

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

Interim report for Arkil Holding A/S for the third quarter 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 September 2010.

Key elements:

- **Net revenue was DKK 1,424.5 million – a decrease of 9.1% compared to last year.**
- **The Group's result for the period before taxes showed a loss of DKK 58.1 million compared to a profit of DKK 35.1 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 30 August 2010 the Group's profit/loss for 2010 is expected to arrive at a loss of approx. DKK 50 million.**

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

Haderslev, 24 November 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 July to 30 September 2010	1 July to 30 September 2009	1 January to 30 September 2010	1 January to 30 September 2009
Profit and loss account				
Net revenue, finished work	700.7	635.1	1,424.5	1,566.7
Operating profit (EBIT)	31.6	61.8	(56.0)	40.0
Net financial items	(1.1)	(1.0)	(2.1)	(4.9)
Pre-tax operating profit	30.5	60.8	(58.1)	35.1
Profit after tax	22.6	44.0	(44.5)	23.6
Key ratios for the Group				
Profit ratio	4.5	9.7	(3.9)	2.6
Return on net assets (ROIC)	2.1	4.6	(3.8)	3.0
Liquidity ratio			144.3	168.6
Equity ratio			40.2	45.2
Return on equity			(6.7)	3.5
Average number of employees			1,730	1,748
Earnings per share (DKK)				
Earnings per DKK 100 share	45.3	87.8	(93.2)	46.3
Diluted earnings per DKK 100 share	45.3	87.8	(93.2)	46.3

	31 Dec, 2009	30 September 2010	30 September 2009
Balance sheet			
Intangible assets		110.6	139.5
Tangible assets		498.8	543.3
Other long-term assets		13.7	17.5
Short-term assets		824.3	875.3
Total assets		1,447.4	1,575.6
Return on equity			
Long-term liabilities		685.0	633.7
Short-term liabilities		301.9	335.2
Total obligations		762.4	941.9
Total liabilities		1,447.4	1,500.9

Group key figures (DKK million)

Cash flow statement

	1 July to 30 September 2010	1 July to 30 September 2009	1 January to 30 September 2010	1 January to 30 September 2009
Cash flows from operating activities	(15.1)	45.0	(103.9)	27.6
Cash flow from other investment activities	0.4	(4.3)	(25.6)	(40.2)
Acquisition of companies and new activities	(90.2)	0.0	(90.2)	0.0
Cash flows from financing activities	32.9	(6.6)	3.7	(40.4)

Changes in cash flow for the period

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

	18.0	140.4	18.0	140.4
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Statement of recognised income and expenditure

Net income for the period	22.6	44.0	(44.5)	23.6
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Net income recognised directly in equity

Exchange-rate adjustments from translation of foreign units	0.8	0.0	1.0	0.0
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Recognised income and expenditure in total

	23.4	44.0	(43.5)	23.6
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Are distributed like this:

Holders of shares in Arkil Holding A/S	22.3	41.6	(43.2)	21.9
Minority interests	1.1	2.4	(0.3)	1.7

	23.4	44.0	(43.5)	23.6
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Statement of changes in equity

	Share capital	Reserve for exchange-rate adjustment	Retained earnings	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
Adjustment previous years			(11.5)		(11.5)	(0.9)	(12.4)
Adjusted Equity as at 1 January 2010	49.1	(1.2)	619.2	7.4	674.5	10.5	685.0
Exchange-rate adjustments, foreign companies		1.1			1.1	(0.1)	1.0
Net gains recognised directly in equity	0.0	1.1	0.0	0.0	1.1	(0.1)	1.0
Net income for the period			(44.3)		(44.3)	(0.2)	(44.5)
Total comprehensive income	0.0	1.1	(44.3)	0.0	(43.2)	(0.3)	(43.5)
Distributed dividends				(7.4)	(7.4)	(0.6)	(8.0)
Dividend, own shares			0.2		0.2		0.2
Equity as at 30 September 2010	49.1	(0.1)	575.1	0.0	624.1	9.6	633.7

