

Stock Exchange announcement26.02.15
Announcement No 3, 2015**Monberg & Thorsen's Board of Directors approved the annual report for 2014 at its meeting today****Financial results for 2014**

Monberg & Thorsen reported a loss before and after tax of DKK 164 million, in line with our expectations.

The result for the year was adversely affected by the special items in MT Højgaard, which relate to the rulings in several old offshore litigations. The special items depressed our result by DKK 188 million. Excluding these, the share of profit (loss) for MT Højgaard was a profit of DKK 34 million.

MT Højgaard delivered revenue of DKK 7.0 billion compared with DKK 7.5 billion in 2013 and profit before special items of DKK 207 million compared with DKK 105 million in 2013. The result is in line with the latest announced outlook. For detailed information on MT Højgaard, we refer to Stock Exchange announcement No 2, which has just been issued and in which we have published MT Højgaard's annual report for 2014.


At the Annual General Meeting, the Board of Directors will propose that a dividend of DKK 2 per DKK 20 share be paid.

Outlook for 2015

For 2015, the MT Højgaard Group expects revenue of DKK 7.0 to 7.5 billion and operating profit (EBIT) of DKK 300-375 million, corresponding to 4-5% before special items.

The annual report of Monberg & Thorsen A/S has been published via Nasdaq OMX Copenhagen, and is available on Monberg & Thorsen's website www.monthor.com.

Søborg, 26 February 2015
Board of Directors



Anders Colding Friis
Chairman

Questions relating to this announcement should be directed to Anders Colding Friis, Chairman of the Board, on telephone +45 3546 8000.

This announcement is available in Danish and English. In case of doubt, the Danish version shall prevail.

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Knud Højgaards Vej 9
2860 Søborg
Denmark

MONBERG & THORSEN A/S



YEAR 2014

MONBERG & THORSEN A/S

ANNUAL REPORT 2014

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MT HØJGAARD

Monberg & Thorsen's sole activity is its 46% ownership interest in MT Højgaard and the operation of same. MT Højgaard is owned together with Højgaard Holding and is a jointly controlled entity. It is consequently recognised using the equity method (one-line consolidation).

For detailed information on MT Højgaard's financial performance in 2014, activities and strategy, etc., reference is made to MT Højgaard's published annual report and its website, www.mth.com.

FINANCIAL HIGHLIGHTS FOR 2010-2014

DKK million	2010	2011	2012	2013	2014
Income statement					
Share of profit (loss) after tax and non-controlling interests in jointly controlled entities, MT Højgaard (46 %)	28	-120	-236	15	-154
Administrative expenses in Monberg & Thorsen	-10	-11	-12	-33	-10
Operating profit (loss)	18	-131	-248	-18	-164
Net finance costs	17	10	4	1	0
Profit (loss) before tax	35	-121	-244	-17	-164
Profit (loss) after tax from continuing operations	35	-120	-243	-17	-164
Profit (loss) after tax from discontinuing operations	15	-288	-12	-	-
Profit (loss) for the year after tax	50	-408	-255	-17	-164
Balance sheet					
Interest-bearing assets	337	463	454	288	230
Interest-bearing liabilities	0	0	0	0	0
Invested capital	1,257	683	326	474	353
Equity	1,594	1,146	780	762	583
Balance sheet total	2,388	2,298	814	801	587
Cash flows					
From operating activities	20	149	-35	-21	-50
For investing activities**	9	0	167	164	-208
From financing activities	-24	-25	-108	-7	-7
Cash flows from discontinuing operations	-78	-195	-	-	-
Net increase (decrease) in cash and cash equivalents	-73	-71	24	136	-265
**Portion relating to inv. in property, plant and equipment (gross)	0	0	0	0	0
Financial ratios (%)					
Return on invested capital (ROIC)	1	-13	-49	-4	-40
Return on equity (ROE)	3	-30	-26	-2	-24
Equity ratio	67	50	96	95	99
Share ratios (DKK per share)					
Earnings per share (EPS) from continuing operations	10	-34	-68	-5	-46
Earnings per share	14	-114	-71	-5	-46
Cash flows from operating activities of continuing operations	6	42	-10	-6	-14
Proposed dividends	7	30	2	2	2
Book value	444	320	218	213	163
Market price	300	190	142	268	260
Market price/book value	0.7	0.6	0.7	1.3	1.6
Price earnings (P/E)	21	-	-	-	-
Payout ratio (%)	50	-	-	-	-
Market capitalisation in DKK million	1,076	681	509	961	932
Number of employees in Monberg & Thorsen	2	2	1	1	1

The financial ratios have been calculated in accordance with 'Recommendations & Financial Ratios 2010' published by the Danish Society of Financial Analysts. Earnings per share (EPS) has been calculated in accordance with IFRS. Financial ratios are defined in note 1.

