

# INTERIM FINANCIAL REPORT FOR THE PERIOD 1 OCTOBER 2020-31 MARCH 2021



**AARSLEFF**



Today, the Board of Directors of Per Aarsleff Holding A/S has discussed and approved the interim financial report for the first six months of the financial year 2020/21. The interim financial report has not been audited or reviewed by the company's auditor.

## HIGHLIGHTS FROM THE FIRST SIX MONTHS OF THE FINANCIAL YEAR 2020/21

- Consolidated revenue increased by 6.3% to DKK 6,949 million
- EBIT amounted to DKK 310 million, corresponding to an EBIT margin of 4.5%
- Construction delivered results in line with expectations
- Ground Engineering had a very high level of activity in the past quarter, and results were above expectations
- Pipe Technologies had a good first half of the year in line with expectations. However, a strong increase in raw material costs is expected to have a negative impact on earnings in the second half of the year
- Continued stable order intake
- Cash flow in the past quarter is affected by settlement of the holiday pay liability and a large tax prepayment
- Continued limited impact from the coronavirus pandemic.

## OUTLOOK FOR THE FINANCIAL YEAR 2020/21

The outlook for the full financial year remains unchanged. EBIT is expected to be in the range of DKK 600 million. Expectations for revenue are changed to a growth of approx. 7% against previously approx. 5%.

**Ebbe Malte Iversen**  
Chairman of the Board

**Jesper Kristian Jacobsen**  
CEO

**Per Aarsleff Holding A/S**  
[www.aarsleff.com](http://www.aarsleff.com)  
CVR no. 24257797

The interim financial report has been prepared in Danish and in English. In case of discrepancy, the Danish version shall prevail.

**Further information:**  
CEO Jesper Kristian Jacobsen,  
tel. +45 8744 2222.

# FINANCIAL HIGHLIGHTS

(tDKK)	January quarter		H1		Financial year
	2020/21	2019/20	2020/21	2019/20	2019/20
<b>Income statement</b>					
Revenue	3,284,966	3,026,108	6,949,240	6,535,929	13,295,309
Of this, work performed abroad	910,190	971,229	2,083,279	2,154,183	4,301,441
Operating profit (EBIT)*	136,495	51,880	310,239	226,905	553,413
Net financials	-12,377	-6,326	-17,069	-14,121	-23,483
Profit before tax	124,118	45,554	293,170	212,784	529,930
Profit after tax	87,554	19,847	218,560	149,451	378,533
<b>Balance sheet</b>					
Non-current assets			3,115,905	2,966,465	2,987,437
Current assets			5,287,952	5,200,429	5,607,405
Total assets			8,403,857	8,166,894	8,594,842
Equity			3,442,454	3,113,329	3,310,819
Non-current liabilities			774,516	972,589	1,096,312
Current liabilities			4,186,887	4,080,976	4,187,711
Total equity and liabilities			8,403,857	8,166,894	8,594,842
Net interest-bearing deposits/ debt (+/-)			570,562	822,307	579,548
Invested capital (IC)			2,870,721	2,284,346	2,730,180

\*EBIT year to date 2019/20 before goodwill impairment amounts to DKK 298,601 thousand (EBIT margin: 4.6%).

(tDKK)	January quarter		H1		Financial year
	2020/21	2019/20	2020/21	2019/20	2019/20
<b>Cash flow statement</b>					
Cash flow from operating activities	83,852	790,677	160,551	1,170,893	1,594,184
Cash flow from investing activities	-167,788	-96,464	-259,276	-386,001	-668,906
Of which, investment in property, plant and equipment, net	-167,441	-96,464	-258,929	-157,137	-406,115
Cash flow from financing activities	-171,106	-171,160	-218,780	-217,644	-317,062
Change in cash and cash equivalents for the period	-255,042	523,053	-317,505	567,248	608,216
<b>Financial ratios</b>					
Gross margin, %	11.1	11.4	11.2	11.8	12.1
Operating margin (EBIT margin), %	4.2	1.7	4.5	3.5	4.2
Profit margin (pre-tax margin), %	3.8	1.5	4.2	3.3	4.0
Return on invested capital (ROIC), % **			11.1	9.1	20.4
Return on invested capital after tax (ROIC), % **			8.3	6.4	14.5
Return on equity (ROE), % **			6.5	4.8	11.8
Equity ratio, %			41.0	38.1	38.5
Earnings per share (EPS), DKK	4.37	1.07	10.90	7.95	18.79
Number of employees			7,358	6,984	7,215

\*\*Not translated into full-year figures.

See page 106 of the 2019/20 annual report for a definition of financial ratios.