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			21.9		21.9	1.7	23.6
Total comprehensive income	49.1	(1.5)	619.7	7.4	674.7	11.4	686.1
Distributed dividends				(7.4)	(7.4)	(0.5)	(7.9)
Dividend, own shares			0.2		0.2		0.2
Equity as at 30 September 2009	49.1	(1.5)	619.9	0.0	667.5	10.9	678.4

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 nine months of 2010, the Arkil Group achieved a revenue of DKK 1,424.5 million compared to DKK 1,566.7 for the same period last year, a decrease of 9.1%. The decrease in revenue is mainly attributable to limitations on production caused by a long and hard winter in the Group's main markets.

The revenue in the third quarter was realised at DKK 700.7 million against DKK 635.1 million in the same period last year, corresponding to an increase of 10.3%. The increase has been achieved on the basis of acquisition in connection with the takeover of the companies Stürup A/S and Arne Hansen A/S as at 1 July 2010

Primary operating profit (EBIT) for the third quarter was realised at DKK 30.5 million against DKK 60.8 million for the same period last year.

Primary operating profit (EBIT) for the first nine months of 2010 showed a deficit of DKK 56.0 million compared to a profit of DKK 40.0 million for the same period last year.

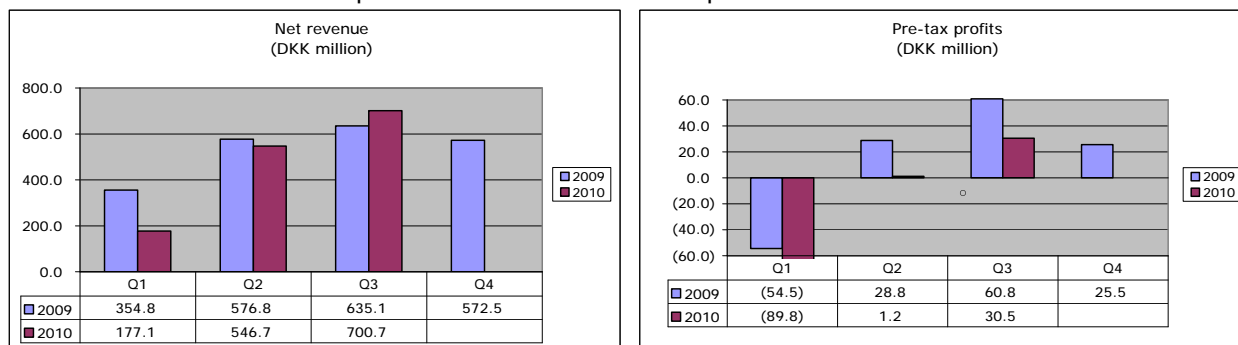
Net financial items showed an expenditure of DKK 2.1 million compared to DKK 4.9 million for the same period last year.

Pre-tax profit/loss for the period showed a loss of DKK 58.1 million compared to a profit of DKK 35.1 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 a significantly lower earnings on projects carried out as well as increased winter costs (stoppage costs) in the first quarter of the year.

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 nine months of 2010 amounts to a total of DKK -216.0 million as against DKK -53.0 million for the same period last year. The most significant item changes from the cash flow stem from the realised deficit as well as an increase in capital tied up in working capital.

