

19th August 2016
Stock Exchange Announcement No 15, 2016

MT Højgaard A/S – Second quarter 2016

Enclosed please find the interim financial report from MT Højgaard A/S about the activities during 1st January – 30th June 2016.

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

The announcement can also be viewed on www.monthor.com

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

Yours faithfully
MONBERG & THORSEN A/S

Reg. No. 12 61 79 17
Knud Højgaards Vej 9
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MT Højgaard Group
Interim financial report
Second quarter 2016

MT Højgaard A/S
Knud Højgaards Vej 7, 2860 Søborg, Denmark
CVR 12562233

 **MTHøjgaard**

Summary

Financial results – Second quarter 2016

Increasing order intake DKK 2.5 billion

Extremely satisfactory development in order intake for the period, which increased by DKK 0.3 billion compared with the same period last year.

Increasing order book DKK 1.0 billion

Robust order book, which increased due to the high order intake for the period, and also reflects the Group's competitiveness and profitability requirements. However, the order book was also affected by postponed project start-ups.

Revenue in line with last year DKK 1.6 billion

Revenue was marginally higher than the same period last year but slightly lower than expected, reflecting the postponed start-up of a number of projects coupled with lower revenue from Greenland Contractors.

Operating profit/(loss) before special items DKK 5 million loss

The second-quarter operating result before special items was somewhat lower than expected due to the postponed and lower revenue and a write-down on an infrastructure project.

Operating cash flow DKK 245 million

Improvement in cash flows from operating activities, reflecting new orders and an enhanced working capital position.

Financial results - First half 2016

Increased order intake DKK 4.3 billion

Positive development in order intake, adding DKK 0.9 billion to the order book compared with the same period last year.

Increasing order book DKK 8.7 billion

Robust order book, DKK 2.0 billion higher than a year ago. That being said, the order book is also higher than expected due to postponed project start-ups.

Decline in revenue DKK 3.1 billion

Revenue was DKK 0.2 billion down on the same period last year, primarily due to postponed start-up of projects and to Greenland Contractors. However, after adjusting for the latter, revenue was lower than expected.

Operating profit/(loss) before special items DKK 19 million loss

The first-half operating result before special items was lower than expected due to the postponed and lower revenue and a write-down on an infrastructure project in the second quarter.

Operating cash flow DKK 142 million

Cash flows from operating activities developed extremely favourably due to new orders and an enhanced working capital position.

Outlook for 2016 lowered

Revenue

Around DKK 6.8 billion compared with a previous outlook of around DKK 7.0 billion

As a consequence of the effect of the lower revenue in the first half, management has lowered the outlook for full-year revenue to around DKK 6.8 billion. Revenue for the second half is expected to be significantly higher, depending, in particular, on planned handovers in the fourth quarter of construction projects developed in-house and on significant projects in the order book not suffering further delays.

Operating profit/(loss) before special items

Around DKK 225 million compared with a previous outlook of around DKK 300 million

As a consequence of the postponed project start-ups and the consequent lower revenue as well as the aforementioned write-down, the outlook for the operating result before special items is lowered to around DKK 225 million. Earnings are partially dependent on construction projects developed in-house being handed over in the fourth quarter. The updated outlook is still an improvement on 2015, considering the significantly lower contribution from Greenland Contractors in Thule.

Consolidated financial highlights

Amounts in DKK million	2016	2015	2016	2015	2015
	Q2	Q2	YTD	YTD	Year
Income statement					
Revenue	1,605	1,596	3,093	3,251	6,531
Gross profit	106	184	193	340	772
Operating profit/(loss) before special items	-5	72	-19	122	352
EBIT	-5	72	-19	122	352
Profit/(loss) before tax	-5	68	-24	148	370
Profit/(loss) for the period	-4	55	-18	117	290
Cash flows					
Cash flows from operating activities	245	15	142	93	-52
<i>Purchase of property, plant and equipment</i>	-49	-29	-75	-69	-137
<i>Acquisition and disposal of enterprises and activities</i>	-1	23	-3	18	-3
Cash flows from investing activities	-50	-6	-78	-51	-140
Cash flows from operating and investing activities	195	9	64	42	-192
Balance sheet					
Non-current assets	-	-	1,143	1,041	1,099
Current assets	-	-	2,409	2,347	2,497
Equity	-	-	942	870	999
Non-current liabilities	-	-	371	302	323
Current liabilities	-	-	2,239	2,216	2,274
Balance sheet total	-	-	3,552	3,388	3,596
Other information					
Order intake	2,548	2,171	4,316	3,433	7,541
Order book, end of period	-	-	8,691	6,639	7,468
Working capital	-	-	-319	-349	-112
Net interest-bearing deposit/debt (+/-)	-	-	-14	230	-50
Average invested capital incl. goodwill	-	-	957	640	662
Average number of employees	-	-	4,114	4,048	3,965
Financial ratios					
Gross margin (%)	6.6	11.5	6.2	10.5	11.8
Operating margin before special items (%)	-0.3	4.5	-0.6	3.8	5.4
EBIT margin (%)	-0.3	4.5	-0.6	3.8	5.4
Pre-tax margin (%)	-0.3	4.3	-0.8	4.5	5.7
Return on invested capital incl. goodwill (ROIC) (%)	-	-	31.7	62.3	55.0
Return on invested capital incl. goodwill after tax (%)	-	-	24.8	48.6	43.0
Return on equity (ROE) (%)	-	-	-6,8	6,7	21,3
Equity ratio (%)	-	-	25.9	24.6	26.7