# MANAGEMENT'S REVIEW

## Financial development of the Aarsleff Group

### Income statement

In the first half of the financial year, consolidated revenue amounted to DKK 6,949 million or 6.3% higher than in the first half of last financial year, of which 5.5% was organic growth. Revenue of the Danish operations increased by 11.1%, while revenue of the foreign operations decreased by 3.3%.

Revenue growth was mainly attributable to the 6.1% revenue increase of the Construction segment, driven by a high level of activity within building construction. In the Ground Engineering segment, revenue increased by 13.3%, primarily due to the acquisition of the activities in Norway and a generally high level of activity

in most markets. In the Pipe Technologies segment, revenue was in line with 2019/20, and the level of activity is satisfactory in all significant markets.

Administrative expenses and selling costs amounted to 7.0% compared to 7.5% in the same period last financial year.

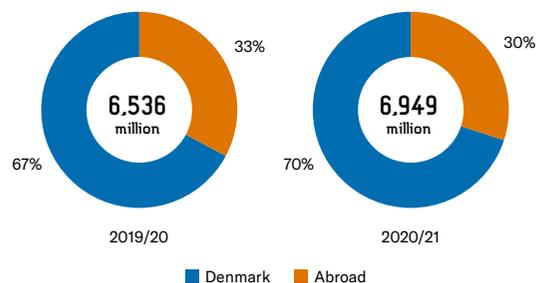
Operating profit (EBIT) amounted to DKK 310 million (EBIT margin: 4.5%) against DKK 299 million (EBIT margin: 4.6%) in the first half of last financial year before recognition of goodwill impairment. EBIT after recognition of goodwill impairment came to DKK 227 million (EBIT margin: 3.5%) in the first half of last financial year.

The Construction segment performed in line with expectations. As previously announced, EBIT margin was impacted by revenue recognition of large complex building projects taking unsettled risks into consideration, resulting in a lower EBIT margin for this part of revenue.

The Ground Engineering segment performed above expectations. Overall, there is a satisfactory level of activity in all companies of the segment.

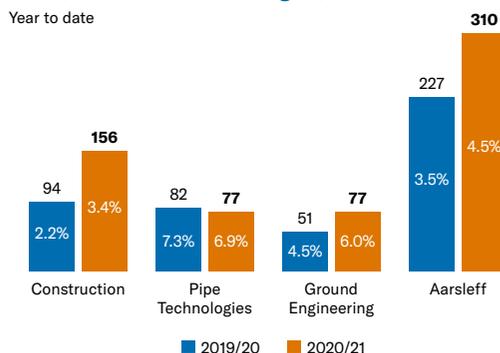
### Revenue

Year to date

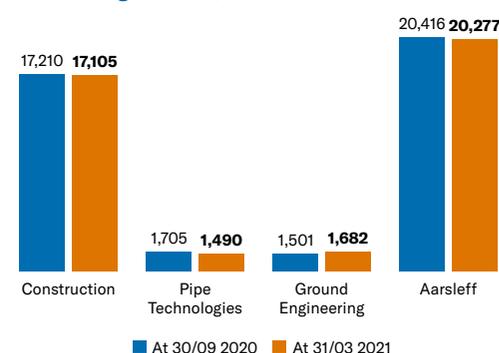


### EBIT (million) and EBIT margin (%)

Year to date



### Order backlog (million)



As expected, the Pipe Technologies segment had a good first half of the year. There is still a high level of activity and high earnings in all main markets, but increasing raw material costs are expected to have a negative effect on earnings in the second half of the financial year.

Financial items, net amounted to a negative DKK 17 million.

Consolidated profit after tax amounted to DKK 219 million in the first half of 2020/21 compared to DKK 149 million last financial year.

#### **Impact from the coronavirus pandemic**

The overall picture is that the Aarsleff Group maintains almost normal operations.

#### **Quarterly results**

Operating profit (EBIT) amounted to DKK 136 million (EBIT margin: 4.2%) in the second quarter against DKK 124 million (EBIT margin: 4.1%) in the same period of last financial year before recognition of goodwill impairment.

The Construction segment generated results in line with expectations in the second quarter. Results were positively impacted by the completion of the last major harbour projects and by the increasing level of activity within building projects. However, the large, complex building projects were recognised as income taking unsettled risks into consideration, resulting in a lower EBIT margin for this part of revenue.

The Ground Engineering segment generated results above expectations in the second quarter. There was a very high level of activity within production and installation of precast reinforced concrete piles in Denmark and in Germany in the quarter.

The Pipe Technologies segment generated results in line with expectations in the second quarter. There was a satisfactory level of activity in all significant markets, and the strongly increasing raw material costs had limited impact on Q2 earnings.