Due to the divestment of Dyrup with closing at the start of 2012, Dyrup has been accounted for as a discontinuing operation. The 2011 annual report and the comparative figures for previous years have therefore been restated to present continuing operations separately, while discontinuing operations are recognised in a single line item in the income statement and the statement of cash flows up to and including 2012. Operating ratios and invested capital have also been restated to reflect the performance of the continuing operations. Furthermore, the comparative figures have been restated to reflect the changed accounting policy from and including 2014 whereby profit (loss) of and investment in MT Højgaard are recognised using the equity method (one-line consolidation). Financial highlights are based on the individual financial statements (previously referred to as the consolidated financial statements).

COMPANY OVERVIEW, BUSINESS CONCEPT AND STRATEGY



BUSINESS CONCEPT AND STRATEGY

Creating value through long-term business development within construction-related activities.

Following the divestment of Dyrup at the start of 2012, Monberg & Thorsen's sole activity is its 46% ownership interest in the jointly controlled entity MT Højgaard.

Monberg & Thorsen has no current plans to engage in other activities.

Together with Højgaard Holding, Monberg & Thorsen will work towards independent listing of MT Højgaard when the conditions for this are right.

It is still our opinion that it will be in the interests of all shareholders not to seek a listing of MT Højgaard until earnings have shown a stable, satisfactory level.

MT Højgaard

The MT Højgaard Group is one of the leading players in the construction and civil engineering industry in the Nordic countries. The Group's projects comprise design, construction, renovation and refurbishment of civil works, bridges, housing, commercial buildings and foundations for offshore wind turbines. The Group undertakes projects across Denmark as well as focused activities in other countries.

The MT Højgaard Group defined a new strategy in 2013 in which the vision is:

- to be the most productivity-enhancing group in the construction and civil engineering industry.

The strategy framework, which is to meet the expectations for the Group, is three-pronged. It is designed to ensure that productivity is enhanced and that customers are offered better, faster and more cost-effective solutions:

- Projects from Community to Operation
- Best in Class VDC (Virtual Design Construction)
- Exploiting Group Synergies

The outcome must be the opportunity for both the Group and its business partners to work more efficiently and productively.

The financial requirements are earnings equivalent to an EBIT margin of at least 5% in all business areas and subsidiaries and a positive cash flow.

The strategic targets are:

- Customer satisfaction of at least index 76 out of 100
- 60% of revenue should come from key customers
- Employee satisfaction of at least index 76 out of 100

These are to be achieved by, among other things, handing over projects with zero defects or deficiencies and focusing on ongoing productivity improvement and on health and safety, where the target is maximum 15 injuries per 1 million hours worked.

BOARD OF DIRECTORS AND EXECUTIVE BOARD

BOARD OF DIRECTORS



Anders Colding Friis (1963)
Chairman
President, Scandinavian Tobacco Group A/S
MSc Strategy and Financial Planning
Special expertise: general management, branding, marketing and strategy.
(MB) Central Board and Executive Committee, Confederation of Danish Industry (DI), DK
(DCB) IC Group A/S, DK
(MB) Topdanmark, DK
(DCB) Industriens Arbejdsgivere i København (IAK), DK
(MB) Ejnar og Meta Thorsens Fond, DK
Joined the Board in 2004



Niels Lykke Graugaard (1947)
Deputy Chairman
MSc in Engineering, MSc in Economics
Special expertise: international business management, project management, strategic planning, and mergers & acquisitions
(DCB) MT Højgaard A/S, DK
(MB) Gram Equipment A/S, DK
(MB) KraussMaffei AG, DE
(CB) Weiss Partners A/S, DK
Joined the Board in 2012



Lars Goldschmidt (1955)
MSc in Chemical Engineering, Technical Univ. of Denmark (DTU); PhD from DTU; Adjunct Professor at DTU and CBS.
Partner Goldschmidt Rise and Shine I/S
Deputy Director General, DI, 2008-2014
Special expertise: lobbying and management of knowledge organisations.
(CB) Erhvervsskolernes Forlag, DK
(DCB) Campus Bornholm, DK
(MB) Østkraft A/S, DK
(MB) VIA University College, DK
(MB) KEA Copenhagen School of Design and Technology, DK
(MB) European Spallation Source A/S, 2010-2014, DK
Joined the Board in 2010



Curt Germundsson (1944)
BSc Mechanical Engineering, Business Economics
Special expertise: general and international business management.
(MB) MT Højgaard A/S, DK
(CB) DevPort AB, SE
(MB) EFD Induction ASA, NO
(MB) Green Landscaping AB, SE
(MB) Skamol A/S, DK
(MB) Troax AB, SE
Executive Advisor FSN Capital AS, NO
Joined the Board in 2012

EXECUTIVE BOARD



Christine Thorsen (1958)
Master in Management of Technology (DTU) and Executive Coach (INSEAD) Dynamic Approach ApS
Special expertise: change management, cost optimisation and experience from the contracting industry.
(MB) Ejnar og Meta Thorsens Fond, DK
(CB) ANT Fonden, DK
Joined the Board in 2008



Henriette H. Thorsen (1970)
Managing Director, Belvédère Scandinavia A/S
Henriette H. Thorsen holds an MSc in International Business.
Special expertise: management, strategy, sales and marketing.
(CB) Ejnar og Meta Thorsens Fond, DK
Joined the Board in 2010



