

Message for NASDAQ OMX

Interim report for Arkil Holding A/S for the first half of 2012

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, 2012.

Key elements:

- **Net revenue was DKK 1,222.8 million compared to DKK 1,034.2 million for the same period last year – an increase of 18.2% compared to last year.**
- **The Group's result before tax for the first six months showed a loss of DKK 25.7 million compared to a loss of DKK 46.3 million for the same period last year.**
- **The group's turnover is now expected to be approx. DKK 2.7 billion for the entire year compared to previously expected DKK 2.6 billion.**
- **The Group's result before tax for 2012 is still expected to be between DKK 10 and 30 millions.**

Please direct any questions to Managing Director Jesper Arkil at +45 73 22 50 50.

Haderslev, 29 August, 2012

Arkil Holding A/S

Niels Arkil
Chairman of the Board

Interim report for 1 January to 30 June 2012

Group key figures (DKK million)	April 1 to June 30 2012	April 1 to June 30 2011	Jan 1 to June 30 2012	Jan 1 to June 30 2011	31 Dec, 2011
Income statement					
Net turnover	826.5	709.6	1,222.8	1,034.2	2,568.5
Primary operating profit (EBIT)	42.0	23.8	-22.2	-43.1	17.4
Net financial items	-1.9	-2.1	-3.5	-3.2	-5.6
Profit/loss before tax	40.1	21.7	-25.7	-46.3	11.8
Profit/loss after tax	27.2	14.4	-21.4	-36.2	7.8
Balance Sheet					
Intangible assets			138.9	139.3	139.2
Tangible assets			462.1	489.0	471.5
Other long-term assets			17.1	21.4	21.9
Short-term assets			971.6	851.9	843.5
Total assets			1,589.7	1,501.6	1,476.1
Equity					
Long-term obligations			285.5	283.5	323.8
Short-term obligations			684.7	613.2	508.5
Total obligations			970.2	896.7	832.3
Total liabilities			1,589.7	1,501.6	1,476.1
Cash flow statement					
Cash flows from operating activities	-47.0	-144.6	-32.4	-137.6	-23.6
Cash flows from investing activities	-11.6	-5.5	-28.6	-17.0	-38.7
Acquisition of companies and new activities	0.0	0.0	0.0	0.0	0.0
Cash flows from financing activities	-9.3	-28.2	-6.5	-28.9	-36.2
Changes in cash flow for the period	-67.9	-178.3	-67.5	-183.6	-98.5
Key ratios for the Group					
Profit ratio	5.1	3.4	-1.8	-4.2	0.7
Return on net assets (ROIC)	2.8	1.6	-1.5	-3.0	1.3
Liquidity ratio			141.9	138.9	165.9
Equity ratio			39.0	40.3	43.6
Return on equity			-3.4	-5.8	1.2
Earnings per share (DKK)					
Earnings per DKK 100 share	56.9	27.4	-41.6	-76.2	10.0
Diluted earnings per share at DKK 100	56.9	27.4	-41.6	-76.2	10.0
Average number of shares			1,720	1,615	1,717

Director's report

Result for the period

In the first six months of 2012, the Arkil Group realised a turnover of DKK 1,222.8 million compared with DKK 1,034.2 million for the same period last year, an increase of 18.2%. This increase can be attributed to organic growth within all activities in the Denmark segment.

In the second quarter of the year, a revenue of DKK 826.5 million was achieved compared to DKK 709.6 million for the same period last year, an increase of 16.5%. Primary operating profit (EBIT) for the second quarter of the year was realised at DKK 42.0 million compared to DKK 23.8 million for the same period last year.

