

Notice to NASDAQ OMX

Interim financial report for Arkil Holding A/S for Q1 2016

The Board of Directors of Arkil Holding A/S have today discussed and approved the consolidated interim financial report for the first quarter, 1 January to 31 March 2016.

Key points

- Revenue in Q1 2016 amounted to DKK 464.9 million compared to DKK 543.1 million the previous year, corresponding to a decline of 14%.
- The earnings before interest and taxes (EBIT) for the period have been realised as anticipated with a loss of DKK 67.5 million, compared to a loss of DKK 42.3 million the previous year.
- The Group's result before tax for the period amounts to DKK -67.5 million, compared to DKK -36.1 million the previous year. The result before tax in 2015 was positively affected by non-recurring income of DKK 13.9 million.

2016 expectations

- The Group's revenue for 2016 is expected to be capitalised at a level of DKK 3,400 million.
- Profit before tax in 2016 is expected to amount to DKK 70-100 million.

Jesper Arkil, CEO, states:

"As usual, Q1 performance cannot be considered an indicator for the entire year. Operations and earnings are largely as expected at the start of the year, and deviations compared to last year are due to offset activities and individual accounting items that had a positive impact on earnings in the previous year. With the exception of the Civil Works business area, which is characterised by old projects without earnings, incoming orders are generally satisfactory both in Denmark and abroad. A drop in activity in major public sector infrastructure will take place this year and is now expected to have a negative impact on Civil Works, whereas there is growth in both activities and earnings in the other market areas."

Any questions can be directed to CEO Jesper Arkil by phone on +45 7322 5050.

Haderslev, 25 May 2016

Arkil Holding A/S

Agnete Raaschou-Nielsen
Chairman of the Board of Directors

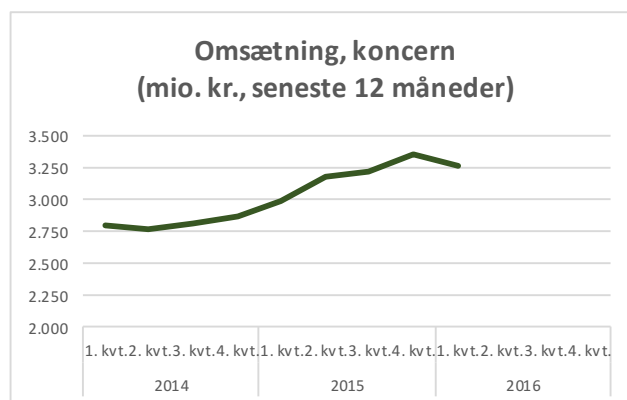
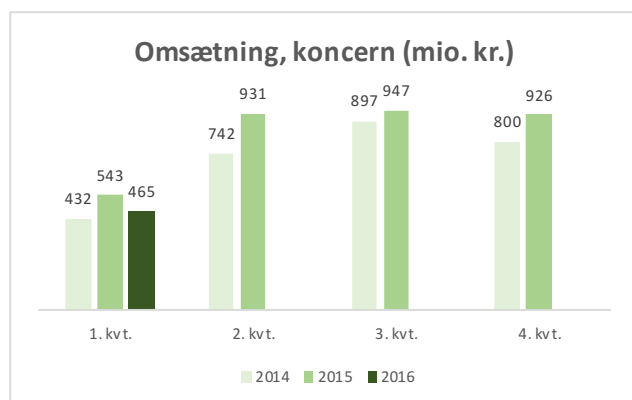
Delårsrapport for perioden 1. januar til 31. marts 2016