The financial ratios have been calculated in accordance with 'Recommendations & Financial Ratios 2015' published by the Danish Finance Society. Financial ratios are defined in the 2015 annual report. Working capital has been determined excluding properties for sale.

Operating and financial review

Extremely good order intake and increasing order book, but postponed projects and a write-down on an infrastructure project affected revenue and earnings.












The MT Højgaard Group saw a strong intake of new orders in the first half of 2016, underlining the Group's competitiveness and strategic capabilities, which are based on early dialogue and the use of digital tools.

The order book is of good quality and has a healthy risk profile in line with the Group's strategic focus on profitable growth.

The Group's activity and revenue levels in the first half were lower than in the same period last year, and somewhat lower than expected, still reflecting the postponed start-up of a number of projects coupled with lower revenue from Greenland Contractors.

As a consequence of too low activity in the MT Højgaard Group in the Norwegian market, and the focus on profitable growth, the Group will be phasing out its activities in Norway. This initiative is expected to contribute to the MT Højgaard Group's long-term target of an EBIT margin of around 5%.

The MT Højgaard Group is one of the leading players in the construction and civil engineering industry in the Nordic countries. The Group's activities span construction, civil works and services.

CON-STRUC-TION	CIVIL WORKS	SERVICES
   	 	    

Construction

The MT Højgaard Group develops, constructs and refurbishes private and public sector buildings, mainly in Denmark, but also in the North Atlantic countries.

Construction delivered first-half revenue of

DKK 2.1 billion compared with DKK 1.9 billion in the first half of 2015, up 10%. Order intake and order book for Construction were as expected, with the order book ending the first half DKK 0.9 billion ahead of the same time in 2015.

Projects won by MT Højgaard in the second quarter included the construction of Kalvebod Fælled School in Ørestaden worth DKK 280 million and the refurbishment of Ravnkildevej in Aalborg worth DKK 145 million and Møllevangen in Vejle worth DKK 269 million.

The project development market continued to grow in the first half of 2016 due to strong investor interest, especially in residential projects around Copenhagen and Aarhus. In the second quarter, MT Højgaard agreed the construction of 94 apartments on Nordre Jernbanevej in Hillerød in collaboration with PFA, and commenced the construction of 120 dwellings in Amalieparken in Val-lensbæk in collaboration with the property investment company DADES, and the construction of a 4,800 sq.m residential complex, NærHeden, in Hedehusene. NærHeden is being built in collaboration between the Group's companies MT Højgaard and Scandi Byg.

In April 2016, MT Højgaard held a topping-out ceremony on the Frederikskaj project at Copenhagen South Harbour, which has been developed in-house, and on the Kilehusene project near Roskilde the first modules manufactured by Scandi Byg were hoisted into place onto the foundations. The Group's new multiflex head office at Knud Højgaards Vej 7 in Søborg, which is owned by Pension Danmark, was completed. The building was taken into use on 15 August 2016. This new, sustainable head office is the first building to be constructed using the MultiFlex Office concept, which the Group has developed in-house.

Tenders within Public Private Partnerships (PPP) and Public Private Collaborations (PPC) continued to develop well. In the second quarter, MT Højgaard cut the first sod on Slagelse Hospital, began erecting facade elements and roof on Skovbakke School in Odder, and worked on completing the New Psychiatric Ward in Vejle.

In the second quarter, Scandi Byg won the DKK 131 million Kronen Vanløse project, comprising 14,000 sq.m housing in Vanløse.