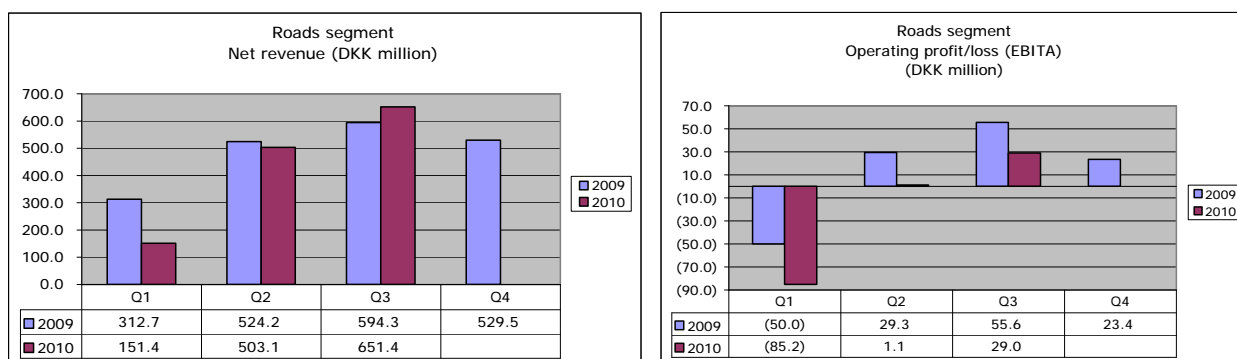
The cash flow from investment activities, the acquisition of companies and activities was DKK -115.8 million as against DKK -40.2 million for the same period last year. Investments in machinery and equipment for the period are DKK 99.3 million as against DKK 40.2 million last year.

Liquid holdings at the end of the period have been reduced by DKK 216.0 million to DKK 18.0 million.

During the period the Group's interest-bearing liabilities were increased from DKK 193.7 million to DKK 308.3 million.

Equity at year-end 2009 has been adjusted by DKK 12.4 million based on the value of work in progress at year-end 2009. The reason for this is a head of department in the subsidiary ASA Bau in Germany throughout a period extending over the turn of the year has "covered up" the accounts by manipulating the value of work in progress in order to hide lack of performance in the department. This was caught by the Group's control procedure, and the extent has subsequently been verified by the Group's revisionsselskab KPMG.

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 due to the hard and long winter in the Group's main markets.

Construction activities in Denmark are still affected by the negative economic trends, which has led to a general recession in the construction market.

The takeover of the companies Stürup A/S and Arne Hansen A/S as at 1 July 2010 contributes to strengthening the Group's position in the construction market. Moreover, the takeover of activities contributed to compensate for the effect of the general recession in the construction market.

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, activities on the Irish market are a little higher than in 2009, but the market is affected by a poor price development.

Asphalt activities are realised somewhat lower than expected and than realised last year, partly as a consequence of the stand-still period in the first quarter due to the long winter, and partly as a consequence of lack of earnings on projects carried out, especially in Denmark, as a result of the very low price level in the market. The asphalt division has a satisfactory order book, which, however, in terms of earnings is significantly below expectations as a consequence of the current price development and increasing costs, especially the costs of bitumen.

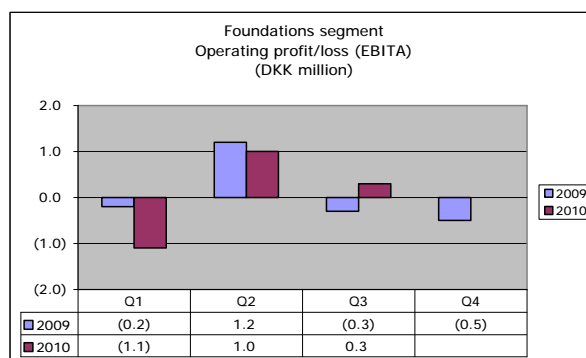
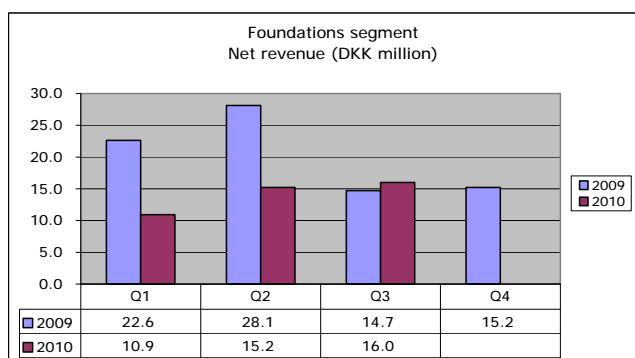
Construction activities were realised significantly lower than expected and than realised last year because production was at a standstill in the first quarter of the year due to the winter. The construction division's order book is as expected, which in respect of earnings, however, is affected by the 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 nine months of 2010, a revenue for Roads segment of DKK 1,305.9 million was achieved compared to DKK 1,431.2 for the same period last year. The result (EBITA) was DKK -55.1 million compared to DKK 34.9 million for the same period last year.