#### **Aarsleff acquires 70% of Permagreen Grønland**

On 6 May 2021, Aarsleff signed an agreement on acquisition of 70% of the shares in Permagreen Grønland A/S. The purchase price for 70% of the company was DKK 38.7 million.

Permagreen is a large, local, Greenlandic contracting company with 350 employees and annual revenue of approx. DKK 400 million. The company, which has its main office in Nuuk and branches in Sisimiut, Maniitsoq, Narsaq and Qaqortoq, builds houses, institutions, hospitals, factories as well as commercial buildings and carries out construction work related to the buildings.

The Aarsleff Group has carried out building and construction projects in Greenland for a number of years, among others in cooperation with Permagreen and Aarsleff's Icelandic company Ístak hf.

The acquisition of the company will provide Aarsleff with local presence and a strengthened position in Greenland, where there is a current major development with investments in new infrastruc-

ture and increasing activity within residential building, especially in the large cities.

The remaining ownership interest of 30% will be equally shared between Permagreen's current CEO Jeppe B. Steffensen and the current production director Jesper J. Petersen, who both continue in the management. The former principal shareholder Preben Kold Larsen will continue in Permagreen until June 2022, after which time he will work as a consultant.

The acquisition is subject to the approval of the Greenlandic competition authorities and is not expected to change Aarsleff's earnings expectations for 2020/21.

#### **Employee share programme**

Earlier in May, the employees of the Danish part of the Group were once again offered to participate in an employee share programme. The share programme is a matching share programme, under which the participants for their own account acquire B shares in the company (investment shares), which are subject to a three-year vesting period, earning them the right to receive, free of charge, one B share (matching share) in the company per acquired investment share (1:1).

In March 2021, 95,276 shares were delivered to the employees in connection with matching of the first year's employee share programme three years ago.

### Order backlog

At 31 March 2021, the company's order backlog amounted to DKK 20,277 million (30 September 2020: DKK 20,416 million). In the first half of the financial year, the order intake amounted to DKK 6,810 million.

In the first half of the financial year, the order intake of the Construction segment amounted to DKK 4,429 million, and at 31 March 2021, the order backlog amounted to DKK 17,105 million (30 September 2020: DKK 17,210 million) of which approx. DKK 4,275 million is expected to be carried out during this financial year.

In the first half of the financial year, the order intake of the Pipe Technologies segment amounted to DKK 906 million, and at 31 March 2021, the order backlog amounted to DKK 1,490 million (30 September 2020: DKK 1,705 million) of which DKK 725 million is expected to be carried out during this financial year.

In the first half of the financial year, the order intake of the Ground Engineering segment amounted to DKK 1,475 million, and at 31 March 2021, the order backlog amounted to DKK 1,682 million (30 September 2020: DKK 1,501 million) of which DKK 1,050 million is expected to be carried out during this financial year.

### Balance sheet

Consolidated balance sheet total was DKK 8,404 million at 31 March 2021. This corresponds to a decrease of DKK 191 million compared to the balance sheet total of DKK 8,595 million at the beginning of the financial year.

Work in progress, net increased by DKK 75 million in the first half of the financial year.

Consolidated interest-bearing debt less interest-bearing assets amounted to a net deposit of DKK 571 million against a net deposit of DKK 580 million at 30 September 2020.

Equity amounted to DKK 3,442 million against DKK 3,311 million or 41% of the balance sheet total compared to 38.5% at the beginning of the financial year.

### Cash flow statement

Cash flow from operating activities amounted to DKK 160 million against DKK 1,171 million in the first half of last financial year. There was a negative effect of working capital of DKK 180 million, due to the usual seasonal fluctuations in receivables and trade payables. In the second quarter, a tax prepayment of DKK 211 million was made, and in addition Aarsleff has settled the holiday pay obligation of DKK 300 million.

Cash flow from investing activities amounted to a negative DKK 259 million against a negative DKK 386 million in the first half of last financial year.

The company's outlook for investments of the year exclusive of acquisitions is unchanged at DKK 700 million. The high investment level is partly driven by investments in buildings of approx. DKK 200 million.

Cash flow from financing activities amounted to a negative DKK 219 against a negative DKK 218 million in the first half of last financial year.

Thus, the change in liquidity for the period constituted a negative DKK 318 million.

# CONSTRUCTION – RESULTS IN LINE WITH EXPECTATIONS



What we do  
[www.aarsleff.com/references](http://www.aarsleff.com/references)

Revenue amounted to DKK 4,534 million in the first half of the financial year, an increase of 6.1% compared to the same period last financial year. Revenue from the Danish operations was DKK 4,043 million, an increase of 11.2% compared to the same period last financial year. Revenue of the foreign operations decreased by 22.8% to DKK 491 million.