The AARhus residential construction project at the Port of Aarhus and the finishings to 17 stations on the Cityring metro line were also begun in the second quarter. Activity also focused on a variety of other major projects,

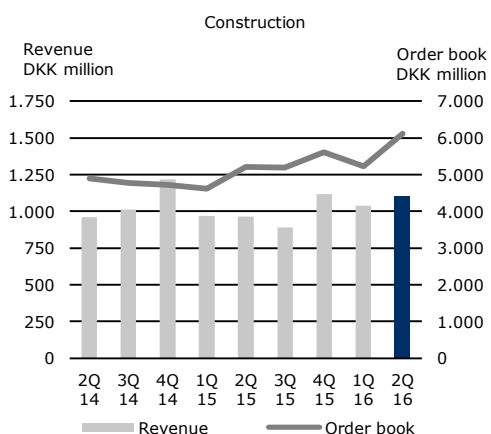
including the completion of Nordea's new headquarters in Copenhagen, the extension of Esbjerg Hospital with a 14,000 sq.m ward building, and Enemærke & Petersen's projects in the Carlsberg City development in Copenhagen, where the foundations were cast and work started on the assembly of prefabricated elements.

In May, Enemærke & Petersen started work on the following refurbishment projects: phase two of Stadionkvarteret in Glostrup, the last five blocks on Rosenhøj in Viby J, and the final phase of Langkærparken near Aarhus, which is scheduled for completion in August 2016. MT Højgaard commenced the refurbishment of 1,063 youth dwellings in Morbærhaven in Albertslund, and in the Åbyhøjgård apartment block near Aarhus apartments on 10 of 33 stairways were made ready for occupation.

There was a small decline in the electrical installations market in the first half. In the second quarter, Lindpro worked on the final phases of projects for A.P. Møller - Mærsk, Nordea, the New University Hospital in Aalborg and Axel Towers in Copenhagen, among others.

The North Atlantic market showed a positive trend in the first half. As previously stated, MT Højgaard's DKK 1.5 billion contract to build a factory in Iceland for Silicor Materials is conditional on the financing process. The process is going well and financing is expected to be in place towards the end of 2016.

In the second quarter, MT Højgaard won the DKK 154 million contract for the construction of a 4,000 sq.m building at Thule Air Base. The building will include a workshop, storeroom and offices. In the second quarter, MT Højgaard also worked on the foundations for two out of three new 4,000 sq.m apartment blocks in Nuuk in Greenland worth just under DKK 230 million.



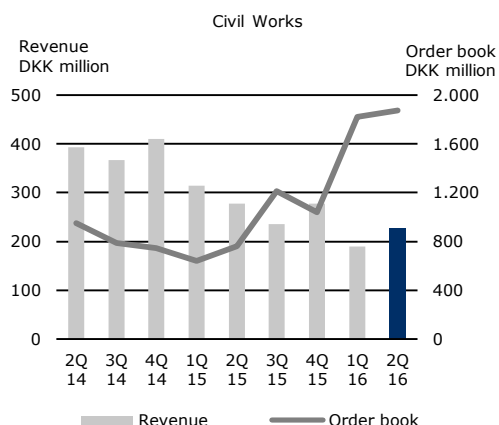
Civil Works

MT Højgaard carries out assignments in the areas of infrastructure, bridges and tunnels as well as harbour extensions. Projects are carried out mainly in Denmark and Northern Europe, but the Group is also active in Greenland, the Maldives, Qatar, Portugal and parts of Africa.

Civil Works delivered first-half revenue of DKK 0.4 billion, down 30% compared with DKK 0.6 billion in the first half of 2015. This primarily reflected fewer major projects in progress compared with the same period last year, and delays to several public infrastructure projects, whereas the market for shell structures continued to develop favourably. Order intake and order book in Civil Works matched expectations, with the order book being DKK 1.1 billion higher at the end of the first half than at the same time in 2015.

Assignments carried out in the first half included work on the shell structure for the New University Hospital in Aalborg. In addition, good headway was made on the construction of the Marieholmsbron swing bridge near Gothenburg, a joint venture with Skanska. The project entered its final phase, and the bridge was opened to rail traffic.

The resort construction activities in the Maldives continued at a stable level during the period. However, the infrastructure activities were impacted by a write-down on an infrastructure project scheduled for completion in August 2016. The focus on the completion of future infrastructure activities will be tightened.



Services

The Group provides services in the construction, civil works and property markets, including project develop-

ment and engineering. Lindpro provides services in the electrical area for construction and subsequent operation, and Enemærke & Petersen undertakes operation and maintenance of buildings. Ajos supplies equipment and consultancy services to the construction industry and is one of Denmark's largest companies hiring out specialist equipment. In addition, MT Højgaard offers services in connection with PPP and PPC projects.