Hovedtal for koncernen (mio. kr.)	1/1 til 31/3 2016	1/1 til 31/3 2015	31/12 2015
Resultatopgørelse			
Nettoomsætning	464,9	543,1	3.346,8
Resultat af primær drift (EBIT)	-67,5	-42,3	42,3
Finansielle poster, netto	0,0	6,2	10,1
Resultat før skat	-67,5	-36,1	52,3
Resultat efter skat	-51,2	-27,1	37,5
Balance			
Immaterielle aktiver	149,3	146,3	149,5
Materielle aktiver	538,3	492,2	543,5
Andre langfristede aktiver	50,3	57,0	50,3
Kortfristede aktiver	813,5	804,6	977,7
Aktiver i alt	1.551,4	1.500,1	1.721,0
Egenkapital	717,8	705,1	779,3
Langfristede forpligtelser	348,1	304,0	311,8
Kortfristede forpligtelser	485,5	491,0	629,9
Forpligtelser i alt	833,6	795,0	941,7
Passiver i alt	1.551,4	1.500,1	1.721,0
Pengestrømsopgørelse			
Pengestrømme fra driftsaktivitet	23,6	29,0	76,2
Pengestrømme fra investeringsaktivitet	15,5	-23,7	-65,2
Køb af virksomheder og nye aktiviteter	0,0	-14,4	-24,5
Pengestrømme fra finansieringsaktivitet	-1,9	-33,0	-58,5
Periodens ændring i likviditeten	37,2	-42,1	-72,0
Nøgletal for koncernen			
Overskudsgrad	-14,5	-7,8	1,3
Afkast af investeret kapital (ROIC) inkl. goodwill	-7,2	-4,9	4,2
Afkast af investeret kapital (ROIC) ekskl. goodwill	-8,5	-5,8	4,9
Likvidetsgrad	167,6	163,9	155,2
Egenkapitalandel (soliditet)	46,3	47,0	45,3
Egenkapital forrentning	-6,8	-3,7	4,9
Resultat pr. aktie (kr.)			
Resultat pr. 100 kr. aktie	-106,0	-53,6	65,5
Udvandet resultat pr. 100 kr. aktie	-106,0	-53,6	65,5
Gns. antal ansatte	1.746	1.769	1.967

CONSOLIDATED ACCOUNTS

The financial development of the Arkil Group

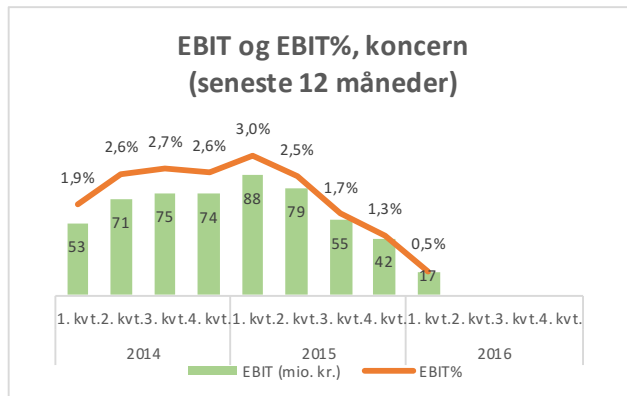
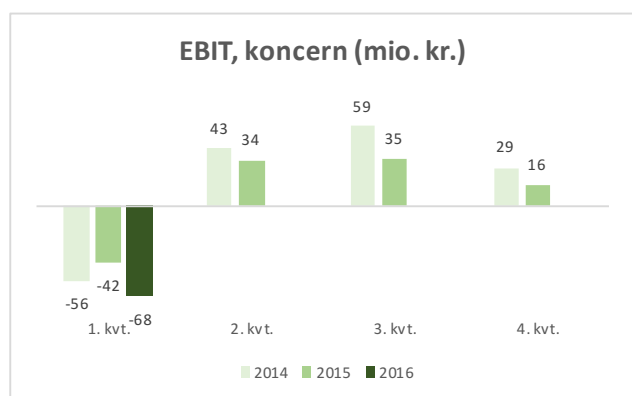
In Q1 2016 the Group realised a revenue of DKK 464.9 million compared to DKK 543.1 million in the same quarter last year, corresponding to a decline in revenue of 14.4%. The decline in revenue can be attributed to Danish activities. The realised revenue is slightly lower than anticipated.



The Group's gross returns in Q1 2016 have been realised at DKK -1.8 million compared to DKK 15.2 million in the same quarter last year, corresponding to a gross profit of -0.4% and 2.8% for the same period last year. The changes in gross profit are due to decreased utilisation of fixed production costs resulting from a decline in revenue and no earnings from the completion of the bridge projects addressed in the 2015 annual report.