Segment results (EBIT) amounted to DKK 156 million (EBIT margin: 3.4%) compared to DKK 166 million (EBIT margin: 3.9%) last financial year before recognition of the goodwill impairment. Results were in line with expectations at the beginning of the financial year. Comparative figures were restated due to the transfer of Entreprenørfirmaet Østergaard A/S to the Ground Engineering segment.

Per Aarsleff A/S reported results in line with expectations. There was a decreasing level of activity within harbour expansions, and the last major project in Skagen was handed over in March. The building activities continued to increase, and the execution of a number of large projects in Copenhagen and Aarhus continued. The Fehmarnbelt project had a good start, and the preliminary work in connection with the construction of the tunnel element factory in Rødby has begun.

The development of more large-scale building projects by means of early contractor involvement continues, and we still expect to enter into a design and build contract for the Terminal 3 expansion in Copenhagen Airport during 2021.

The market potential within offshore wind foundations appears to be increasing, comprising a number of planned projects in the Baltic Sea

area. Also, there is an ongoing market dialogue about the future energy island in the North Sea.

Wicotec Kirkebjerg A/S performed in line with expectations. There was an increase in the level of activity due to Wicotec Kirkebjerg's involvement in the large One Company building projects. The focus on improving project management was maintained, including the collaboration regarding One Company building projects.

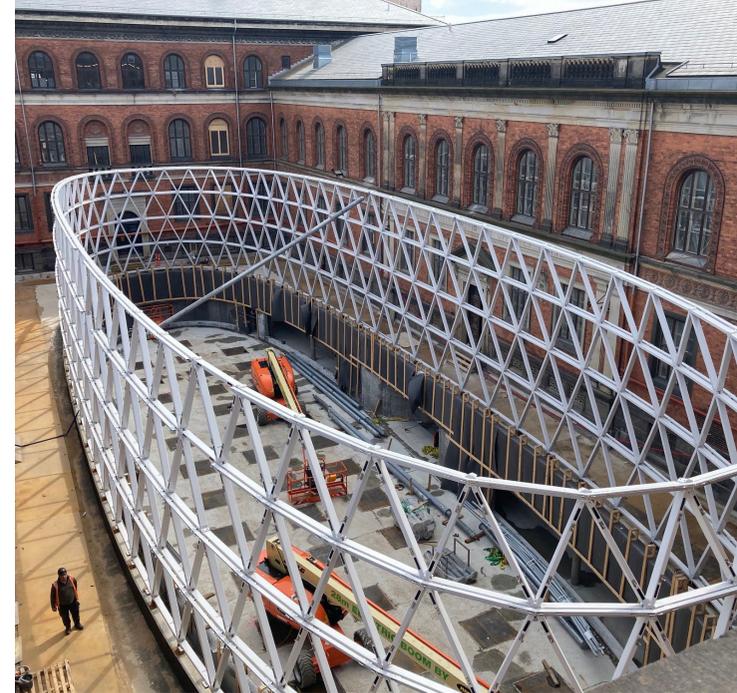
Hansson & Knudsen A/S reported results in line with expectations. Revenue increased compared to the same period of last financial year, and the order backlog is satisfactory. The focus is still on operation and execution in order to improve earnings.

The Group's railway activities consolidated in the Aarsleff Rail Group performed in line with expectations. The level of activity is increasing, and there is focus on satisfactory completion of the contracts won in Norway and Sweden.

The Icelandic company Ístak hf. performed below expectations. There was a low level of activity in Iceland, but this was partly offset by a high level of activity in connection with the construction of the new school in Nuuk, Greenland. The market opportunities in Iceland are satisfactory, and several major construction projects are expected to be put out to tender in future years.

Especially within the market for building construction, there are currently significant price increases of materials and raw materials impacting earnings to a minor extent.

The outlook for the financial year 2020/21 is adjusted to an EBIT margin of approx. 3.4% against previously approx. 3.6%, and revenue approx. 8% up on last financial year.



Revenue

4,534M

Segment results (EBIT)

156M

EBIT margin

3.4%

# PIPE TECHNOLOGIES – RESULTS ABOVE EXPECTATIONS



What we do  
[www.aarsleff.com/references](http://www.aarsleff.com/references)

Revenue amounted to DKK 1,121 million in the first half of the financial year and was in line with the same period of last financial year. Revenue of the Danish operations increased by 14.3% to DKK 327 million. Revenue of the foreign operations decreased by 5.0% to DKK 794 million.

Segment results (EBIT) amounted to DKK 77 million (EBIT margin: 6.9%) compared to DKK 82 million (EBIT margin: 7.3%) last financial year. Results were above expectations at the beginning of the financial year, but the increasing costs of raw materials are expected to affect earnings in the second half of the financial year.