Services reported first-half revenue of DKK 0.5 billion, down 25% compared with DKK 0.7 billion in the first half of 2015, entirely due to the effect of the lower revenue from Greenland Contractors.

During this period, Greenland Contractors (67%-owned) continued to work under the temporary contract with the US Air Force for the operation of Thule Air Base in Greenland. This agreement is now expected to run until the end of the fourth quarter of 2016. Work proceeded as planned during the first half and, as expected, profits were considerably lower than under the old contract.

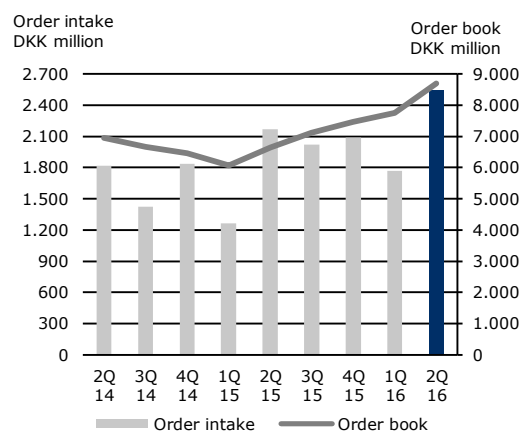
The activity level in the service businesses in Ajos and Lindpro in the first half of 2016 was largely unchanged from the same period last year.

Order intake and order book

Second-quarter order intake was DKK 2.5 billion compared with DKK 2.2 billion in the second quarter of 2015. First-half order intake totalled DKK 4.3 billion compared with DKK 3.4 billion in the first half of 2015.

DKK million	YTD 2016	YTD 2015	2015
Order book, beginning of period	7,468	6,458	6,458
Order intake during period	4,316	3,433	7,541
Revenue	3,093	3,252	6,531
Order book, end of period	8,691	6,639	7,468

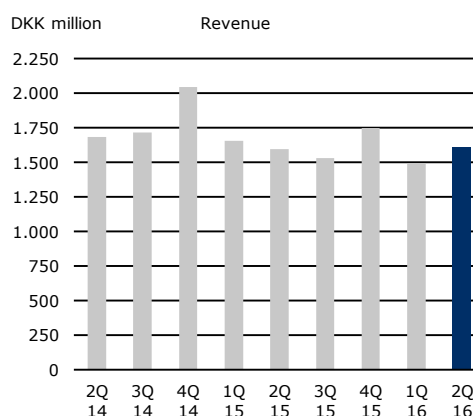
Order intake has been growing in recent quarters due to the Group's targeted tendering and order strategy, reflected in both bigger and more new orders. Order intake in the first half of 2016 was thus significantly higher than the level in the same period in 2015. Orders won but not yet contracted were DKK 1.9 billion in the first half of 2016 compared with DKK 3.4 billion in the first half of 2015.



The order book totalled DKK 8.7 billion at 30 June 2016, up DKK 1.2 billion on the start of the year. The order book includes a number of large orders extending over several years.

Revenue and earnings

Second-quarter revenue was DKK 1.6 billion, in line with the level in the second quarter of 2015. First-half revenue was DKK 3.1 billion compared with DKK 3.3 billion in the first half of 2015. First-half revenue was slightly below the Group's expectations for the period, primarily due to the previously mentioned postponed start-up of new projects.

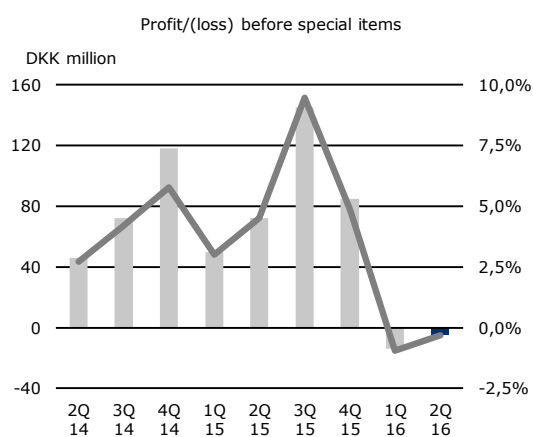


The operating result before special items for the second quarter was a loss of DKK 5 million compared with a DKK 72 million profit in the second quarter of 2015.

The operating margin before special items was -0.3% in the second quarter of 2016 compared with 4.5% in the second quarter of 2015.

The first-half operating result before special items was a loss of DKK 19 million compared with a profit of DKK 122 million last year, while the operating margin before special items was -0.6% compared with 3.8% in the first half of 2015.

