

To: Copenhagen Stock Exchange
Nikolaj Plads 6
1007 Copenhagen K.

Interim report for Arkil Holding A/S for the first half of 2010

The Directors of Arkil Holding A/S have today considered and approved the Group's interim report for the period 1 January to 30 June 2010.

Key elements:

- **Net revenue was DKK 723.8 million – a decrease of 22.3% compared to last year.**
- **The Group's result for the period before taxes showed a loss of DKK 88.6 million compared to a loss of DKK 25.7 million for the same period last year.**
- **The Group's revenue is expected to be approx. DKK 2,150 million, which is in line with last year.**
- **As announced in the Stock Exchange announcement of 25 August 2010, the 2010 pre-tax profit for the Arkil Group is expected to show a loss of around DKK 50 million – a readjustment of approx. DKK 50 million compared to the announcement in the annual accounts of 26 May 2010.**
- **The negative earnings performance will lead to adjustments and reductions within the Danish organisation.**

Please direct any questions to Managing Director Jesper Arkil at 73225050.

Haderslev, 30 August 2010

Arkil Holding A/S

Niels Arkil
Chairman of the Board

Main figures and key ratios

Interim report for the first half of 2010

	1 April to 30 June 2010	1 April to 30 June 2009	1 January to 30 June 2010	1 January to 30 June 2009
Profit and loss account				
Net revenue, finished work	546.7	576.8	723.8	931.6
Operating profit (EBIT)	1.7	30.0	(87.6)	(21.8)
Net financial items	(0.5)	(1.2)	(1.0)	(3.9)
Pre-tax operating profit	1.2	28.8	(88.6)	(25.7)
Profit after tax	(1.3)	20.4	(67.1)	(20.4)
Key ratios for the Group				
Profit ratio	0.3	5.2	(12.1)	(2.3)
Return on net assets (ROIC)	0.1	2.3	(6.7)	(1.7)
Liquidity ratio			160.8	164.2
Equity ratio			46.8	44.0
Return on equity			(10.2)	(3.1)
Average number of employees			1,430	1,767
Earnings per share (DKK)				
Earnings per DKK 100 share	(3.5)	41.2	(138.5)	(41.5)
Diluted earnings per DKK 100 share	(3.5)	41.2	(138.5)	(41.5)
Balance sheet				
	31 Dec, 2009	30 June 2010	30 June 2009	
Intangible assets		110.6	109.6	111.2
Tangible assets		498.8	480.8	514.0
Other long-term assets		13.7	13.8	22.1
Short-term assets		835.9	726.8	793.5
Total assets		1,459.0	1,331.0	1,440.8
Return on equity				
		697.4	622.7	634.4
Long-term liabilities		301.1	256.4	323.1
Short-term liabilities		460.5	451.9	483.3
Total obligations		761.6	708.3	806.4
Total liabilities		1,459.0	1,331.0	1,440.8

Group key figures (DKK million)

Cash flow statement

	1 April to 30 June 2010	1 April to 30 June 2009	1 January to 30 June 2010	1 January to 30 June 2009
Cash flows from operating activities	(129.1)	(58.0)	(88.8)	(17.4)
Cash flow from other investment activities	(12.5)	(22.6)	(26.0)	(35.8)
Acquisition of companies and new activities	0.0	0.0	0.0	0.0
Cash flows from financing activities	(18.2)	(21.4)	(29.2)	(33.8)
Changes in cash flow for the period	(159.8)	(102.0)	(144.0)	(87.0)
Cash and cash equivalents at beginning of the period	90.1	106.4	234.1	193.5
Translation adjustment of cash and cash equivalents	(0.1)	(0.1)	(0.1)	(0.1)
Cash and cash equivalents at end of the period	(69.8)	4.3	90.0	106.4

Statement of recognised income and expenditure

Net income for the period	(1.3)	20.4	(67.1)	(20.4)
Net income recognised directly in equity				
Exchange-rate adjustments from translation of foreign units	0.3	0.1	0.2	0.0

Recognised income and expenditure in total

	(1.0)	20.5	(66.9)	(20.4)
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Are distributed like this:

