



Message for NASDAQ OMX

### **Interim report for Arkil Holding A/S for the third quarter of 2011**

The Directors of Arkil Holding A/S have today considered and approved the Group's interim report for the period January 1 to September 30, 2011.

#### **Key elements:**

- **Net revenue was DKK 1,775.7 million compared to DKK 1,424.5 million for the same period last year – an increase of 25% compared to last year.**
- **The Group's result for the third quarter of the year before taxes showed a profit of DKK 37.2 million compared to a profit of DKK 30.5 million for the same period last year.**
- **The Group's total result for the period before taxes showed a loss of DKK 9.0 million compared to a loss of DKK 58.1 million for the same period last year.**
- **The Group's revenue is expected to be approx. DKK 2,400 million for the entire year.**
- **Group pre-tax profit for 2011 is now expected around DKK 5 million instead of an expected profit around between DKK 10 to 30 million as anticipated in the announcement of the annual accounts from March 23, 2011.**

Please direct any questions to Managing Director Jesper Arkil at +45 73225050.

Haderslev, November 22, 2011

Arkil Holding A/S

Niels Arkil  
Chairman of the Board

# Interim report for 1 January to 30 September 2011

Group key figures (DKK million)	July 1 to Sep 30 2011	July 1 to Sep 30 2010	Jan 1 to Sep 30 2011	Jan 1 to Sep 30 2010	31 Dec, 2010
<b>Income statement</b>					
Net turnover	741.5	700.7	1,775.7	1,424.5	2,061.9
Primary operating profit (EBIT)	38.9	31.6	-4.2	-56.0	-44.2
Net financial items	-1.6	-1.1	-4.8	-2.1	-3.0
Profit/loss before tax	37.2	30.5	-9.0	-58.1	-47.2
Profit/loss after tax	27.3	22.6	-8.9	-44.5	-27.5
<b>Balance Sheet</b>					
Intangible assets			139.3	139.5	139.4
Tangible assets			474.1	543.3	517.8
Other long-term assets			21.9	17.5	20.6
Short-term assets			898.7	875.3	792.3
<b>Total assets</b>			<b>1,534.1</b>	<b>1,575.6</b>	<b>1,470.2</b>
<b>Equity</b>			<b>636.4</b>	<b>633.7</b>	<b>645.6</b>
Long-term obligations			300.7	335.2	330.7
Short-term obligations			597.0	606.7	493.8
<b>Total obligations</b>			<b>897.7</b>	<b>941.9</b>	<b>824.5</b>
<b>Total liabilities</b>			<b>1,534.1</b>	<b>1,575.6</b>	<b>1,470.2</b>
<b>Cash flow statement</b>					
Cash flows from operating activities	-12.3	-15.1	-149.9	-103.9	88.6
Cash flows from investing activities	-6.1	0.4	-23.1	-25.6	-23.5
Acquisition of companies and new activities	0.0	-90.2	0.0	-90.2	-90.2
Cash flows from financing activities	-7.3	32.9	-36.2	3.7	-13.2
<b>Changes in cash flow for the period</b>	<b>-25.7</b>	<b>-72.0</b>	<b>-209.3</b>	<b>-216.1</b>	<b>-38.3</b>
<b>Key ratios for the Group</b>					
Profit ratio	5.2	4.5	-0.2	-3.9	-2.1
Return on net assets (ROIC)	2.5	2.1	-0.3	-3.8	-3.5
Liquidity ratio			150.5	144.3	160.4
Equity ratio			41.5	40.2	43.9
Return on equity			-1.4	-6.8	-4.1
<b>Earnings per share (DKK)</b>					
Earnings per DKK 100 share	60.9	45.3	-15.3	-93.2	-63.4
Diluted earnings per share at DKK 100	60.9	45.3	-15.3	-93.2	-63.4
<b>Average number of shares</b>			<b>1,682</b>	<b>1,730</b>	<b>1,623</b>

## Director's report

### Result for the period

In the first nine months of 2011, the Arkil Group achieved a revenue of DKK 1,775.7 million compared to DKK 1,424.5 for the same period last year, an increase of 24.6%. The increase in revenue is mainly attributable to the fact that production in the first quarter of 2010 was limited by the weather due to a long and hard winter in the Group's main markets.

In the third quarter, a revenue of DKK 741.5 was achieved compared to DKK 700.7 million for the same period last year, a decrease of 5.8%. Primary operating profit (EBIT) for the third quarter was realised at DKK 37.2 million compared to DKK 30.5 million for the same period last year.