The decline in the operating result for the second quarter and first half was due to the aforementioned relatively low activity during the period due to postponed project start-ups, the previously mentioned reduced earnings from the operation of Thule Air Base as well as the effect of the aforementioned write-down.



Net financials for the first half of 2016 amounted to expenditure of DKK 5 million compared with income of DKK 26 million in the same period last year, when a gain on exercise of a currency option had a positive effect.

The result after tax for the first half of 2016 was a loss of DKK 18 million compared with a profit of DKK 117 million in the same period in 2015.

Balance sheet

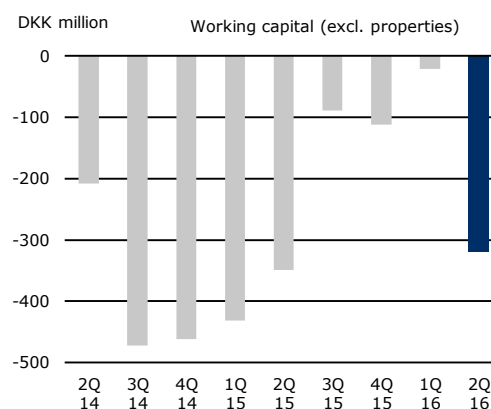
Inventories amounted to DKK 765 million at the end of June 2016, up from DKK 718 million at the end of 2015, primarily reflecting sites and construction projects developed in-house for resale totalling DKK 690 million compared with DKK 641 million at the end of 2015. The Group has two residential projects developed in-house for private customers that are expected to be handed over to the customer from the fourth quarter of 2016 onwards.

Trade receivables were DKK 1,184 million at the end of June 2016 compared with DKK 1,386 million at the end of 2015. Construction contracts in progress amounted to a net liability item of DKK 502 million at the end of June 2016 compared with a liability item of DKK 444 million at

the end of 2015. The changes were mainly due to the delayed start-up of new projects.

Trade payables were DKK 721 million at the end of June 2016 compared with DKK 810 million at the end of 2015, reflecting the lower activity level.

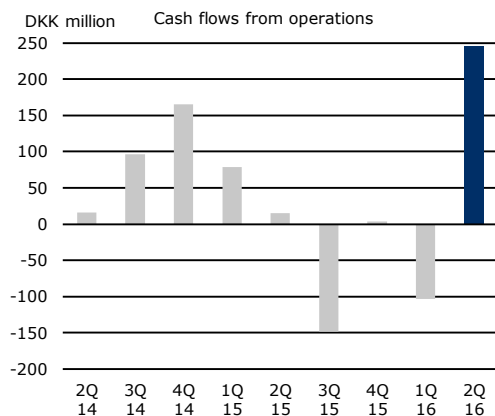
Overall, the Group had negative working capital of DKK 319 million at the end of June 2016 compared with negative working capital of DKK 112 million at the end of 2015. The development was primarily driven by cash receipts from customers and higher order intake and many projects contracted recently.



Cash flows and financial resources

Cash flows from operating activities were an inflow of DKK 245 million in the second quarter of 2016 compared with DKK 15 million in the same period last year. New projects and a change in working capital had a positive effect on cash flows for the period. In the first half of 2016, cash flows from operating activities were an inflow of DKK 142 million compared with DKK 93 million last year. The increase was primarily driven by less capital being tied up in trade receivables as well as the start-up of new projects.

Investing activities absorbed DKK 50 million in the second quarter of 2016, mainly comprising investments in property, plant and equipment. In the second quarter of 2015, the corresponding item was an outflow of DKK 6 million. In the first half of 2016, investing activities absorbed DKK 78 million compared with DKK 51 million in the same period last year. The increase reflected a major investment in Ajos' activities comprising modular units for temporary refugee centres, among other things.



The Group's financial resources totalled DKK 0.6 billion compared with DKK 0.4 billion at the start of the quarter. The Group's financial resources are satisfactory in view of the expected level of activity.

Outlook for 2016

Based on the order book at the end of the period, revenue is expected to be significantly higher in the second half of 2016 than in the first half, particularly driven by planned handovers in the fourth quarter of construction projects developed in-house. However, the effect of the lower revenue in the first half affects the outlook for full-year revenue, which is lowered to around DKK 6.8 billion compared with a previous outlook of around DKK 7.0 billion.

As a consequence of the postponed project start-ups and the consequent lower revenue as well as the write-down on an infrastructure project, the outlook for the operating result before special items is lowered to around DKK 225 million compared with the previous outlook of around DKK 300 million. Earnings are partially dependent on construction projects developed in-house being handed over in the fourth quarter. The updated outlook is still an improvement on 2015, considering the significantly lower contribution from Greenland Contractors in Thule.