Holders of shares in Arkil Holding A/S	(1.4)	19.6	(65.5)	(19.7)
Minority interests	0.4	0.9	(1.4)	(0.7)
	(1.0)	20.5	(66.9)	(20.4)

Statement of changes in equity

	Share capital	Reserve for exchange- rate ad- justment	Retained earings	Suggested dividend	Total	Minority interests	Total
Equity as at 1 January 2010	49.1	(1.2)	630.7	7.4	686.0	11.4	697.4
Exchange-rate adjustments, foreign companies		0.2			0.2		0.2
Net gains recognised directly in equity	49.1	(1.0)	630.7	7.4	686.2	11.4	697.6
Net income for the period			(65.7)		(65.7)	(1.4)	(67.1)
Total comprehensive income	49.1	(1.0)	565.0	7.4	620.5	10.0	630.5
Distributed dividends				(7.4)	(7.4)	(0.6)	(8.0)
Dividend, own shares			0.2		0.2		0.2
Equity as at 30 June 2010	49.1	(1.0)	565.2	0.0	613.3	9.4	622.7

Statement of changes in equity (continued)

	Share capital	Reserve for exchange- rate ad- justment	Retained earnings	Suggested dividend	Total	Minority interests	Total
Equity as at 1 January 2009	49.1	(1.5)	597.8	7.4	652.8	9.7	662.5
Exchange-rate adjustments, foreign companies					0.0		0.0
Net gains recognised directly in equity	49.1	(1.5)	597.8	7.4	652.8	9.7	662.5
Net income for the period			(19.7)		(19.7)	(0.7)	(20.4)
Total comprehensive income	49.1	(1.5)	578.1	7.4	633.1	9.0	642.1
Distributed dividends				(7.4)	(7.4)	(0.5)	(7.9)
Dividend, own shares			0.2		0.2		0.2
Equity as at 30 June 2009	49.1	(1.5)	578.3	0.0	625.9	8.5	634.4

Accounting policies applied

This interim report has been prepared in accordance with IAS 34, Presentation of interim reports, as approved by the EU and additional Danish financial reporting requirements for interim reports for public listed companies.

Apart from the impact of the new IAS/IFRS implemented in the period there has been no change in the accounting policies applied compared to the annual report for 2009. Please refer to this for more information.

The annual report for 2009 includes the complete description of the accounting policies applied.

New IAS/IFRS implemented in the period

As of 1 January 2010, Arkil has implemented IFRS 3 "Business Combinations", IAS 27 "Consolidation and Separate Financial Statements", amendments to IAS 39 "Financial Instruments: Recognitions and Measurement: Eligible Hedged Item", parts of "improvements to IFRSs May 2008", amendment to IFRIC 9 and IAS 39 "Embedded Derivatives", amendments to IFRS 2 "Group Cash-settled Share-based Payment Transactions", amendments to IFRS 1 "Additional Exemptions for First-Time Adopters and parts of "improvements to IFRS April 2009".

Apart from IFRS 3 and IAS 27, the new accounting standards and interpretations have not affected recognition and measurement.

IFRS 3 has changed the Group's practice for stating the payment for companies acquired with respect to the following:

- Transaction expenses which can be referred to the merger will be included in the income statement on the date they are incurred. Such expenses were previously included in the cost price.
- Contingent purchase payments regarding earn-out etc. are included at the current value on the day of purchase and later value adjustment will be included in the income statement. Changes in contingent purchase payments were previously included in the cost price.
- If the takeover is phased, the purchase price allocation must take place when Arkil Holding gains control. This means that capital investments acquired earlier on will be stated at current value on the date when control is gained, and any adjustment in comparison to the accounting value will be included in the income statement. Goodwill was previously assessed at the time of the individual purchase, and value adjustment was included directly in the equity capital.

Furthermore, the IFRS 3 (2008) has changed the statement of goodwill. It is now possible to choose full goodwill measurement, even if less than 100% of the company is acquired. Previously, goodwill could only be allowed for the acquired part of the company. Measurement can be chosen transaction for transaction, and the choice should be reported in the notes in connection with the description of acquired companies.