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

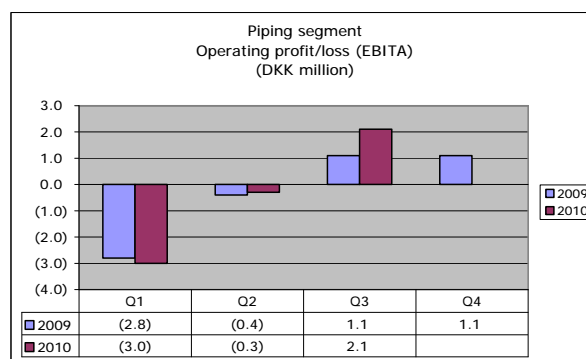
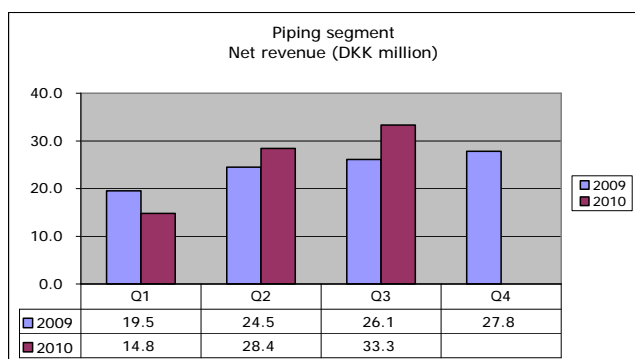
Foundations segment



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

In the first nine months of 2010, a revenue of DKK 42.1 million was achieved compared to DKK 65.4 million for the same period last year. The result (EBITA) was DKK 0.2 million compared to DKK 0.7 million for the same period last year. The decline is due to less revenue.

Piping segment



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

In the first nine months of 2010, a revenue of DKK 76.5 million was achieved compared to DKK 70.1 million for the same period last year. The result (EBITA) was DKK -1.2 million compared to DKK -2.1 million for the same period last year.

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

Balancing the pre-tax operating income

	1 July to 30 September 2010	1 July to 30 September 2009	1 January to 30 September 2010	1 January to 30 September 2009
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 100% of the share capital in the companies Stürup A/S and Arne Hansen A/S. The acquisitions are included in the consolidated accounts as at 1 July 2010.

	Stürup A/S	Arne Hansen A/S	Fair value at the date of acquisition
Acquisition of companies and activities			
Goodwill	21.5	8.6	30.1
Tangible assets	50.3	23.0	73.3
Short-term assets	66.6	29.9	96.5
Total assets	138.4	61.5	199.9
Of which cash and cash equivalents	(0.8)	(0.0)	(0.8)
Assets excluding cash at bank and in hand	137.6	61.5	199.0
Provisions including pension obligations	2.0	1.6	3.7
Long-term liabilities	20.7	7.8	28.5
Short-term liabilities	75.7	39.5	115.2
Total liabilities	98.4	49.0	147.4
Of which debt to banks	(24.1)	(14.5)	(38.6)
Liabilities excluding debt to banks	74.3	34.5	108.8
Cash used for the acquisition of companies and activities	63.3	27.0	90.2

In 2010, the acquisition is expected to add a revenue of approx. DKK 125 million.

The costs in connection with the acquisition of DKK 281,000 are included in the result for the period.

Expectations for the financial year 2010

As announced in the Stock Exchange announcement of 30 August 2010 the Group's profit/loss for 2010 is still expected to arrive at a loss of approx. DKK 50 million.

Revenue is expected to be realised around 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.

*** Investeringsforeningen Danske Invest-gruppen has informed the Board that it owns 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 September 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 September 2010 and of the results of the Group's activities and cash flow for the period 1 January to 30 September 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, 24 November 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