The appeal case concerning Robin Rigg is not expected to be decided in 2016. As a result of a provision made previously, a possible negative outcome of the case can only adversely affect the Group's liquidity, not the results.

Long-term outlook

The Group sees opportunities for growth in the coming years based on both the Group's strategic focus and

competitiveness and a general improvement in the market.

The improvement will be fuelled by an expected economic upturn, an increase in the Group's shares of the relevant parts of the market and selective expansion of its activities in new sub-areas within the construction and civil engineering industry.

The project development market, in particular, is growing due to increased investor interest, especially in residential projects around Copenhagen and Aarhus.

The Group consequently expects steady market growth in construction driven mainly by refurbishment work and residential building, especially in and around the major cities in Denmark. The hospital, new-build and refurbishment markets are expected to remain stable at a high level until 2020. The Group is also expecting continued growth in the North Atlantic market in both the construction and civil works markets.

Lastly, the Group is continuing the development in the field of Virtual Design and Construction (VDC), which has attracted much attention from customers, society and politicians.

Based on the opportunities referred to above and despite major investments in new technological platforms, an EBIT margin of around 5% is expected in 2017.

The interim financial report contains forward-looking statements, including the above projections of financial performance in 2016, which, by their nature, involve risks and uncertainties that may cause actual performance to differ materially from that contained in the forward-looking statements.

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today discussed and approved the interim financial report of MT Højgaard A/S for the period 1 January – 30 June 2016.

The interim financial statements, which have not been audited or reviewed by the company's auditor, have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and Danish disclosure requirements for interim financial reports.

In our opinion, the interim financial statements give a true and fair view of the Group's financial position

at 30 June 2016 and of the results of the Group's operations and cash flows for the period 1 January – 30 June 2016.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's operations and financial matters, the results for the period and the Group's financial position and a description of the significant risks and uncertainties pertaining to the Group.

Søborg, 19 August 2016

Executive Board

Torben Biilmann
President and CEO

Egil Mølsted Madsen
CFO

Board of Directors

Søren Bjerre-Nielsen
Chairman

Niels Lykke Graugaard
Deputy Chairman

Carsten Bjerg

Pernille Fabricius

Ole Røsdahl

Christine Thorsen

John Sommer

Vinnie Sunke Heimann

Irene Chabior

Income statement and statement of comprehensive income

	2016	2015	2016	2015	2015
Amounts in DKK million	Q2	Q2	YTD	YTD	Year
Income statement					
Revenue	1,604.9	1,595.9	3,092.6	3,251.4	6,531.4
Production costs	-1,499.4	-1,412.0	-2,900.0	-2,911.0	-5,759.9
Gross profit	105.5	183.9	192.6	340.4	771.5
Distribution costs	-53.7	-60.4	-100.7	-109.0	-204.2
Administrative expenses	-60.8	-57.5	-117.9	-112.5	-247.1
Profit/(loss) before share of profit/(loss) of joint ventures	-9.0	66.0	-26.0	118.9	320.2
Share of profit/(loss) after tax of joint ventures	4.0	6.2	7.1	3.3	31.3
Operating profit/(loss) before special items	-5.0	72.2	-18.9	122.2	351.5
Special items	0.0	0.0	0.0	0.0	0.0
EBIT	-5.0	72.2	-18.9	122.2	351.5
Net financials	0.1	-4.0	-4.6	25.7	18.7
Profit/(loss) before tax	-4.9	68.2	-23.5	147.9	370.2
Income tax expense	1.2	-13.2	5.6	-30.5	-80.6
Profit/(loss) for the period	-3.7	55.0	-17.9	117.4	289.6
Attributable to:					
Shareholders of MT Højgaard A/S	-8.8	32.8	-30.3	58.4	183.4
Non-controlling interests	5.1	22.2	12.4	59.0	106.2
Total	-3.7	55.0	-17.9	117.4	289.6
Statement of comprehensive income					
Profit/(loss) for the period	-3.7	55.0	-17.9	117.4	289.6
Other comprehensive income					
Items that may be reclassified to the income statement:					
Foreign exchange adjustments, foreign enterprises	0.3	-0.1	-0.4	2.7	4.5
Value adjustment of hedging instruments, joint ventures	-4.1	14.0	-10.9	6.5	5.6
Total comprehensive income	-7.5	68.9	-29.2	126.6	299.7
Attributable to:					
Shareholders of MT Højgaard A/S	-12.6	46.7	-41.6	67.6	193.5
Non-controlling interests	5.1	22.2	12.4	59.0	106.2
Total	-7.5	68.9	-29.2	126.6	299.7