The most significant amendment to IAS 27 concerns transactions with minority interests. Purchase/sale of minority interests' shares without losing control is included directly in the equity capital. When capital investments are sold, and control is lost, the profit/loss will be included in the income statement. At the same time, any capital investments kept in the company over which control is lost will be re-measured at current value with value adjustment in the income statement.

The new IFRS accounting standards and interpretations have not affected the result for the period or the equity.

Assumptions and estimates

For the preparation of interim reports, management must make assumptions and estimates which affect the applied accounting policies and the calculated assets, liabilities, income and expenditure. The actual results may deviate from these estimates.



The essential estimates made by the management when applying the accounting policies for the Group and the essential uncertainty of these estimates are the same for the preparation of this consolidated interim report as for the preparation of the consolidated accounts and the annual accounts as at 31 December 2009.

Director's report

Result for the period

In the first half of 2010, the Arkil Group achieved a revenue of DKK 723.8 million compared to DKK 931.6 million for the same period last year, a decrease of 22.3%. The decrease in revenue is mainly attributable to limitations on production in the first quarter of 2010 caused by a long and hard winter in the Group's main markets as well as a very low volume of orders at the beginning of the year.

In the second quarter, a revenue of DKK 546.7 was achieved compared to DKK 576.8 million for the same period last year, a decrease of 5.2%. Primary operating profit (EBIT) for the second quarter was realised at DKK 1.7 million compared to DKK 30.0 million for the same period last year.

Primary operating profit (EBIT) for the first half of 2010 before tax showed a loss of DKK 87.6 million compared to a loss of DKK 21.8 million for the same period last year.

Net financial items showed an expenditure of DKK 1.0 million compared to DKK 3.9 million for the same period last year.

Pre-tax profit/loss for the period showed a loss of DKK 88.6 million compared to a loss of DKK 25.7 million for the same period last year.

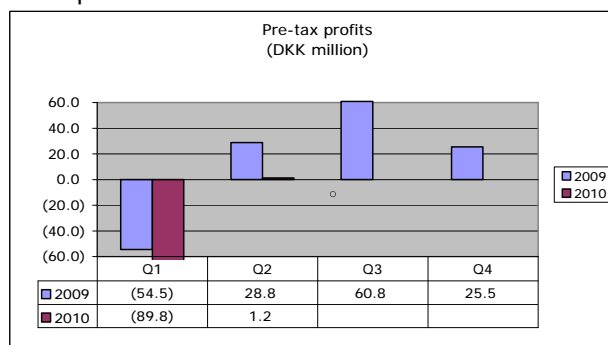
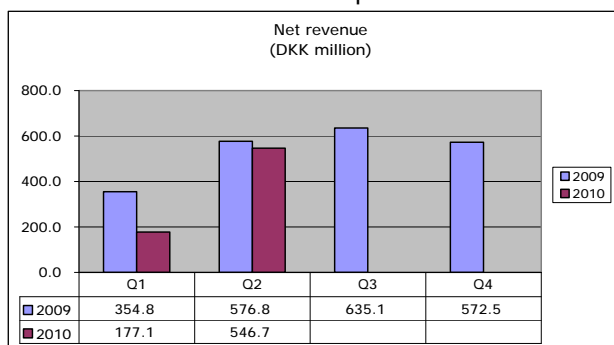
The deviation in the result compared to last year is partly due to the realised revenue decline and partly due to significantly lower earnings on projects carried out as well as increased winter costs (stoppage costs) in the first quarter of the year. In addition to this, projects in the Group's German subsidiary ASA-Bau have seen write-downs of DKK 8.0 million.

In average, there were 337 fewer employees in the first half year compared to the same period last year due to the low level of activity in the first quarter (the winter months).

Based on the financial development in the Group, the management has decided to implement a number of activities in order to immediately reduce operating costs and to ensure that earnings are at all times given a higher priority than revenue. The purpose of the initiatives is to strengthen the Group's competitiveness and financial foundation. Amongst others the initiatives involve a merger of a number of functions, costs reductions and dismissal of the necessary number of employees in the Arkil Group's construction activities in Denmark.