The Nordic countries reported results above expectations, driven by a continued high level of activity especially in Norway and Denmark. During last financial year, revenue of the Swedish company was positively impacted by a large-scale project. The results of Pipe Technologies' factory in Hasselager were only affected by

the increasing costs of raw materials to a limited extent, as the price increases primarily took place in March and April. The Nordic markets are characterised by numerous long-term framework agreements, mainly with utility companies, and the indexation of the contracts does not sufficiently offset the increasing raw material costs.

In Germany, results were in line with expectations. The level of activity is still satisfactory, but as expected, revenue is smaller than last financial year when a number of large projects were completed. The increasing price pressure continues due to more competition in the utilities market. In the Netherlands, there was a positive development in both revenue and earnings.

As expected, there was a low level of activity in Eastern Europe. The expectations to the market remain positive, however, the low exchange rate on roubles is still affecting earnings in Russia.

The outlook for the financial year 2020/21 is unchanged, corresponding to an EBIT margin of approx. 5.5%, and revenue in line with 2019/20.

Revenue

1,121M

Segment results (EBIT)

77M

EBIT margin

6.9%



# GROUND ENGINEERING – RESULTS ABOVE EXPECTATIONS



What we do  
[www.aarsleff.com/references](http://www.aarsleff.com/references)

Revenue amounted to DKK 1,294 million in the first half of the financial year, an increase of 13.3% compared to the same period last financial year. Organic growth was 8.6%. Revenue of the Danish operations increased by 7.1% to DKK 496 million. The foreign operations reported a revenue increase of 17.5% to DKK 798 million.

Segment results (EBIT) amounted to DKK 77 million (EBIT margin: 6.0%) compared to DKK 51 million (EBIT margin: 4.5%) last financial year and were above expectations at the beginning of the financial year. All comparative figures were restated, now comprising Entreprenørfirmaet Østergaard.

The Danish activities performed above expectations. In Denmark, the level of activity within production and installation of precast concrete piles was high.

In Entreprenørfirmaet Østergaard, the No-Dig activities generated revenue and earnings in line with expectations.

In Sweden, results were in line with expectations. There is still a good level of activity within infrastructure projects, and the pile market has stabilised at a satisfactory level.

In Poland, results were in line with expectations. The order backlog is good and comprises numerous projects with concrete piles.

In the UK, there was a continued positive development of results. Revenue is increasing, and the order backlog is high. Also, market opportunities are good, especially within construction of logistics centres due to Brexit.

In Germany, the level of activity is increasing, and results were above expectations. The market for pile installation continues the positive development, and more onshore wind turbine projects are being executed. In addition, there is a continued high level of activity within construction of logistics centres.

In Norway, Sør-Norsk Boring AS delivered results in line with expectations. The market opportunities in Norway are good, and the focus is to leverage and offer the segment's entire range of expertise.

The outlook for the financial year 2020/21 is unchanged, corresponding to an EBIT margin of approx. 6%. Revenue expectations are changed to a growth of approx. 10% against the previous announcement of revenue in line with 2019/20.



Revenue

1,294M

Segment results (EBIT)

77M

EBIT margin

6.0%

# OUTLOOK FOR THE FINANCIAL YEAR 2020/21

The outlook for the full financial year remains unchanged. EBIT is expected to be in the range of DKK 600 million. Expectations for revenue are changed to a growth of approx. 7% against previously approx. 5%.

The expectations for the future financial performance are subject to uncertainties and risks that may cause the performance to differ from the expectations. Significant commercial risks are described in Commercial risk assessment of the 2019/20 annual report and note 2 on Estimation uncertainty. Significant risks and uncertainties remain unchanged compared with the description in the annual report.

# FINANCIAL CALENDAR

26 August 2021	Interim financial report for the period 1 October 2020–30 June 2021
21 December 2021	Annual report for the financial year 2020/21

# MANAGEMENT'S STATEMENT

Today, the Board of Directors and Executive Management have discussed and approved the interim financial report of Per Aarsleff Holding A/S for the period 1 October 2020-31 March 2021.

The interim financial report has been prepared in accordance with IAS 34 "Interim Financial Reporting" and additional Danish disclosure requirements for interim financial reports of listed companies.

The interim financial report has not been audited or reviewed by the company's auditor.

We consider the accounting policies used to be appropriate. Accordingly, the interim financial report gives a true and fair view of the financial position at 31 March 2021 of the Group as well as of the results of the Group's operations and cash flows in the period 1 October 2020 to 31 March 2021.

In our opinion, Management's review includes a true and fair account of the development in the operations and financial circumstances of the Group, of the results for the period and of the financial position of the Group as well as a description of the most significant risks and elements of uncertainty facing the Group.