Balance sheet

	2016	2015	2015
Amounts in DKK million	30-06	30-06	31-12
Assets			
Non-current assets			
Intangible assets	182.1	162.9	176.2
Property, plant and equipment	569.4	520.5	545.2
Deferred tax assets	319.5	319.2	311.6
Other investments	71.8	38.3	66.1
Total non-current assets	1,142.8	1,040.9	1,099.1
Current assets			
Inventories	764.8	652.6	718.0
Trade receivables	1,183.8	1,051.7	1,385.7
Construction contracts in progress	219.8	128.1	131.0
Other receivables	67.9	111.1	86.9
Cash and cash equivalents	172.8	403.3	175.0
Total current assets	2,409.1	2,346.8	2,496.6
Total assets	3,551.9	3,387.7	3,595.7
Equity and liabilities			
Equity attributable to owners	920.9	833.3	959.8
Non-controlling interests	21.5	36.9	39.1
Total equity	942.4	870.2	998.9
Non-current liabilities			
Bank loans, etc.	144.6	129.8	100.4
Deferred tax liabilities	10.1	10.0	10.1
Provisions	215.9	162.0	212.3
Total non-current liabilities	370.6	301.8	322.8
Current liabilities			
Bank loans, etc.	42.4	43.7	125.0
Construction contracts in progress	722.1	602.0	575.4
Trade and other payables	720.9	747.3	809.6
Other current liabilities	753.5	822.7	764.0
Total current liabilities	2,238.9	2,215.7	2,274.0
Total liabilities	2,609.5	2,517.5	2,596.8
Total equity and liabilities	3,551.9	3,387.7	3,595.7

Statement of cash flows

	2016	2015	2016	2015	2015
Amounts in DKK million	Q2	Q2	YTD	YTD	Year
Operating activities					
EBIT	-5.0	72.2	-18.9	122.2	351.5
Adjustments in respect of non-cash operating items, etc.	20.5	35.9	34.9	63.4	111.7
Cash flows from operating activities before working capital changes	15.5	108.1	16.0	185.6	463.2
Working capital changes					
Inventories	-54.6	-10.1	-46.8	-17.9	-80.6
Receivables excl. construction contracts in progress	-21.3	87.1	220.9	148.6	-160.9
Construction contracts in progress	156.2	-63.0	57.8	-68.0	-97.5
Trade and other current payables	154.2	-96.4	-93.6	-161.9	-116.6
Cash flows from operations (operating activities)	250.0	25.7	154.3	86.4	7.6
Net financials	0.1	-4.0	-4.6	25.7	18.7
Cash flows from operations (ordinary activities)	250.1	21.7	149.7	112.1	26.3
Income taxes paid, net	-4.8	-7.0	-7.7	-18.8	-77.9
Cash flows from operating activities	245.3	14.7	142.0	93.3	-51.6
Investing activities					
Purchase of property, plant and equipment	-48.4	-29.2	-74.9	-69.3	-137.2
Other investments, net	-1.1	23.6	-3.5	18.7	-3.2
Cash flows from investing activities	-49.5	-5.6	-78.4	-50.6	-140.4
Cash flows from financing activities	13.5	-65.4	6.6	-98.9	-165.0
Net increase/(decrease) in cash and cash equivalents	209.3	-56.3	70.2	-56.2	-357.0
Cash and cash equivalents at the beginning of the period	-37.1	459.1	102.0	459.0	459.0
Cash and cash equivalents at the end of the period	172.2	402.8	172.2	402.8	102.0

