash flows for investing activities	(27.9)	(47.5)	(163.8)
Cash flows from financing activities	281.9	55.4	106.6
Total cash flows	288.5	81.0	(65.9)
Cash and cash equivalents at 1 January	(217.6)	(151.7)	(151.7)
Cash and cash equivalents at end of period	70.9	(70.7)	(217.6)

Group balance sheet

Amounts in DKKm	2003	2002	2002
	30.06	30.06	Year
Assets			
Fixed assets			
Intangible assets	52.1	59.9	57.0
Property, plant and equipment	977.4	993.6	1,024.0
Investments	10.6	14.8	10.9
Total fixed assets	1,040.1	1,068.3	1,091.9
Current assets			
Deferred tax asset	96.1	43.4	97.4
Inventories	411.8	461.7	398.2
Contract work in progress	-	-	134.3
Receivables	1,548.4	2,000.3	1,683.0
Securities	66.1	73.4	68.6
Cash at bank and in hand	308.8	284.3	263.8
Total current assets	2,431.2	2,863.1	2,645.3
Total assets	3,471.3	3,931.4	3,737.2
Equity and liabilities			
Equity	802.2	862.2	501.6
Minority interests	8.3	5.9	7.5
Provisions			
Deferred tax	5.3	29.9	5.3
Other provisions	189.0	53.5	363.0
Total provisions	194.3	83.4	368.3
Liabilities other than provisions			
Long-term liabilities other than provisions	243.0	219.4	257.3
Contract work in progress	200.0	303.4	-
Other short-term liabilities other than provisions	2,023.5	2,457.1	2,602.5
Total liabilities other than provisions	2,466.5	2,979.9	2,859.8
Total equity and liabilities	3,471.3	3,931.4	3,737.2

Segment information

Amounts in DKKm	2003 2 nd quarter	2002 2 nd quarter	2003 30.06	2002 30.06	2002 Year
Activities – primary segment					
Revenue					
Civil Engineering	358.0	385.4	674.1	663.2	1,409.7
Building	367.3	582.2	765.7	1,135.3	2,070.4
Refurbishment	142.6	199.6	296.7	375.7	778.5
Regions	537.3	719.2	1,005.0	1,255.4	2,555.2
Others/eliminations	(74.0)	(114.2)	(160.5)	(210.5)	(382.8)
Contracting	1,331.2	1,772.2	2,581.0	3,219.1	6,431.0
Subsidiaries	748.3	889.4	1,403.9	1,659.5	3,237.0
MT Højgaard Group	2,079.5	2,661.6	3,984.9	4,878.6	9,668.0

Operating profit (loss) (EBIT)

Civil Engineering	20.0	6.0	30.1	1.9	(1.9)
Building	(19.3)	15.0	(21.2)	22.0	11.5
Refurbishment	3.5	10.1	4.1	14.3	22.5
Regions	19.4	15.7	8.7	11.1	(3.0)
Others	(14.7)	(24.0)	(42.5)	(38.7)	(122.4)
Contracting	8.9	22.8	(20.8)	10.6	(93.3)
Subsidiaries *)	23.5	(20.7)	26.6	(13.3)	(366.2)
MT Højgaard Group	32.4	2.1	5.8	(2.7)	(429.5)

Order book, end of period

Civil Engineering			1,021.6	1,204.7	1,097.3
Building			1,007.3	1,485.3	1,072.9
Refurbishment			307.5	501.2	286.2
Regions			957.3	1,542.4	918.0
Others/eliminations			(181.9)	(71.0)	(83.1)
Contracting			3,111.8	4,662.6	3,291.3
Subsidiaries			1,828.9	2,342.9	2,035.7
MT Højgaard Group			4,940.7	7,005.5	5,327.0

Geographical - secondary segment

MT Højgaard Group					
Revenue – Denmark	1,840.7	2,162.7	3,596.8	3,988.4	8,120.1
Revenue – Rest of world	238.8	498.9	388.1	880.2	1,547.9
MT Højgaard Group	2,079.5	2,661.6	3,984.9	4,878.6	9,668.0

*) Incl. Buxton project.

Group income statement broken down by quarter (unaudited)

DKKm	2003				Total
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	
Revenue	1,905.4	2,079.5			
Production costs	(1,833.1)	(1,950.0)			
Gross profit	72.3	129.5			
Distribution costs	(28.8)	(24.6)			
Administrative expenses	(70.1)	(72.5)			
Operating profit (loss)	(26.6)	32.4			
Share of pre-tax profits (losses) of associates	0.1	(0.2)			
Interest income and expense and similar items	(6.4)	2.8			
Profit (loss) before tax	(32.9)	35.0			
Tax on profit (loss)	9.1	(10.3)			
Profit (loss) before minority interests	(23.8)	24.7			
Minority interests' share of profit	(0.3)	(0.5)			
Group share of profit (loss)	(24.1)	24.2			

Amounts in DKKm	2002				Total
	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	
Revenue	2,217.0	2,661.6	2,361.9	2,427.5	9,668.0
Production costs	(2,121.7)	(2,558.1)	(2,377.2)	(2,617.8)	(9,674.8)
Gross profit (loss)	95.3	103.5	(15.3)	(190.3)	(6.8)
Distribution costs	(28.5)	(31.3)	(21.8)	(41.6)	(123.2)
Administrative expenses	(71.6)	(70.1)	(67.8)	(90.0)	(299.5)
Operating profit (loss)	(4.8)	2.1	(104.9)	(321.9)	(429.5)
Share of pre-tax profits (losses) of associates	(0.9)	(3.1)	0.4	(1.3)	(4.9)
Interest income and expense and similar items	0.0	(1.6)	(4.1)	(4.3)	(10.0)
Profit (loss) before tax	(5.7)	(2.6)	(108.6)	(327.5)	(444.4)
Tax on profit (loss)	1.7	0.8	32.6	33.3	68.4
Profit (loss) before minority interests	(4.0)	(1.8)	(76.0)	(294.2)	(376.0)
Minority interests' share of profit (loss)	0.0	(0.5)	(0.7)	(1.3)	(2.5)
Group share of profit (loss)	(4.0)	(2.3)	(76.7)	(295.5)	(378.5)