Administration costs in Q1 2016 have been realised at DKK 62.6 million compared to DKK 57.7 million the previous year. Administration costs amounted to 13.4% of revenue compared to 10.6% the previous year.

The Group's earnings before interest and taxes (EBIT) in Q1 2016 have been realised at DKK -67.5 million compared to DKK 42.3 million last year. EBIT for 2015 included non-recurring earnings totalling DKK 7.1 million from the divestment of two asphalt plants.



In Q1 2016, net financial items have been realised at DKK 0 million compared to earnings of DKK 6.2 million in the same period last year. Financial items for 2015 included non-recurring earnings of DKK 6.8 million.

Returns before tax in Q1 2016 have been, as anticipated, realised at DKK -67.5 million compared to DKK 36.1 million last year. The result before tax in 2015 was positively affected by non-recurring income of DKK 13.9 million.

Please note that, as usual, activity and financial performance will vary strongly over the year as a consequence of seasonal fluctuations.

Balance sheet and cash flow

As of 31 March 2016, the balance sheet sum was DKK 1,551.4 million compared to DKK 1,721.0 million at the start of the financial year. Tangible fixed assets have been reduced by DKK 5.2 million to DKK 538.3 million since the start of the financial year. Construction contracts have increased by DKK 81.7 million since the end of 2015. Receivables on the balance sheet date amounted to DKK 358.7 million compared to DKK 639.5 million at the start of the year. Supplier debt and other liabilities amounted to DKK 403.1 million as of 31 March 2016, compared to DKK 540.9 million at the end of 2015. Overall, the net working capital amounted to DKK 205.4 million after Q1 2016, compared to DKK 271.4 million at the end of 2015.

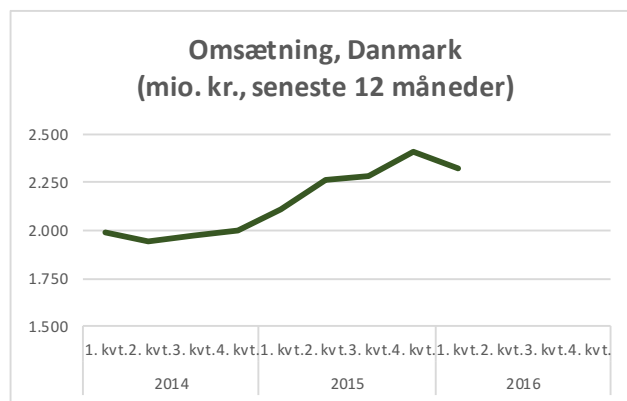
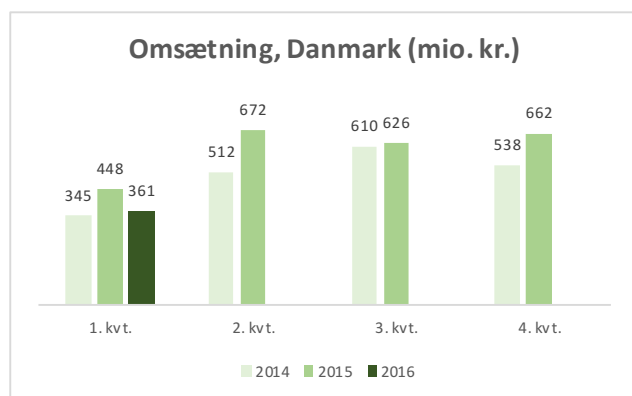
On the balance sheet date, equity amounted to DKK 717.8 million, corresponding to an equity ratio of 46.3%. Interest-bearing debt amounted to DKK 179.6 million at the end of March 2016. Added to cash and cash equivalents and securities of DKK 163.9 million, the interest-bearing net debt amounted to DKK 15.7 million.

Cash flow from operations amounted to DKK 23.6 million in Q1 2016, compared to DKK 29.0 million for the same period last year.

During the period, DKK -15.5 million was invested in assets and acquisition of activities, compared to DKK 38.1 million last year, whereas cash flow from financing activities, including deductions for long-term liabilities, amounted to a net withdrawal of DKK 1.9 million.