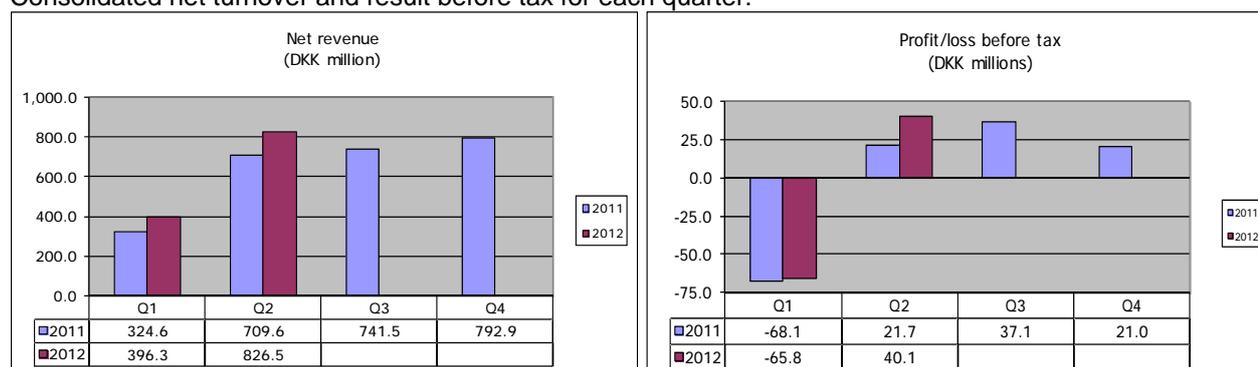
Primary operating profit (EBIT) for the first six months of 2012 showed a loss of DKK 22.2 million compared to a loss of DKK 43.1 million for the same period last year.

Net financial items showed an expenditure of DKK 3.5 million compared to DKK 3.2 million for the same period last year.

Pre-tax profit/loss for the period showed a loss of DKK 25.7 million compared to a loss of DKK 46.3 million for the same period last year.

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

Consolidated net turnover and result before tax for each quarter:



Cash flow from operations in the first six months of 2012 amounts to a total of DKK -32.4 million as against DKK -137.6 million for the same period last year. The most significant item changes from the cash flow from operations stem from adjustments in capital tied up in working capital.

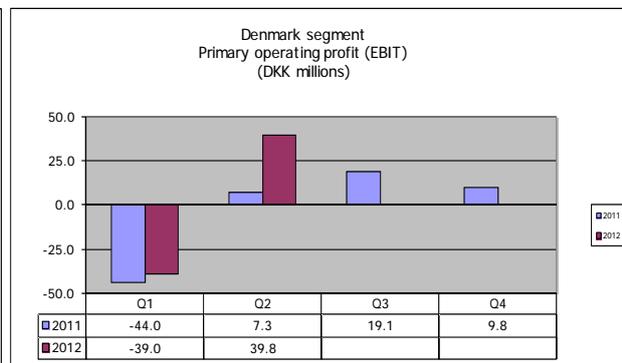
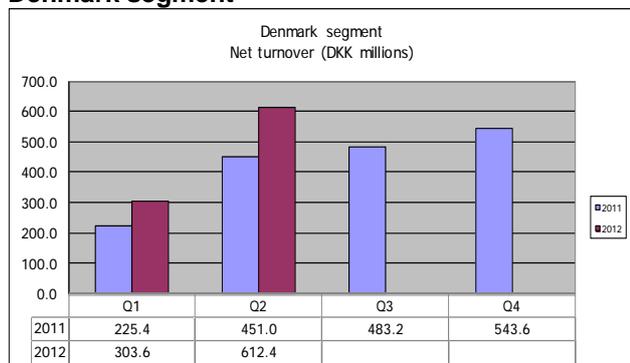
Cash flow from investment activities, acquisition of companies and activities was DKK -28.6 million as against DKK -17.0 million for the same period last year. Investments in machinery and equipment for the period are DKK -28.6 million as against DKK -17.0 million last year.

Liquid holdings at the end of the period have been reduced by DKK 56.3 million to DKK 48.2 million.

During the period the Group's interest-bearing liabilities increased by DKK 6.6 million to DKK 229.6 million.

Equity at year-end 2011 has been net adjusted by DKK 4.2 million based on a correction in previous years' provisions for pension obligations. Comparative figures for 2011 have been adjusted accordingly.

Denmark segment



For the first six months of 2012, the Group's Danish companies experienced a level of activity significantly higher than last year.