Viby J, 28 May 2021

## Executive Management

**Jesper Kristian Jacobsen**  
CEO

**Nicolai Schultz**  
Deputy CEO

**Mogens Vedel Hestbæk**  
Group CFO

## Board of Directors

**Ebbe Malte Iversen**  
Chairman of the Board

**Kent Arentoft**  
Deputy Chairman

**Jens Bjerg Sørensen**  
Board member

**Charlotte Strand**  
Board member

**Henrik Højen Andersen**  
Board member

**Bjarne Moltke Hansen**  
Board member

# INCOME STATEMENT

(tDKK)	January quarter		H1	
	2020/21	2019/20	2020/21	2019/20
<b>Revenue</b>	<b>3,284,966</b>	<b>3,026,108</b>	<b>6,949,240</b>	<b>6,535,929</b>
Production costs	-2,919,727	-2,680,764	-6,169,082	-5,761,487
<b>Gross profit</b>	<b>365,239</b>	<b>345,344</b>	<b>780,158</b>	<b>774,442</b>
Administrative expenses and selling costs	-232,672	-231,294	-485,456	-493,699
Impairment loss relating to goodwill	0	-71,696	0	-71,696
Other operating income and expenses	4,175	7,311	15,507	13,848
Share of profit in associates and joint ventures	-247	2,215	30	4,010
<b>Operating profit (EBIT)</b>	<b>136,495</b>	<b>51,880</b>	<b>310,239</b>	<b>226,905</b>
Net financials	-12,377	-6,326	-17,069	-14,121
<b>Profit before tax</b>	<b>124,118</b>	<b>45,554</b>	<b>293,170</b>	<b>212,784</b>
Tax on profit for the period	-36,564	-25,707	-74,610	-63,333
<b>Profit after tax</b>	<b>87,554</b>	<b>19,847</b>	<b>218,560</b>	<b>149,451</b>
Earnings per share (DKK)	4.37	1.07	10.90	7.95

# STATEMENT OF COMPREHENSIVE INCOME

(tDKK)	January quarter		H1	
	2020/21	2019/20	2020/21	2019/20
<b>Profit after tax</b>	<b>87,554</b>	<b>19,847</b>	<b>218,560</b>	<b>149,451</b>
<b>Items that may become reclassified to the income statement</b>				
Foreign exchange adjustment on translation of foreign entities	8,401	-59,066	29,394	-44,247
Fair value adjustment of derivative financial instruments, net	5,716	4,190	6,558	-3,103
Tax on other comprehensive income	-1,576	-1,152	-1,867	452
Other comprehensive income recognised directly in equity	12,541	-56,028	34,085	-46,898
<b>Total comprehensive income</b>	<b>100,095</b>	<b>-36,181</b>	<b>252,645</b>	<b>102,553</b>
<b>Comprehensive income is attributable to</b>				
Per Aarsleff Holding A/S shareholders	100,092	-35,860	252,500	102,755
Minority shareholders	3	-321	145	-202
<b>Total</b>	<b>100,095</b>	<b>-36,181</b>	<b>252,645</b>	<b>102,553</b>

# BALANCE SHEET

(tDKK)	31/03 2021	30/9 2020	31/03 2020
<b>Assets</b>			
Goodwill	202,314	202,314	201,904
Patents and other intangible assets	79,494	87,075	93,077
Land and buildings	802,337	811,602	827,829
Plant and machinery	1,281,488	1,246,126	1,240,904
Other fixtures and fittings, tools and equipment	175,339	162,053	150,600
Property, plant and equipment under construction	168,147	102,398	51,920
Lease assets	356,649	363,932	370,147
Other non-current assets	50,137	11,937	30,084
<b>Non-current assets</b>	<b>3,115,905</b>	<b>2,987,437</b>	<b>2,966,465</b>
Inventories	341,823	325,085	341,558
Construction contract debtors	2,036,861	2,415,404	1,955,086
Work in progress	1,165,380	981,287	947,811
Other receivables	355,853	196,232	243,155
Securities	607,290	612,281	601,205
Cash and cash equivalents	780,745	1,077,116	1,111,614
<b>Current assets</b>	<b>5,287,952</b>	<b>5,607,405</b>	<b>5,200,429</b>
<b>Total assets</b>	<b>8,403,857</b>	<b>8,594,842</b>	<b>8,166,894</b>