DEVELOPMENTS IN DANISH ACTIVITIES

In Q1 2016 the Group's Danish activities realised a revenue of DKK 360.6 million compared to DKK 448.2 million last year, corresponding to a decline of 19.5%. The order backlog's hedging of the year's expected revenue on the balance sheet date was slightly lower than last year.



Lower levels in Danish activities

Danish activities were, as anticipated, somewhat lower in Q1 2016 compared to last year as a result of a lower order backlog at the start of the year. Furthermore, new orders for new, major construction projects have been somewhat lower than anticipated as a result of fewer tenders due to several tenders having been postponed or cancelled.

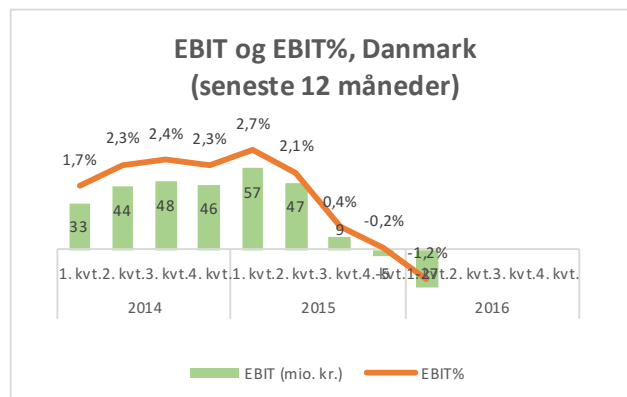
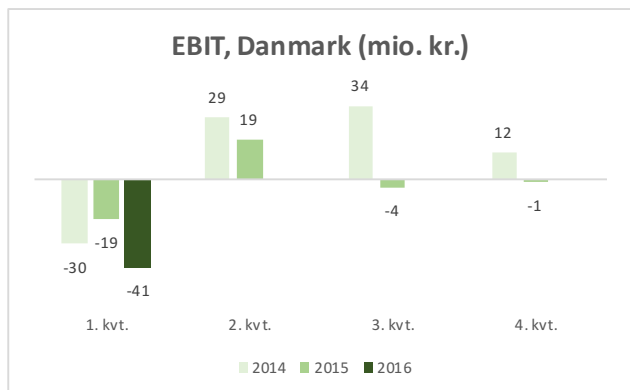
Major projects under development include railway and bridge developments in the Ringsted-Femern section, tunnelling work for the Damhus line sewer project, the Tvis-Aulum motorway contract, the Skovshoved Port development and the upgrades and renovation of the quays at Frederikshavn Flådestation, as well as major projects in the road sector.

There has been increased activity within the business area for local and regional construction projects. The supply of new projects within the business area is increasing, and Arkil has achieved a steady supply of new projects within the area.

Asphalt activities have, as is usual for Q1, been limited due to the weather and have been realised at the same level as last year, as anticipated.

Expected earnings

Danish activities in Q1 2016 have, as anticipated, realised an EBIT of DKK -40.7 million, compared to DKK -18.5 million last year.

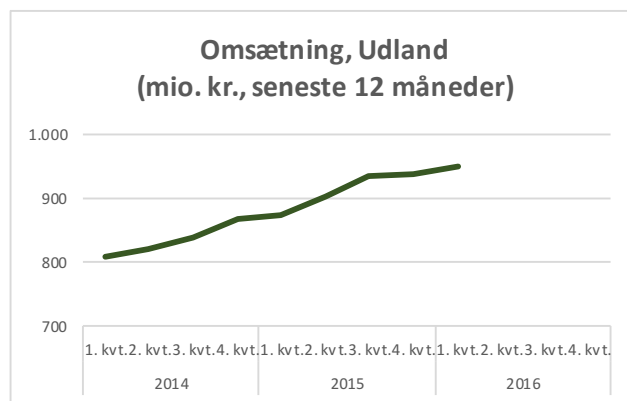
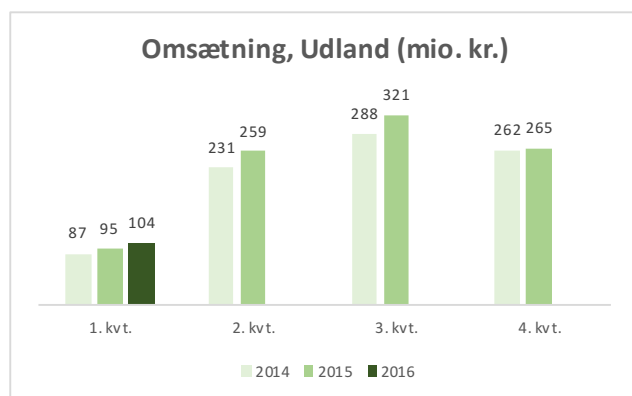