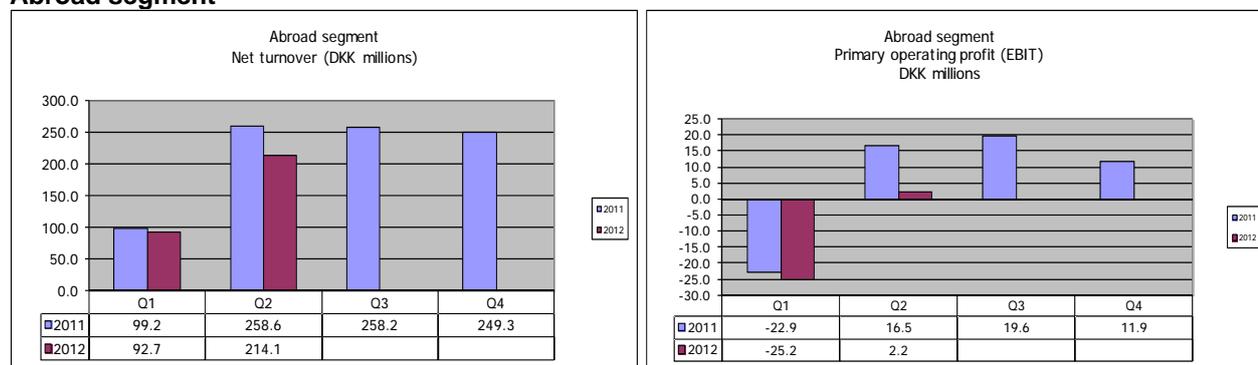
The current market situation as well as the order book status at the beginning of the year contributed to a generally high level of activity for the first six months.

The level of offering of new projects helps to maintain a satisfactory level of activity on the Danish construction market.

In the first six months of 2012, turnover for the Denmark segment was DKK 916.0 million compared to DKK 676.4 million for the same period last year. The result (EBIT) was DKK 0.8 million compared to DKK -36.7 million for the same period last year.

The volume of orders in total can be considered satisfactory.

Abroad segment



The Group's companies outside Denmark experienced a level of activity somewhat lower than last year.

Activities in Germany were fewer than for 2011. In view of the current market and order situation, more activities are expected for the second half of the year.

As expected, activities in the Irish market are at a slightly lower level than in 2011. The Irish market is still affected by a weak price development.

Activities in Sweden have been at a slightly lower level than in 2011.

In the first six months of 2012, turnover for the Outside Denmark segment was DKK 306.8 million compared to DKK 357.8 million for the same period last year. The result (EBIT) was DKK -23.0 million compared to DKK -6.4 million for the same period last year.

The volume of orders in total can be considered to be as expected.

Reconciliation of the pre-tax period result	April 1 to	April 1 to	Jan 1 to	Jan 1 to
	June 30	June 30	June 30	June 30
	2012	2011	2012	2011
Primary operating profit				
Denmark segment	39.8	7.3	0.8	-36.7
Abroad segment	2.2	16.5	-23.0	-6.4
Primary operating profit	42.0	23.8	-22.2	-43.1
Net financial items	-1.9	-2.1	-3.5	-3.2
Profit/loss before tax	40.1	21.7	-25.7	-46.3

Expectations for the financial year 2012

The Group's pre-tax result for 2012 is expected to show a profit between DKK 10 and 30 million, as anticipated in the announcement of the annual accounts from 21 March, 2012.

Turnover is now expected to be realised in the region of DKK 2,700 million for the entire year.

Comments on future conditions

The predictions about the future in this interim report reflect the Board's current expectations of future events and financial results. Predictions for the rest of 2012 will, by nature, be associated with uncertainty, and the actual 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 development in the financial markets, technological developments, changes to legislation and regulations in the markets where Arkil operate, competition conditions, job tenders within the Group's areas of business, weather and climate conditions in the markets where the Group operate, and the acquisition and sale of activities and companies.

Shareholders

Arkil Holding A/S has approx. 1,500 listed shareholders. Of these, as at today's date, the following shareholders are registered in the company's list of shareholders in accordance with section 55 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	28,611	6.66	5.82	2.74
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	1,274	0.30	3.45	15.12

The denomination of all class B shares is DKK 100.
The denomination of the class A shares varies.

* Investeringsforeningen Danske Invest-gruppen has informed the Board that they own more than 10% 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 2012 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 2012 and of the results of the Group's activities and cash flow during the period 1 January – 30 June 2012.