Primary operating profit (EBIT) for the first nine months of 2011 showed a loss of DKK 4.2 million compared to a loss of DKK 56.0 million for the same period last year.

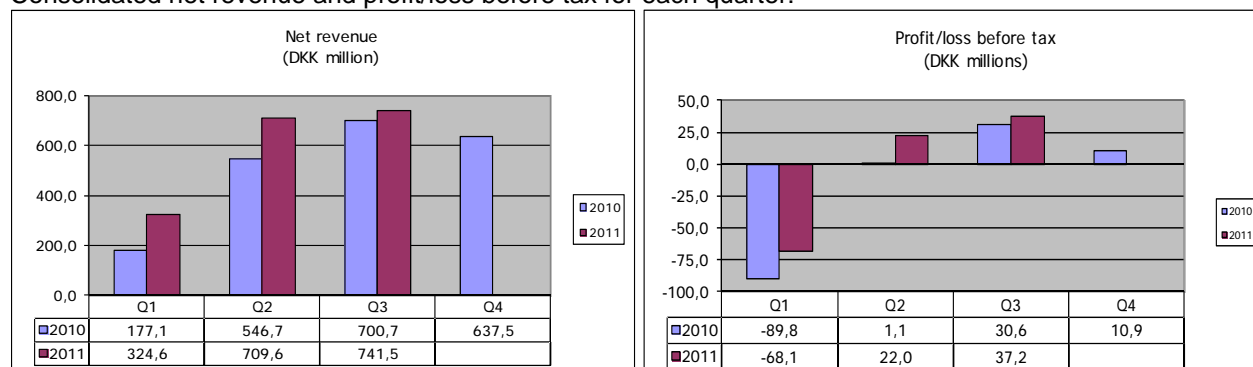
Net financial items showed an expenditure of DKK 4.8 million compared to DKK 2.1 million for the same period last year.

Pre-tax profit/loss for the period showed a loss of DKK 9.0 million compared to a loss of DKK 58.1 million for the same period last year.

The improvement in profit compared to last year was achieved because of an increase in the level of activity.

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 nine months of 2011 amounts to a total of DKK -149.9 million as against DKK -103.9 million for the same period last year. The most significant item changes from the cash flow from operations stem from the realised loss as well as changes in capital tied up in working capital.

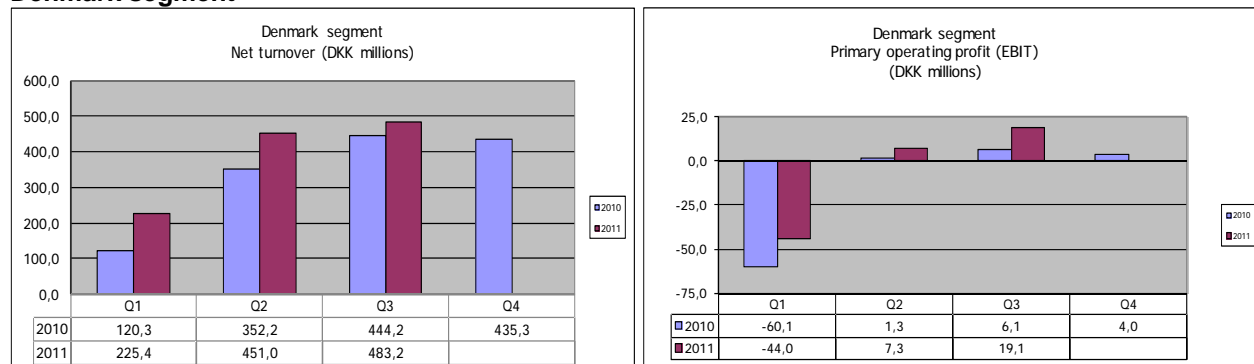
The cash flow from investment activities, the acquisition of companies and activities was DKK -23.1 million compared to DKK -115.8 million for the same period last year. Investments in machinery and equipment for the period were DKK 23.1 million compared to DKK 25.6 million last year.

As expected, liquid holdings at the end of the period were reduced by DKK 181.8 million to DKK 16.3 million.

During the period the Group's interest-bearing liabilities were reduced from DKK 5.0 million to DKK 240.6 million.

The reporting for the segments has been changed in order to better reflecting the Group's activities based on management reporting. Comparative figures have been adjusted.

### Denmark segment



In the first nine months of 2011, the Group's Danish companies experienced a significantly higher level of activity compared to last year, when production was adversely affected by the weather of the first quarter of the year.