2016 expectations

Activity levels in line with 2015 and somewhat higher earnings compared to 2015 are expected for Danish activities.

DEVELOPMENTS IN INTERNATIONAL ACTIVITIES

In Q1 2016, international activities realised a revenue of DKK 104.3 million, compared to DKK 94.9 million last year, corresponding to a growth rate of 9.9%. The growth has been capitalised in the business areas in Ireland and Sweden. The order backlog on the balance sheet date was in line with last year, as expected.



German activities characterised by relative stability

In Germany, the market conditions for the construction of roads, sewerage and foundations have remained stable, as expected. Arkil has been working to increase activity levels and has focused on ensuring higher efficiency across the entire organisation.

Increased activity in Ireland

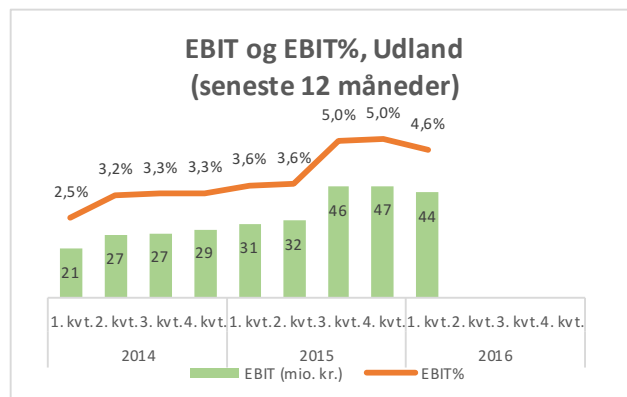
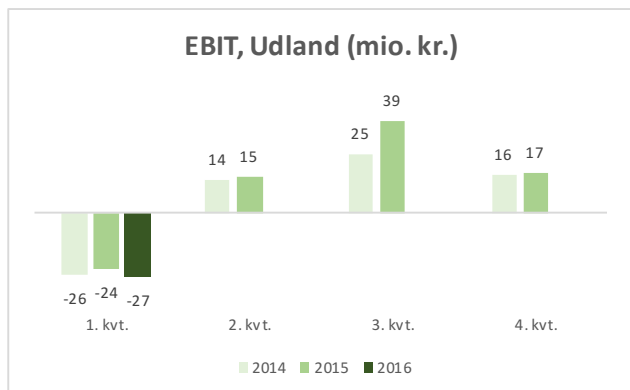
In Q1 2016, Arkil experienced increased activity in all business areas. The positive developments in activities noted by Arkil in 2015 have continued in 2016, based on improved economic trends and a generally increasing desire to invest in Ireland.

Moderate growth in Sweden

There were increased Swedish piping activities in Q1 2016, which has contributed to growth in the segment.

Operating profits in line with expectations

In Q1 2016, foreign activities realised an EBIT of DKK -26.8 million compared to DKK -23.8 million last year. The earnings trend is as expected.



2016 expectations

Due to the market conditions and the current order situation in Germany, Ireland and Sweden, projected revenue remains in line with 2015, and slightly lower earnings compared to 2015 are expected.

Reconciliation of profit before tax for the period

(mio. kr.)	1/1 til 31/3 2016	1/1 til 31/3 2015
Resultat af primær drift		
De danske aktiviteter	-40,7	-18,5
De udenlandske aktiviteter	-26,8	-23,8
Resultat af primær drift	-67,5	-42,3
Finansielle poster, netto	0,0	6,2
Resultat før skat	-67,5	-36,1

Events after the end of the period

The Board of Directors and Executive Management are not aware of any events of importance to Arkil's economic or financial position having occurred after the end of the financial period.