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, 29 August, 2012

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

Agnete Raaschou-Nielsen

Group statement of profit/loss

Amounts in DKK millions

	April 1 to June 30 2012	April 1 to June 30 2011	Jan 1 to June 30 2012	Jan 1 to June 30 2011
Turnover	826.5	709.6	1,222.8	1,034.2
Production costs	-733.1	-638.0	-1,144.8	-982.7
Gross profit	93.4	71.6	78.0	51.5
Administration costs	-51.3	-51.7	-98.3	-97.1
Other operating income	-1.1	0.9	0.0	2.0
Share of profit after tax in affiliated companies	1.0	3.0	-1.9	0.5
Primary operating profit	42.0	23.8	-22.2	-43.1
Net financial items	-1.9	-2.1	-3.5	-3.2
Profit/loss before tax	40.1	21.7	-25.7	-46.3
Tax on profit/loss for the period	-12.9	-7.3	4.3	10.1
Profit/loss for the period	27.2	14.4	-21.4	-36.2
Earnings per DKK 100 share	56.9	27.4	-41.6	-76.2
Diluted earnings per share at DKK 100	56.9	27.4	-41.6	-76.2

Statement of comprehensive income

Amounts in DKK millions	April 1 to June 30 2012	April 1 to June 30 2011	Jan 1 to June 30 2012	Jan 1 to June 30 2011
Profit/loss for the period	27.2	14.4	-21.4	-36.2
Other comprehensive income:				
Adjustment of value of derivatives	-3.5	0.0	-3.5	0.0
Tax on other comprehensive income	0.9	0.0	0.9	0.0
Exchange rate adjustments for conversion of foreign entities	0.1	0.1	0.0	0.0
Other comprehensive income after tax	-2.5	0.1	-2.6	0.0
Total income	24.7	14.5	-24.0	-36.2
Distribution:				
Shareholders of Arkil Holding A/S	24.5	13.1	-22.3	-36.1
Minority interests	0.2	1.4	-1.7	-0.1
Total	24.7	14.5	-24.0	-36.2

Group balance

Amounts in DKK millions

	Note	30 June 2012	30 June 2011	31 Dec 2011
Assets				
Goodwill	2	129.9	129.9	129.9
Intangible assets		9.0	9.4	9.3
Tangible assets		462.1	489.0	471.5
Other long-term assets		17.1	21.4	21.9
Total long-term assets		618.1	649.7	632.6
Stock on hand		70.8	64.0	65.1
Contract works		360.7	324.2	105.9
Accounts receivable		468.9	412.0	545.1
Securities		23.0	23.2	22.9
Liquid assets		48.2	28.5	104.5
Total short-term assets		971.6	851.9	843.5
Total assets		1,589.7	1,501.6	1,476.1
Equity				
Provisions for obligations		145.7	123.4	151.4
Credit institutions		136.3	156.6	168.9
Employee's bonds		3.5	3.5	3.5
Total long-term obligations		285.5	283.5	323.8
Credit institutions		89.8	71.1	50.6
Contract works		43.9	77.2	40.5
Accounts payable and other debts		551.0	464.9	417.4
Total short-term obligations		684.7	613.2	508.5
Total obligations		970.2	896.7	832.3
Total liabilities		1,589.7	1,501.6	1,476.1

Group cash flow analysis

Amounts in DKK millions

	April 1 to June 30 2012	April 1 to June 30 2012	Jan 1 to June 30 2012	Jan 1 to June 30 2011
Operation's effect on liquidity				
Profit/loss before tax	40.2	21.7	-25.7	-46.3
Depreciation and write-downs	23.1	24.7	46.9	49.8
Other net operating items	-7.6	4.0	-5.8	5.2
Changes in working capital	-99.9	-191.7	-42.3	-140.8
Corporation tax paid	-2.8	-3.3	-5.5	-5.6
Cash flows from operating activities	-47.0	-144.6	-32.4	-137.6
Effect of investments on liquidity				
Net investments in tangible and intangible assets	-11.6	-5.5	-28.6	-17.0
Net investments in subsidiaries	0.0	0.0	0.0	0.0
Cash flows from investing activities	-11.6	-5.5	-28.6	-17.0
External financing				
Repayment of long term debt	-10.2	-27.8	-19.9	-34.0
Proceeds of long-term debt, etc.	1.3	0.0	13.8	5.5
Dividend payments	-0.4	-0.4	-0.4	-0.4
Cash flows from financing activities	-9.3	-28.2	-6.5	-28.9
Cash flows for the year	-67.9	-178.3	-67.5	-183.6
Opening liquid holdings	97.6	190.8	97.2	196.0
Rate adjustments to liquid holdings	0.0	-0.1	0.0	0.0
Closing liquid holdings	29.7	12.4	29.7	12.4
Liquid assets	48.2	28.5	48.2	28.5
Bank loan (bank overdraft)	-18.5	-16.1	-18.5	-16.1
Closing liquid holdings	29.7	12.4	29.7	12.4