However, as mentioned in statements for previous years, the interim results for a company in a seasonal line of business cannot be used directly as an indicator for its profit for the year.

Consolidated net revenue and profit/loss before tax for each quarter:



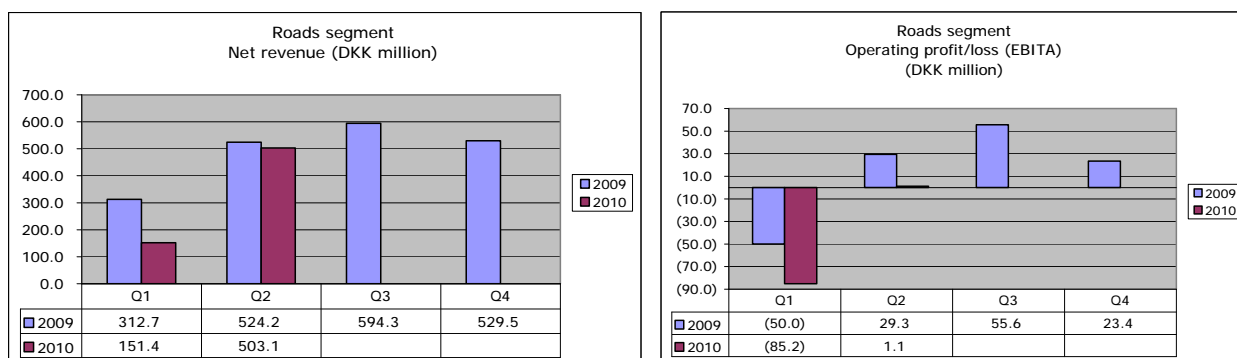
Cash flow from operations in the first half of 2010 amounts to a total of DKK -88.8 million compared to DKK -17.8 million for the same period last year. The most significant item changes from the cash flow stem from the realised loss as well as an increase in capital tied up in working capital.

The cash flow from investment activities, the acquisition of companies and activities was DKK -26.0 million compared to DKK -35.8 million for the same period last year. Investments in machinery and equipment for the period are DKK 26.9 million compared to DKK 35.8 million last year.

Liquid holdings at the end of the period have been reduced by DKK 144.0 million to DKK 90.1 million.

During the period the Group's interest-bearing liabilities were reduced from DKK 193.7 million to DKK 172.3 million.

Roads segment



Overall, this segment, which includes construction, asphalt and road servicing, has had a significantly lower level of activity than last year.

The decrease in activities is mainly attributable to limitations on production in the first quarter of 2010 caused by a long and hard winter in the Group's main markets.

Furthermore, construction activities in Denmark have been heavily affected by the negative international economic conditions. The market has experienced an overwhelming excess capacity as a consequence of too few new tenders as well as the decline in the building industry, which affects earnings.

As expected, activities in Germany are stable as a consequence of the German government's recovery package having a positive effect on the market.

As expected, the activities in the Irish market were at a slightly higher level than in 2009, but the market is affected by a poor price movement.

Asphalt activities were realised somewhat lower than expected and than realised last year, partly as a consequence of the stoppage period in the first quarter of the year due to the long winter, and partly due to lack of earnings in respect of projects carried out, especially in Denmark as a consequence of an ongoing price battle in the market. In addition to this, projects in the Group's German subsidiary ASA-Bau have seen write-downs of DKK 8.0 million. The background for these write-downs is still in the process of being investigated further. The asphalt division has a satisfactory order book, which, however, in respect of earnings is considerably below expectations as a consequence of the current price development and increased costs in respect of bitumen.