Expectations for the 2016 financial year

In 2016, the management anticipates that Arkil will realise a revenue of around DKK 3,400 million and a profit before tax in the range of DKK 70-100 million.

Statements concerning future developments

Statements concerning future developments that have been expressed in this interim financial report reflect the management's current expectations for future events and financial results. Naturally, any statements concerning the rest of 2016 are associated with uncertainty, and the results achieved may therefore deviate from expectations.

Factors that may result in the achieved returns deviating substantially from expectations include, but are not limited to, developments in economic trends and financial markets, technological development, changes to laws and regulations in Arkil's markets, competition, the supply of assignments within the Group's business areas, weather and climate conditions in the Group's markets, and the acquisition and sale of activities and companies.

Management Review

The Board of Directors and Executive Management have today discussed and approved the interim financial report for the period 1 January – 31 March 2016 for Arkil Holding A/S.

The interim financial report, which have not been audited or reviewed by the company's auditor, are presented in accordance with IAS 34 "Presentation of interim financial reports", as approved by the EU and Danish disclosure requirements for listed companies.

In our opinion, the interim financial report give a true and fair view of the Group's assets, liabilities and financial position as of 31 March 2016, as well as of the profits from the Group's activities and cash flows for the period 1 January – 31 March 2016.

It is also our view that the management report provides a true and fair report of developments in the Group's activities and financial matters, profit for the period and the Group's financial position as a whole, as well as a description of the principal risks and uncertainty factors that the Group faces.

Haderslev, 25 May 2016

Executive Board

Jesper Arkil
(Chief Executive Officer)

Heine Heinsvig
(Chief Financial Officer)

Jens Skjøt-Arkil
(Director, Business Development)

Board of Directors

Agnete Raaschou-Nielsen
(Chairman)

Birgitte Nielsen
(Deputy chairman)

Walther V. Paulsen

Steen Brødbæk

Steffen M. Baungaard

Koncernresultatopgørelse

Beløb i mio.kr.

	1/1 til 31/3 2016	1/1 til 31/3 2015
Omsætning	464,9	543,1
Produktionsomkostninger	-466,7	-527,9
Bruttoresultat	-1,8	15,2
Administrationsomkostninger	-62,6	-57,7
Andel af resultat efter skat i associerede virksomheder og joint ventures	-3,1	0,2
Resultat af primær drift	-67,5	-42,3
Finansielle poster, netto	0,0	6,2
Resultat før skat	-67,5	-36,1
Skat af periodens resultat	16,3	9,0
Periodens resultat	-51,2	-27,1
Resultat pr. 100 kr. aktie	-106,0	-53,6
Udvandet resultat pr. 100 kr. aktie	-106,0	-53,6

Totalindkomstopgørelse

Beløb i mio.kr.

	1/1 til 31/3 2016	1/1 til 31/3 2015
Periodens resultat	-51,2	-27,1
Anden totalindkomst		
Poster, der ikke kan blive reklassificeret til resultatopgørelse:		
Aktuarmæssige gevinster/tab på ydelsesbaserede pensionsordninger	-14,9	-13,9
Skat af anden totalindkomst	4,5	4,2
	-10,4	-9,7
Poster, der kan blive reklassificeret til resultatopgørelsen:		
Valutakursreguleringer ved omregning af udenlandske enheder	0,1	0,0
Værdiregulering af sikringsinstrumenter:		
Periodens værdiregulering	0,0	1,8
Skat af anden totalindkomst	0,0	-0,4
	0,1	1,4
Totalindkomst i alt	-61,5	-35,4
Fordeles således:		
Aktionærerne i Arkil Holding A/S	-59,1	-33,7
Minoritetsinteresseme	-2,4	-1,7
I alt	-61,5	-35,4

Koncernbalance

Beløb i mio.kr.