The construction market generally shows a positive trend. There are more invitations for tender for new, large construction projects and the price is better on the projects awarded, but because of orders on our books awarded at lower prices not yet completed, the improvement in earnings is not expected to show before after the completion of these orders.

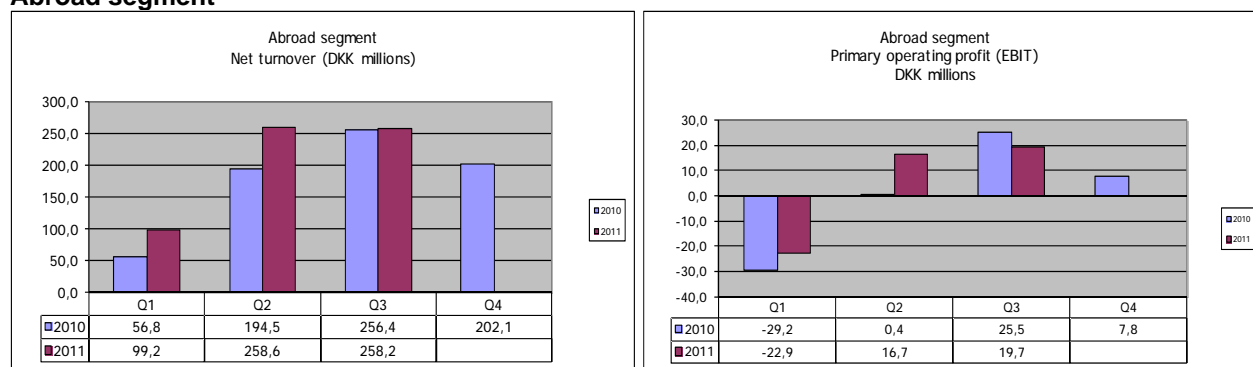
Because of the current market situation, asphalt activities are at a slightly higher level compared to last year.

As expected, road servicing activities are at a level slightly higher than that of 2010.

In the first nine months of 2011, a revenue for the Denmark segment of DKK 1,159.6 million was achieved compared to DKK 916.7 for the same period last year. The result (EBIT) was DKK -17.6 million compared to DKK -52.7 million for the same period last year.

The volume of orders in total is as expected.

## Abroad segment



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

As expected, activities in Germany were at a higher level than 2010, and the German market continues to show a large degree of stability.

As expected, the activities in the Irish market were at a slightly higher level than in 2010, but the market is still affected by a poor price movement.

As expected, activities in Sweden are at a level slightly higher than that of 2010.

In the first nine months of 2011, a revenue for the Abroad Segment of DKK 616.0 million was achieved compared to DKK 507.7 for the same period last year. The result (EBIT) was DKK 13.5 million compared to DKK -3.3 million for the same period last year.

The volume of orders in total is as expected.

### Reconciliation of the pre-tax period result

#### Primary operating profit

Denmark segment

Abroad segment

#### Primary operating profit

Net financial items

#### Profit/loss before tax

July 1 to Sep 30 2011	July 1 to Sep 30 2010	Jan 1 to Sep 30 2011	Jan 1 to Sep 30 2010
19.1	6.1	-17.6	-52.7
19.7	25.5	13.5	-3.3
<b>38.8</b>	<b>31.6</b>	<b>-4.2</b>	<b>-56.0</b>
-1.6	-1.1	-4.8	-2.1
<b>37.2</b>	<b>30.5</b>	<b>-9.0</b>	<b>-58.1</b>

### Expectations for the financial year 2011

Group pre-tax profit for 2011 is now expected around DKK 5 million instead of an expected profit around between DKK 10 to 30 million as anticipated in the announcement of the annual accounts from March 23, 2011.

Revenue is expected to be realised around DKK 2,400 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 2011 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 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	1274	0.30	3.45	15.12

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.

## Endorsement by the Board

The Board of Directors and Executive Board have today considered and approved the interim report for the period January 1 to September 30, 2011 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 September 30, 2011 and of the results of the Group's activities and cash flow for the period January 1 to September 30, 2011.