Construction activities were realised significantly lower than expected and than realised last year because production was at a standstill in the first quarter of the year due to the winter. The construction division's order book is in

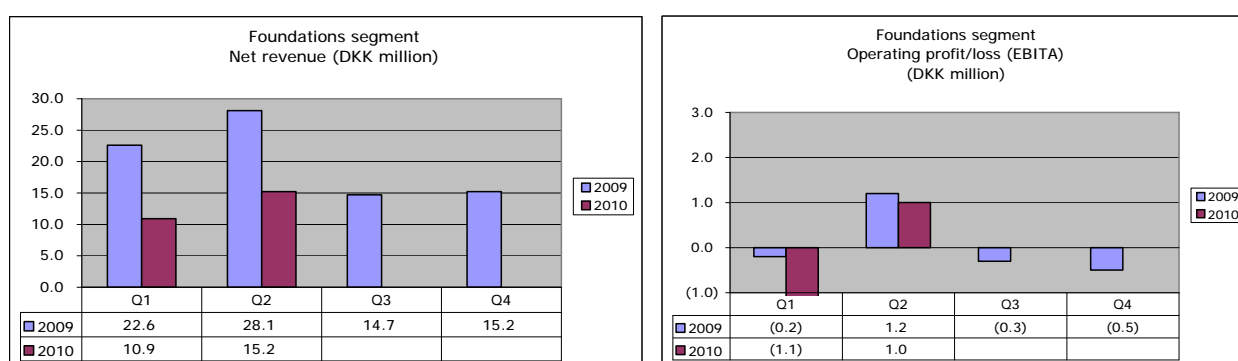
line with expectations, which in respect of earnings, however, is affected by the fall back in supply within the private and public sector.

Road Servicing activities have been realised slightly lower than expected and higher than realised last year.

In the first half of 2010, a revenue for Roads segment of DKK 654.5 million was achieved compared to DKK 836.9 for the same period last year. The result (EBITA) was DKK -84.1 million compared to DKK -20.7 million for the same period last year.

Revenue and profit for the segment have been realised considerably lower than expected. Overall, the order volume is as expected, however, with a significantly lower earnings potential than expected.

Foundations segment

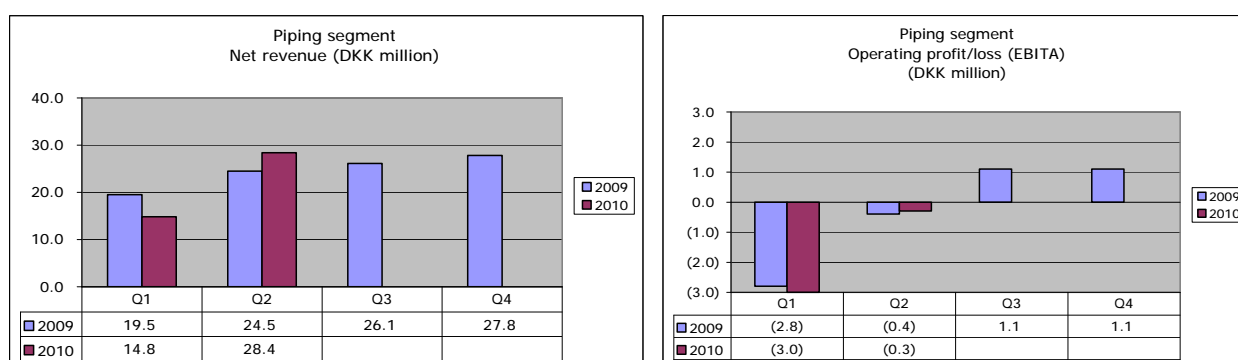


Activity in the Foundations segment has been realised lower than expected and significantly lower than last year.

In the first half of 2010, a revenue of DKK 26.1 million was achieved compared to DKK 50.7 for the same period last year. The result (EBITA) was DKK -0.1 million compared to DKK 1.0 million for the same period last year. The decline is due to less revenue.

This segment has achieved revenue a little lower than expected and a result a little better than expected during the period.

Piping segment



The activity in the Piping Segment has been lower than expected on the segment's key markets.

In the first half of 2010, a revenue of DKK 43.2 million was achieved compared to DKK 44.0 for the same period last year. The result (EBITA) was DKK -3.3 million compared to DKK -3.2 million for the same period last year.

This segment has achieved revenue and result a little lower than expected during the period.