(tDKK)	31/03 2021	30/9 2020	31/03 2020
<b>Equity and liabilities</b>			
Equity, shareholders of Per Aarsleff Holding A/S	3,436,201	3,304,438	3,106,651
Minority interests' share of equity	6,253	6,381	6,678
<b>Equity</b>	<b>3,442,454</b>	<b>3,310,819</b>	<b>3,113,329</b>
Mortgage debt and credit institutions	95,494	101,630	105,473
Lease liabilities	223,462	234,316	239,863
Provisions	95,197	94,936	81,257
Other payables	0	299,612	1,579
Deferred tax	360,363	365,818	544,417
<b>Non-current liabilities</b>	<b>774,516</b>	<b>1,096,312</b>	<b>972,589</b>
Mortgage debt and credit institutions	302,188	281,965	355,768
Lease liabilities	129,673	128,285	129,179
Work in progress	1,265,624	1,156,895	1,192,337
Trade payables	1,430,203	1,607,029	1,328,268
Other payables	1,059,199	1,013,537	1,075,424
<b>Current liabilities</b>	<b>4,186,887</b>	<b>4,187,711</b>	<b>4,080,976</b>
<b>Total liabilities</b>	<b>4,961,403</b>	<b>5,284,023</b>	<b>5,053,565</b>
<b>Total equity and liabilities</b>	<b>8,403,857</b>	<b>8,594,842</b>	<b>8,166,894</b>

# CASH FLOW STATEMENT

(tDKK)	H1	
	2020/21	2019/20
<b>Cash flow generated from operations</b>		
Operating profit (EBIT)	310,239	226,905
Depreciation, amortisation and impairment, intangible assets	8,575	90,676
Depreciation, amortisation and impairment, plant and equipment	269,244	271,468
Other adjustments	-21,651	-2,158
Change in working capital	-180,320	651,093
Net financials	-14,453	-23,681
Income tax paid	-211,083	-43,410
<b>Cash flow from operating activities</b>	<b>160,551</b>	<b>1,170,893</b>
<b>Cash flow generated from investments</b>		
Acquisitions	0	-30,220
Net investment in property, plant and equipment and intangible assets	-258,929	-157,137
Securities	-347	-198,644
<b>Cash flow from investing activities</b>	<b>-259,276</b>	<b>-386,001</b>
Non-current liabilities	-6,136	-23,777
Dividend paid	-130,188	-110,959
Lease payments	-82,456	-82,908
<b>Cash flow from financing activities</b>	<b>-218,780</b>	<b>-217,644</b>
<b>Change in cash and cash equivalents for the period</b>	<b>-317,505</b>	<b>567,248</b>
Cash and cash equivalents at the beginning of the year	804,722	199,968
Change in cash and cash equivalents for the period	-317,505	567,248
<b>Closing cash and cash equivalents</b>	<b>487,217</b>	<b>767,216</b>

# NET INTEREST-BEARING DEPOSIT

(tDKK)	H1	
	2020/21	2019/20
Cash and cash equivalents	780,745	1,111,614
Securities	607,290	601,205
<b>Total interest-bearing assets</b>	<b>1,388,035</b>	<b>1,712,819</b>
Mortgage debt and credit institutions	397,682	461,241
Lease liabilities	353,135	369,042
Other debt	66,656	60,229
<b>Total interest-bearing liabilities</b>	<b>817,473</b>	<b>890,512</b>
<b>Net interest-bearing deposits/debt (+/-)</b>	<b>570,562</b>	<b>822,307</b>