Group statement of changes in equity

Amounts in DKK millions

	Share capital	Reserve for exchange rate adjustments	Retained earnings	Suggested dividends	Total	Minority interests	Total
Equity as at 1 January 2012	49.1	0.0	588.6	0.0	637.7	10.4	648.1
Correction of the pension obligations at 1 January 2011			-3.6		-3.6	-0.6	-4.2
Adjusted equity	49.1	0.0	585.0	0.0	634.2	9.8	643.9
Adjustment of value of derivatives			-3.5		-3.5		-3.5
Tax on other comprehensive income			0.9		0.9		0.9
Exchange rate adjustments, foreign companies					0.0		0.0
Net gains included directly in equity	0.0	0.0	-2.6	0.0	-2.6	0.0	-2.6
Profit/loss for the period			-19.7		-19.7	-1.7	-21.4
Total income	0.0	0.0	-22.3	0.0	-22.3	-1.7	-24.0
Distributed dividend					0.0		0.0
Dividend, own shares					0.0	-0.4	-0.4
Equity as at 30 June 2012	49.1	0.0	562.7	0.0	611.9	7.7	619.5

Group statement of changes in equity

Amounts in DKK millions

	Share capital	Reserve for exchange rate adjustments	Retained earnings	Suggested dividends	Total	Minority interests	Total
Equity as at 1 January 2011	49.1	0.2	586.1	0.0	635.4	10.2	645.6
Correction of the pension obligations at 1 January 2011			-3.6		-3.6	-0.6	-4.2
Adjusted equity	49.1	0.2	582.5	0.0	631.8	9.6	641.4
Exchange rate adjustments, foreign companies		0.0			0.0	0.1	0.1
Net gains included directly in equity	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Profit/loss for the period			-36.1		-36.1	-0.1	-36.2
Total income	0.0	0.0	-36.1	0.0	-36.1	0.0	-36.1
Distributed dividend					0.0		0.0
Dividend, own shares					0.0	-0.4	-0.4
Equity as at 30 June 2011	49.1	0.2	546.4	0.0	595.7	9.2	604.9

Note 1. Accounting policies applied

This interim report has been prepared in accordance with IAS 34, Presentation of interim reports, as approved by the EU and 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 Consolidated Accounts and the Annual Accounts for 2011. Please refer to this for more information.

The Consolidated Accounts and Annual Accounts for 2011 include a complete description of the accounting policies applied.

New IAS/IFRS implemented in the period

As at 1 January, 2012, Arkil Holding implemented amendments to IFRS 7, IFRS 1 and IAS 12.

The new accounting standards and interpretations have not affected inclusions and measurements.

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, 2011.

Note 2. Goodwill

Amounts in DKK millions

	30 June 2012	30 June 2011	31 Dec 2011
Cost price beginning of year	129.9	129.9	129.9
Additions through acquisition	0.0	0.0	0.0
Adjustment of purchase sum	0.0	0.0	0.0
Exchange rate adjustment	0.0	0.0	0.0
Cost price end of year	129.9	129.9	129.9
Depreciation beginning of year	0.0	0.0	0.0
Write-downs	0.0	0.0	0.0
Disposals	0.0	0.0	0.0
Depreciation end of year	0.0	0.0	0.0
Goodwill	129.9	129.9	129.9

Impairment test

The annual impairment test for goodwill is carried out as at 30 September, after the completion of budgets and strategic plans for the next 5 year's period. As at 30 June, 2012, Management assesses that there is no indication of a reduction in the value of the accounting values for goodwill and intangible assets with non-limited service life.