	Note	31/3 2016	31/3 2015	31/12 2015
Aktiver				
Goodwill	2	139,9	136,1	139,9
Øvrige immaterielle aktiver		9,4	10,2	9,6
Materielle aktiver		538,3	492,2	543,5
Udskudt skat		27,8	29,1	24,2
Kapitalandele i associerede virksomheder og joint ventures		14,0	17,3	17,1
Andre langfristede aktiver		8,5	10,6	9,0
Langfristede aktiver i alt		737,9	695,5	743,3
Varebeholdninger		95,2	74,7	90,0
Entreprisekontrakter		195,7	225,1	114,0
Tilgodehavender		358,7	334,4	639,5
Aktiver bestemt for salg		0,0	4,3	0,0
Værdipapirer	3	26,0	29,2	26,0
Likvide beholdninger		137,9	136,9	108,2
Kortfristede aktiver i alt		813,5	804,6	977,7
Aktiver i alt		1.551,4	1.500,1	1.721,0
Egenkapital		717,8	705,1	779,3
Hensatte forpligtelser		209,8	216,1	195,0
Kreditinstitutter		138,3	87,9	116,8
Langfristede forpligtelser i alt		348,1	304,0	311,8
Kreditinstitutter		41,3	45,3	43,6
Entreprisekontrakter		41,1	56,7	45,4
Leverandørgæld og andre gældsforpligtelser		403,1	389,0	540,9
Kortfristede forpligtelser i alt		485,5	491,0	629,9
Forpligtelser i alt		833,6	795,0	941,7
Passiver i alt		1.551,4	1.500,1	1.721,0

Pengestrømsopgørelse for koncernen

Beløb i mio.kr.

	1/1 til 31/3 2016	1/1 til 31/3 2015
Driftens likviditetsvirkning		
Resultat før skat	-67,5	-36,1
Af- og nedskrivninger	23,7	22,0
Andre driftsposter, netto	0,1	-7,1
Ændring i driftskapital	71,0	57,4
Betalt selskabsskat	-3,7	-7,2
Pengestrømme fra driftsaktivitet	23,6	29,0
Investeringernes likviditetsvirkning		
Nettoinvesteringer i materielle og immaterielle aktiver	15,5	-23,7
Køb af virksomheder og aktiviteter	0,0	-14,4
Pengestrømme fra investeringsaktivitet	15,5	-38,1
Fremmedfinansiering		
Afdrag på langfristede forpligtelser	-1,9	-36,8
Provenu ved optagelse af langfristede forpligtelser	0,0	3,8
Kapitalindsud fra minoriteter	0,0	0,0
Udbetalt udbytte	0,0	0,0
Pengestrømme fra finansieringsaktivitet	-1,9	-33,0
Årets pengestrømme	37,2	-42,1
Likvider, primo	100,5	172,3
Kursregulering af likvider	0,0	0,0
Likvider, ultimo	137,7	130,2
Likvide beholdninger	137,9	136,9
Banklån (kassekredit)	-0,2	-6,7
Likvider, ultimo	137,7	130,2

Egenkapitalopgørelse for koncernen

Beløb i mio. kr.

	Aktiekapital	Reserve for valutakurs- regulering	Reserve for sikrings- transaktioner	Overført resultat	Foreslået udbytte	I alt	Minoriteter	I alt
Egenkapital 1. januar 2016	49,1	0,3	0,0	697,5	7,4	754,3	25,0	779,3
Genmåling af ydelsesbaseret pensionsforpligtelse				-12,7		-12,7	-2,2	-14,9
Værdiregulering af sikrings- instrumenter						0,0		0,0
Valutakursreguleringer, udenlandske virksomheder		0,1				0,1		0,1
Skat af anden totalindkomst				3,8		3,8	0,7	4,5
Anden totalindkomst i alt	0,0	0,1	0,0	-8,9	0,0	-8,8	-1,5	-10,3
Periodens resultat				-50,3		-50,3	-0,9	-51,2
Totalindkomst i alt	0,0	0,1	0,0	-59,2	0,0	-59,1	-2,4	-61,5
Transaktioner med ejere								
Kapitalforhøjelse						0,0		0,0
Udloddet udbytte						0,0		0,0
Udbytte, egne aktier						0,0		0,0
Egenkapital 31. marts 2016	49,1	0,4	0,0	638,3	7,4	695,2	22,6	717,8

Egenkapitalopgørelse for koncernen

Beløb i mio. kr.