# STATEMENT OF CHANGES IN EQUITY

(tDKK)	Share capital	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend	Total, Per Aarsleff Holding A/S shareholders	Minority shareholders	Total
<b>Equity at 1 October 2020</b>	<b>40,770</b>	<b>-151,427</b>	<b>-10,949</b>	<b>3,293,541</b>	<b>132,503</b>	<b>3,304,438</b>	<b>6,381</b>	<b>3,310,819</b>
<b>Comprehensive income</b>								
Profit for the period				218,407		218,407	153	218,560
<b>Other comprehensive income</b>								
Foreign exchange adjustment of foreign entities		29,402				29,402	-8	29,394
Fair value adjustment of derivative financial instruments			6,558			6,558		6,558
Tax on derivative financial instruments			-1,867			-1,867		-1,867
Total other comprehensive income	0	29,402	4,691	0	0	34,093	-8	34,085
<b>Total comprehensive income</b>	<b>0</b>	<b>29,402</b>	<b>4,691</b>	<b>218,407</b>	<b>0</b>	<b>252,500</b>	<b>145</b>	<b>252,645</b>
<b>Transactions with owners</b>								
Dividend, minority shareholders							-273	-273
Employee share programme				9,451		9,451		9,451
Dividend paid					-132,503	-132,503		-132,503
Dividend, minority shareholders				2,315		2,315		2,315
<b>Total transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,766</b>	<b>-132,503</b>	<b>-120,737</b>	<b>-273</b>	<b>-121,010</b>
<b>Equity at 31 March 2021</b>	<b>40,770</b>	<b>-122,025</b>	<b>-6,258</b>	<b>3,523,714</b>	<b>0</b>	<b>3,436,201</b>	<b>6,253</b>	<b>3,442,454</b>
<b>Equity at 1 October 2019</b>	<b>45,300</b>	<b>-107,388</b>	<b>-78</b>	<b>3,044,577</b>	<b>124,575</b>	<b>3,106,986</b>	<b>7,480</b>	<b>3,114,466</b>
<b>Comprehensive income</b>								
Profit for the period				149,653		149,653	-202	149,451
<b>Other comprehensive income</b>								
Foreign exchange adjustment of foreign entities		-44,247				-44,247		-44,247
Fair value adjustment of derivative financial instruments			-3,103			-3,103		-3,103
Tax on derivative financial instruments			452			452		452
Total other comprehensive income	0	-44,247	-2,651	0	0	-46,898	0	-46,898
<b>Total comprehensive income</b>	<b>0</b>	<b>-44,247</b>	<b>-2,651</b>	<b>149,653</b>	<b>0</b>	<b>102,755</b>	<b>-202</b>	<b>102,553</b>
<b>Transactions with owners</b>								
Dividend, minority shareholders							-600	-600
Employee share programme				7,869		7,869		7,869
Dividend paid					-124,575	-124,575		-124,575
Dividend treasury shares				13,616		13,616		13,616
<b>Total transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>21,485</b>	<b>-124,575</b>	<b>-103,090</b>	<b>-600</b>	<b>-103,690</b>
<b>Equity at 31 March 2020</b>	<b>45,300</b>	<b>-151,635</b>	<b>-2,729</b>	<b>3,215,715</b>	<b>0</b>	<b>3,106,651</b>	<b>6,678</b>	<b>3,113,329</b>

# NOTES

## Note 1 – Segment information

	Construction		Pipe Technologies		Ground Engineering		Total	
	H1 2020/21	H1 2019/20	H1 2020/21	H1 2019/20	H1 2020/21	H1 2019/20	H1 2020/21	H1 2019/20
Amounts in mDKK								
Segment revenue	4,575	4,299	1,123	1,124	1,336	1,169	7,034	6,592
Internal revenue	-41	-27	-2	-2	-42	-27	-85	-56
<b>Revenue</b>	<b>4,534</b>	<b>4,272</b>	<b>1,121</b>	<b>1,122</b>	<b>1,294</b>	<b>1,142</b>	<b>6,949</b>	<b>6,536</b>
Of this figure, work performed abroad	491	636	794	836	798	679	2,083	2,151
<b>Operating profit (EBIT)</b>	<b>156</b>	<b>94</b>	<b>77</b>	<b>82</b>	<b>77</b>	<b>51</b>	<b>310</b>	<b>227</b>
Net financials							-17	-14
<b>Profit before tax</b>							<b>293</b>	<b>213</b>
EBIT margin, %	3.4	2.2	6.9	7.3	6.0	4.5	4.5	3.5
Number of employees	4,891	4,610	1,037	1,016	1,430	1,358	7,358	6,984

## Note 2 – Allocation of revenue from contracts with customers

(tDKK)	H1	
	2020/21	2019/20
<b>Domestic</b>		
Sale of goods	84,689	49,000
Construction contracts*	4,781,272	4,500,931
<b>Total domestic</b>	<b>4,865,961</b>	<b>4,549,931</b>
<b>International</b>		
Sale of goods	106,682	175,565
Construction contracts*	1,976,597	1,810,433
<b>Total international</b>	<b>2,083,279</b>	<b>1,985,998</b>
<b>Total</b>		
Sale of goods	191,371	224,565
Construction contracts*	6,757,869	6,311,364
<b>Total</b>	<b>6,949,240</b>	<b>6,535,929</b>

\* Construction contracts are recognised over time.

Revenue from the sale of goods derives predominantly from the Ground Engineering segment.

# NOTES

## Note 3 – Accounting policies

The interim financial report covering the first six months of the financial year 2020/21 has been prepared in accordance with IAS 34 "Interim Financial Reporting" and additional Danish disclosure requirements for interim financial reports of listed companies.

No interim financial report has been prepared for the parent company.

The interim financial report is presented in Danish kroner (DKK) which is the parent company's functional currency.

### **Changes in accounting policies and disclosures**

Except for the changes below, the accounting policies remain unchanged compared to the annual report for 2019/20, to which reference is made.

Aarsleff has implemented all new or amended accounting standards and interpretations as adopted by the EU and applicable for the 2020/21 financial year, including: IFRS 3 Amendment to Business Combinations, IFRS 9 Amendment to Financial instruments, IAS 1 Amendment to Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

None of these had any significant impact on recognition or measurement in the consolidated financial statements for the first half of 2020/21. Also, no significant impact is expected on future periods.