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, November 22, 2011

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

	July 1 to Sep 30 2011	July 1 to Sep 30 2010	Jan 1 to Sep 30 2011	Jan 1 to Sep 30 2010
Turnover	741.5	700.7	1,775.7	1,424.5
Production costs	-661.4	-630.7	-1,647.6	-1,354.4
<b>Gross profit</b>	<b>80.1</b>	<b>70.0</b>	<b>128.1</b>	<b>70.1</b>
Administration costs	-44.7	-43.4	-138.3	-133.9
Other operating income	1.1	1.2	3.1	3.6
Share of profit after tax in affiliated companies	2.4	3.8	2.8	4.2
<b>Primary operating profit</b>	<b>38.9</b>	<b>31.6</b>	<b>-4.2</b>	<b>-56.0</b>
Net financial items	-1.6	-1.1	-4.8	-2.1
<b>Profit/loss before tax</b>	<b>37.2</b>	<b>30.5</b>	<b>-9.0</b>	<b>-58.1</b>
Tax on profit/loss for the period	-9.9	-7.9	0.2	13.6
<b>Profit/loss for the period</b>	<b>27.3</b>	<b>22.6</b>	<b>-8.9</b>	<b>-44.5</b>
Earnings per DKK 100 share	60.9	45.3	-15.3	-93.2
Diluted earnings per share at DKK 100	60.9	45.3	-15.3	-93.2

## Statement of comprehensive income

Amounts in DKK millions

	July 1 to Sep 30 2011	July 1 to Sep 30 2010	Jan 1 to Sep 30 2011	Jan 1 to Sep 30 2010
<b>Profit/loss for the period</b>	<b>27.3</b>	<b>22.6</b>	<b>-8.9</b>	<b>-44.5</b>
Other comprehensive income:				
Exchange rate adjustments for conversion of foreign entities	0.1	0.8	0.1	1.0
<b>Other comprehensive income after tax</b>	<b>0.1</b>	<b>0.8</b>	<b>0.1</b>	<b>1.0</b>
<b>Total income</b>	<b>27.4</b>	<b>23.4</b>	<b>-8.8</b>	<b>-43.5</b>
Distribution:				
Shareholders of Arkil Holding A/S	29.0	22.3	-7.1	-43.2
Minority interests	-1.6	1.1	-1.6	-0.3
<b>Total</b>	<b>27.4</b>	<b>23.4</b>	<b>-8.8</b>	<b>-43.5</b>



## Group balance

Amounts in DKK millions

	Note	30 Sep 2011	30 Sep 2010	31 Dec 2010
<b>Assets</b>				
Goodwill	2	129.9	129.9	129.9
Intangible assets		9.4	9.6	9.5
Tangible assets		474.1	543.3	517.8
Other long-term assets		21.9	17.5	20.6
<b>Total long-term assets</b>		<b>635.3</b>	<b>700.3</b>	<b>677.9</b>
Stock on hand		61.3	49.1	56.1
Contract works		374.0	277.0	63.7
Accounts receivable		423.9	460.8	451.5
Securities		23.1	20.7	22.9
Liquid assets		16.3	67.7	198.1
<b>Total short-term assets</b>		<b>898.7</b>	<b>875.3</b>	<b>792.3</b>
<b>Total assets</b>		<b>1,534.1</b>	<b>1,575.6</b>	<b>1,470.2</b>
<b>Equity</b>		<b>636.4</b>	<b>633.7</b>	<b>645.6</b>
Provisions for obligations		144.7	144.6	147.9
Credit institutions		156.0	190.6	182.8
<b>Total long-term obligations</b>		<b>300.7</b>	<b>335.2</b>	<b>330.7</b>
Credit institutions		84.6	117.7	62.8
Contract works		54.5	54.6	51.1
Accounts payable and other debts		458.0	434.4	379.9
<b>Total short-term obligations</b>		<b>597.0</b>	<b>606.7</b>	<b>493.8</b>
<b>Total obligations</b>		<b>897.7</b>	<b>941.9</b>	<b>824.5</b>
<b>Total liabilities</b>		<b>1,534.1</b>	<b>1,575.6</b>	<b>1,470.2</b>