	Aktiekapital	Reserve for valutakurs- regulering	Reserve for sikrings- transaktioner	Overført resultat	Foreslået udbytte	I alt	Minoriteter	I alt
Egenkapital 1. januar 2015	49,1	-0,1	-1,9	671,2	4,9	723,2	17,3	740,5
Genmåling af ydelsesbaseret pensionsforpligtelse				-11,8		-11,8	-2,1	-13,9
Værdiregulering af sikrings- instrumenter			1,8			1,8		1,8
Valutakursreguleringer, udenlandske virksomheder						0,0		0,0
Skat af anden totalindkomst			-0,4	3,6		3,2	0,6	3,8
Anden totalindkomst i alt	0,0	0,0	1,4	-8,2	0,0	-6,8	-1,5	-8,3
Periodens resultat				-26,9		-26,9	-0,2	-27,1
Totalindkomst i alt	0,0	0,0	1,4	-35,1	0,0	-33,7	-1,7	-35,4
Transaktioner med ejere								
Tilgang af minoriteter						0,0		0,0
Udloddet udbytte						0,0		0,0
Udbytte, egne aktier						0,0		0,0
Egenkapital 31. marts 2015	49,1	-0,1	-0,5	636,1	4,9	689,5	15,6	705,1

Note 1. Accounting practice used

The interim financial report is presented in accordance with IAS 34 "Presentation of interim financial report", as approved by the EU and in accordance with Danish disclosure requirements for listed companies.

With the exception of the below, the accounting policies used remain unchanged in relation to the consolidated accounts and annual accounts for 2015, as referenced.

The consolidated accounts and annual accounts for 2015 contain a full description of the accounting policies used.

Changes to the accounting policies used

Effective from 1 January 2016, Arkil Holding A/S has implemented the following new or amended standards and interpretations:

- Amendments to IAS 16 and IAS 38 on methods for the accounting of amortisation and depreciation.
- Amendments to IFRS 11 on accounting of company acquisitions in joint operations.
- Amendments to IAS 16 and IAS 41 on biological assets that bear crops.
- Amendments to IAS 1 on specifications resulting from the "Disclosure Initiative".
- Amendments to IAS 27 on the equity value method in separate annual accounts.
- Annual Improvements to IFRSs 2012-2014.

Annual Improvements to IFRSs 2012-2014 resulted in changes to IFRS 5, IFRS 7, IAS 19 and IAS 34. With the exception of the changes to IAS 34 concerning information about "information elsewhere in the interim financial report", the changes must be characterised as very specific changes with a very narrow scope of application.

None of the new amendments and improvements have affected calculations and measurements performed for the interim financial report.

Assumptions and estimates

The preparation of interim financial reports requires management to make accounting assumptions and estimates that affect the application of accounting policies and calculated assets, liabilities, earnings and costs. The actual results may deviate from these assumptions.

Key assumptions made by management when applying the Group's accounting policies and the key assumption uncertainties linked thereto are the same for the preparation of the summarised interim financial report as they were during the preparation of the consolidated and annual accounts of 31 December 2015.

Note 2. Goodwill

Beløb i mio.kr.

	31/3 2016	31/3 2015	31/12 2015
Kostpris primo	139,9	130,1	130,0
Tilgang ved køb af virksomhed	0,0	6,1	9,9
Valutakursregulering	0,0	-0,1	0,0
Kostpris ultimo	139,9	136,1	139,9
Goodwill	139,9	136,1	139,9

Depreciation test

The annual depreciation test for goodwill is performed on 30 September following the completion of budgets and strategy plans for the coming five-year period. The management finds that there are no indications of devaluation of the accounting values for goodwill.

Note 3. Market value measurement of financial instruments

Relevant disclosure requirements in relation to the Arkil Holding A/S Group's securities portfolio are listed below.

Beløb i mio.kr.	31. marts 2016	
	Dagsværdi	Regnskabs mæssig værdi
Finansielle aktiver		
Værdipapirer (dagsværdioptionen) - niveau 1	26,0	26,0
	26,0	26,0

The Group's policy is to recognise transfers between the different categories from the time at which an event or change in circumstances results in a change of classification. There have been no transfers between individual levels in 2016.