	1 April to 30 June 2010	1 April to 30 June 2009	1 January to 30 June 2010	1 January to 30 June 2009
Balancing the pre-tax operating income				
Operating profit				
Roads segment	1.1	29.3	(84.1)	(20.7)
Pipings segment	1.0	1.2	(0.1)	1.0
Foundations segment	(0.3)	(0.4)	(3.3)	(3.2)
Other	(0.1)	(0.1)	(0.1)	1.1
Operating profit	1.7	30.0	(87.6)	(21.8)
Net financial items	(0.5)	(1.2)	1.0	(3.9)
Pre-tax operating income	1.2	28.8	(86.6)	(25.7)

Acquisition of activities

As at 1 July 2010 the Group has taken over the companies Stürup A/S and Arne Hansen A/S. The activities will be included in the consolidated accounts as 1 July 2010.

The acquisition of activities is expected to increase the Group's revenue by approx. DKK 125 million

Expectations for the financial year 2010

As announced in the Stock Exchange announcement of 25 August 2010, the 2010 pre-tax profit for the Arkil Group is expected to show a loss of around DKK 50 million – a readjustment of approx. DKK 50 million compared to the announcement in the annual accounts of 26 May 2010.

The readjustment is carried out based upon the realised result for the first half of 2010 as well as the current order book and market situation on the Group's key markets, especially in Denmark.

Revenue after acquisition of activities is expected to be realised in the region of DKK 2,150 million for the entire year.

Comments on future conditions

The future predictions in this interim report reflect the Board's current expectations of future events and financial results. Predictions for the rest of 2010 are, by nature, associated with uncertainty, and the results may therefore deviate from expectations.

Factors that could lead to significant deviations from the expected results include – but are not limited to – economic trends and the financial markets, technological developments, changes to legislation and regulation in Arkil's markets, competition conditions, job tenders within the Group's areas of business, weather and climate conditions on the Group's markets, and the acquisition and sale of activities and companies.

Shareholders

Arkil Holding A/S has approx. 1500 listed shareholders. Of these, the following shareholders were registered in the company's list of shareholders as at today's date in accordance with section 28b of the Danish Companies Act:

Shareholders	No. of Class A and B shares	Proportion of listed capital as a %	Proportion of the company's A/S capital as a %	Votes %
Chairman of the Board Niels Arkil, Tjørnebakken 17, 6100 Haderslev, Denmark	37,388	8.59	16.85	47.40
Investeringsforeningen Danske Invest-gruppen, Strødamvej 46, 2100 Copenhagen Ø, Denmark	*			
Danske Bank, Holmens Kanal 2 – 12, 1092 Copenhagen K, Denmark	*			
Ellen and Ove Arkil's Fond, Åstrupvej 19, 6100 Haderslev, Denmark	24,375	5.67	4.96	2.33
Managing Director Jesper Arkil, Vidarsvej 8, 6100 Haderslev, Denmark	624	0.14	3.32	15.06

The denomination of all class B shares is DKK 100.

The denomination of the class A shares varies.

* Investeringsforeningsforeningen Danske Invest-gruppen has informed the Board that they own more than 10% of the company's share capital.

Danske Bank Group has informed the Board that they own more than 5% of the company's share capital.

Endorsement by the Board

The Board of Directors and Executive Board have today considered and approved the interim report for the period 1 January to 30 June 2010 for Arkil Holding A/S.

This interim report, which has not been revised or reviewed by the company's accountant, has been prepared in accordance with IAS 34, Presentation of interim reports, as approved by the EU and Danish financial reporting requirements for public listed companies.

In our opinion, this interim report provides a true and fair view of the Group's assets, liabilities, and financial position as of 30 June 2010 and of the results of the Group's activities and cash flow for the period 1 January to 30 June 2010.

In our opinion, the management's review provides a true and fair presentation of the development of the Group's activities and financial situation, the results for the period and of the Group's financial position as a whole as well as a description of the essential risks and factors of uncertainty which the Group is facing.

Haderslev, 30 August 2010

Management Board

Jesper Arkil
(Managing Director)

The Board of Directors

Niels Arkil
(Chairman)

Hans Schmidt-Hansen
(Deputy Chairman)

Walther V. Paulsen

Birgitte Nielsen

Per Kjærsgaard