## Group cash flow analysis

Amounts in DKK millions

	July 1 to Sep 30 2011	July 1 to Sep 30 2010	Jan 1 to Sep 30 2011	Jan 1 to Sep 30 2010
<b>Operation's effect on liquidity</b>				
Profit/loss before tax	37.3	30.4	-9.0	-58.1
Depreciation and write-downs	24.3	26.6	74.1	73.4
Other net operating items	-7.4	-9.8	-2.2	-13.5
Changes in working capital	-66.8	-59.3	-207.6	-96.7
Corporation tax paid	0.3	-3.0	-5.2	-9.0
<b>Cash flows from operating activities</b>	<b>-12.3</b>	<b>-15.1</b>	<b>-149.9</b>	<b>-103.9</b>
<b>Effect of investments on liquidity</b>				
Net investments in tangible and intangible assets	-6.1	0.4	-23.1	-25.6
Net investments in subsidiaries	0.0	-90.2	0.0	-90.2
<b>Cash flows from investing activities</b>	<b>-6.1</b>	<b>-89.8</b>	<b>-23.1</b>	<b>-115.9</b>
<b>External financing</b>				
Repayment of long term debt	-7.3	32.9	-35.9	11.5
Dividend payments	0.0	0.0	-0.4	-7.8
<b>Cash flows from financing activities</b>	<b>-7.3</b>	<b>32.9</b>	<b>-36.2</b>	<b>3.7</b>
<b>Cash flows for the year</b>	<b>-25.7</b>	<b>-72.0</b>	<b>-209.3</b>	<b>-216.1</b>
Opening liquid holdings	12.4	90.0	196.0	234.1
Rate adjustments to liquid holdings	0.0	-0.1	0.0	0.0
<b>Closing liquid holdings</b>	<b>-13.3</b>	<b>18.0</b>	<b>-13.3</b>	<b>18.0</b>
Liquid assets	16.3	67.7	16.3	67.7
Bank loan (bank overdraft)	-29.6	-49.7	-29.6	-49.7
<b>Closing liquid holdings</b>	<b>-13.3</b>	<b>18.0</b>	<b>-13.3</b>	<b>18.0</b>

# 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
Exchange rate adjustments, foreign companies		0.1			0.1	0.0	0.1
<b>Net gains included directly in equity</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>
Profit/loss for the period			-7.2		-7.2	-1.6	-8.9
<b>Total income</b>	<b>0.0</b>	<b>0.1</b>	<b>-7.2</b>	<b>0.0</b>	<b>-7.1</b>	<b>-1.6</b>	<b>-8.8</b>
Distributed dividend					0.0	-0.4	-0.4
Dividend, own shares					0.0		0.0
<b>Equity as at 30 September 201</b>	<b>49.1</b>	<b>0.3</b>	<b>578.8</b>	<b>0.0</b>	<b>628.2</b>	<b>8.2</b>	<b>636.4</b>

# 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 2010	49.1	-1.2	630.7	7.4	686.0	11.4	697.4
Correction of the profit/loss for 2009			-11.5		-11.5	-0.9	-12.4
<b>Adjusted equity as at 1 January 2010</b>	<b>49.1</b>	<b>-1.2</b>	<b>619.2</b>	<b>7.4</b>	<b>674.5</b>	<b>10.5</b>	<b>685.0</b>
Exchange rate adjustments, foreign companies		1.0			1.0	0.0	1.0
<b>Net gains included directly in equity</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>	<b>1.0</b>
Profit/loss for the period			-44.2		-44.2	-0.3	-44.5
<b>Total income</b>	<b>0.0</b>	<b>1.0</b>	<b>-44.2</b>	<b>0.0</b>	<b>-43.2</b>	<b>-0.3</b>	<b>-43.5</b>
Distributed dividend				-7.4	-7.4	-0.6	-8.0
Dividend, own shares			0.2		0.2		0.2
<b>Equity as at 30 September 201</b>	<b>49.1</b>	<b>-0.2</b>	<b>575.2</b>	<b>0.0</b>	<b>624.1</b>	<b>9.6</b>	<b>633.7</b>

## 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 2010. Please refer to this for more information.

The Consolidated Accounts and Annual Accounts for 2010 include a complete description of the accounting policies applied.

### New IAS/IFRS implemented in the period

As at January 1, 2011, Arkil Holding implemented IAS 24 Related Parties Disclosures (updated 2009), IFRIC 19, amendments to IFRIC 14 and improvements to IFRS May 2010.

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 December 31, 2010.

## Note 2. Goodwill

Amounts in DKK millions

	30 Sep 2011	30 Sep 2010	31 Dec 2010
Cost price beginning of year	129.9	99.9	99.9
Additions through acquisition	0.0	30.1	30.1
Adjustment of purchase sum	0.0	0.0	0.0
Exchange rate adjustment	0.0	-0.1	-0.1
<b>Cost price end of year</b>	<b>129.9</b>	<b>129.9</b>	<b>129.9</b>
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
<b>Depreciation end of year</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Goodwill</b>	<b>129.9</b>	<b>129.9</b>	<b>129.9</b>

### Impairment test

The annual impairment test for goodwill is carried out as at September 30, after the completion of budgets and strategic plans for the next 5 year's period. As at September 30, 2011, 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.