Statement of changes in equity

Amounts in DKK million	Share capital	Hedging reserve	Translation reserve	Retained earnings	Proposed dividends	Equity attributable to shareholders	Attributable to non-controlling interests	Total equity
2016								
Equity, 1 January	520.0	-33.4	6.2	467.0	-	959.8	39.1	998.9
Profit/(loss) for the period				-30.3		-30.3	12.4	-17.9
Other comprehensive income:								
Foreign exchange adjustments, foreign enterprises	-	-	-0.4	-	-	-0.4	-	-0.4
Value adjustment of hedging instruments, joint ventures	-	-10.9	-	-	-	-10.9	-	-10.9
Total other compr. income	-	-10.9	-0.4	-	-	-11.3	-	-11.3
Transactions with owners:								
Issued warrants, employee contribution	-	-	-	1.7	-	1.7	-	1.7
Issued warrants	-	-	-	1.0	-	1.0	-	1.0
Dividends paid	-	-	-	-	-	-	-30.0	-30.0
Total transactions with owners	-	-	-	2.7	-	2.7	-30.0	-27.3
Total changes in equity	-	-10.9	-0.4	-27.6	-	-38.9	-17.6	-56.5
Equity, end of period	520.0	-44.3	5.8	439.4	-	920.9	21.5	942.4
2015								
Equity, 1 January	520.0	-39.0	1.7	281.1	-	763.8	57.9	821.7
Profit/(loss) for the period				58.4		58.4	59.0	117.4
Other comprehensive income:								
Foreign exchange adjustments, foreign enterprises	-	-	2.7	-	-	2.7	-	2.7
Value adjustment of hedging instruments, joint ventures	-	6.5	-	-	-	6.5	-	6.5
Tax on other comprehensive income	-	-	-	-	-	-	-	-
Total other compr. income	-	6.5	2.7	-	-	9.2	-	9.2
Transactions with owners:								
Issued warrants, employee contribution				1.4		1.4		1.4
Issued warrants				0.5		0.5		0.5
Dividends paid							-80.0	-80.0
Total transactions with owners	-	-	-	1.9	-	1.9	-80.0	-78.1
Total changes in equity	-	6.5	2.7	60.3	-	69.5	-21.0	48.5
Equity, end of period	520.0	-32.5	4.4	341.4	-	833.3	36.9	870.2

Notes

1. Accounting policies

The interim financial report has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and Danish disclosure requirements for interim financial reports.

The accounting policies are unchanged from the 2015 annual report. A full description of accounting policies is provided in the 2015 annual report.

The functions in the income statement have been reclassified in 2016. The net effect on operating profit before special items is nil. The reason for the reclassification was to align allocations to conform to peer companies. The comparative figures have been restated accordingly.

2. Accounting estimates and judgements

The preparation of interim financial statements requires management to make accounting estimates and judgements that affect the application of accounting policies and recognised assets, liabilities, income and expenses. Actual results may differ from these estimates.

Accounting estimates and the associated estimation uncertainty, which are considered customary and essentially unchanged, are described in note 2 to the 2015 annual report.

3. Share-based payment transactions

In 2014, the Group set up a warrant programme for the members of the Group's leadership team. Under the programme, participants are entitled to purchase warrants annually until 2019. For each warrant purchased, the holder will be allocated one warrant free of charge. Exercise of purchased and allocated warrants is subject to listing of the parent company. If, contrary to expectations, the parent company is not listed, the programme will be settled by cash payment. Each warrant entitles the holder to subscribe for one share with a nominal value of DKK 1,000 in the parent company. The programme is capped at 5% of the company's share capital.

In the first half of 2016, a total of 6,274 warrants with a nominal value of DKK 1,000 each and a fair value of DKK 1.7 million were issued.

For 2014-2016, the fair value of the programme totalled DKK 4.8 million at 30 June 2016. The fair value is expensed on a straight-line basis over the expected three-year service period. The warrant programme impacted the income statement for the first half of 2016 by DKK 1.0 million.

At the end of June 2016, the number of outstanding warrants was 25,690 with a nominal value of DKK 1,000 each, corresponding to 4.9% of the share capital.

4. Reclassification of expenses

Reclassification of the income statement for the first half of 2015 and the year 2015, respectively, is shown below. The net effect is nil.

Amounts in DKK million	2015			2015		
	After restate- ment	YTD Adjust- ment	Before restate- ment	After restate- ment	Year Adjust- ment	Before restate- ment
Income statement						
Revenue	3,251.4	-	3,251.4	6,531.4	-	6,531.4
Production costs	-2,911.0	-40.9	-2,870.1	-5,759.9	-91.3	-5,668.6
Gross profit	340.4	-40.9	381.3	771.5	-91.3	862.8
Distribution costs	-109.0	-22.0	-87.0	-204.2	-26.2	-178.0
Administrative expenses	-112.5	62.9	-175.4	-247.1	117.5	-364.6
Profit/(loss) before share of profit/(loss) of joint ventures	118.9	0.0	118.9	320.2	0.0	320.2
Share of profit/(loss) after tax of joint ventures	3.3	-	3.3	31.3	-	31.3
Operating profit/(loss) before special items	122.2	-	122.2	351.5	-	351.5
Special items	-	-	-	-	-	-
EBIT	122.2	-	122.2	351.5	-	351.5
Net financials	25.7	-	25.7	18.7	-	18.7
Profit/(loss) before tax	147.9	-	147.9	370.2	-	370.2
Income tax expense	-30.5	-	-30.5	-80.6	-	-80.6
Profit/(loss) for the period	117.4	-	117.4	289.6	-	289.6

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