Mats Jönsson (1957)
President and CEO
MSc (Engineering)
Special expertise: general and international business management within construction and service, mergers & acquisitions.
(MB) MT Højgaard A/S, DK
(CB) Logent AB, SE
(MB) Infratek AS, NO
(MB) Coor Service Management AB, SE

CB: Chairman of the Board
DCB: Deputy Chairman of the Board
MB: Member of the Board

Management holdings of B shares at 31.12		
Number	2013	2014
Anders Colding Friis	2,350	2,350
Christine Thorsen	1,940	3,065
Henriette H. Thorsen	3,270	3,438
Niels Lykke Graugaard	6,799	8,299
Curt Germundsson	400	400
Lars Goldschmidt	0	370
Mats Jönsson	0	0

ANNUAL REVIEW

INTRODUCTION

Monberg & Thorsen's sole activity is its 46% ownership interest in MT Højgaard A/S.

PROFIT (LOSS) FOR THE YEAR IN THE
INDIVIDUAL FINANCIAL STATEMENTS
(PREVIOUSLY REFERRED TO AS THE
CONSOLIDATED FINANCIAL STATEMENTS)

Monberg & Thorsen's share of MT Højgaard A/S's profit (loss) after tax and non-controlling interests was a total loss of DKK 154 million as a consequence of the special items, which relate to the rulings in several old offshore litigation. These adversely impacted Monberg & Thorsen's share of profit (loss) by DKK 188 million. Excluding these, the share of profit (loss) was a profit of DKK 34 million.

In 2014, Monberg & Thorsen's administrative expenses were affected by a DKK 5 million expense in connection with a settlement with the buyer of Dyrup relating to Dyrup's manufacturing facilities in France. In 2013, an amount of DKK 25 million was expensed to cover this.

Profit (loss) before and after tax was a loss of DKK 164 million compared with a loss of DKK 17 million in 2013.

Income tax expense was nil, as the current low interest rate level means that it is not realistic to expect Monberg & Thorsen A/S to generate a positive result before recognition of the share of MT Højgaard's profit (loss) in the next few years.

Performance versus outlook

At the start of 2014, the outlook was consolidated revenue in MT Højgaard A/S of DKK 7.0-7.5 billion with operating profit of DKK 150-225 million, which might be affected by the outcome of major disputes in MT Højgaard and any expenses related to the indemnities and guarantees provided in connection with the divestment of Dyrup.

MT Højgaard reported revenue of DKK 7.0 billion and operating profit before special items of DKK 207 million, in line with expectations. Special items related to the conclusion of the old offshore litigation depressed MT Højgaard's profit (loss) for the year by DKK 408 million, and the settlement with the buyer of Dyrup adversely impacted Monberg & Thorsen's

operating expenses by DKK 5 million.

Financial performance - MT Højgaard

MT Højgaard reported revenue of DKK 7.0 billion in 2014, down DKK 0.5 billion on 2013, mainly due to a low level of activity in Offshore & Steel Bridges and a lower level of activity in MT Højgaard's construction business in West Denmark.

Operating profit (loss) before special items was a profit of DKK 207 million, as expected, compared with DKK 105 million in 2013. The improved profit reflected partly the effect of all the steps that have been taken to improve earnings and the execution of individual projects, and partly the fact that the impact from old projects with low profitability is decreasing.

The rulings in several old offshore litigation had an adverse impact of DKK 408 million in total on special items in 2014. Currently the appeal in the Robin Rigg case is pending. The appeal is expected to be heard by the High Court in London in the first quarter of 2015. Regardless of the outcome, the appeal will not have any further adverse impact on MT Højgaard's profit (loss). In 2013, the special items contributed DKK 130 million to profit as a result of the Buxton decision.

Consolidated operating profit (loss) was consequently a loss of DKK 201 million compared with a profit of DKK 235 million in 2013.

Net finance costs amounted to net income of DKK 15 million compared with a net expense of DKK 26 million in 2013. The improvement was due to exchange gains and an improved cash flow.

Profit (loss) before tax was consequently a loss of DKK 186 million compared with a profit of DKK 209 million in 2013.

Income tax expense was DKK 66 million and was affected by non-capitalised tax assets relating to the special items.

MT Højgaard's profit (loss) after tax was a loss of DKK 252 million, of which Monberg & Thorsen's share was 46%, net of the share attributable to non-controlling interests.

The balance sheet total stood at DKK 3.6 billion at the end of 2014 compared with DKK 4.0 billion at the end of 2013 due to a generally lower level of activity.

Operating activities generated a cash inflow of DKK 0.4 billion in 2014 compared with DKK 0.1 billion in 2013. The positive trend was driven partly by a focused effort to generate positive cash flows on projects.

In recent years, management has had a target to achieve an operating margin of 5% by the end of 2015. This target is being maintained so that an operating margin of 5% is expected for 2016, despite the expected expiry of the Greenland Contractors contract.

No dividend will be paid for MT Højgaard for 2014.

For detailed information on MT Højgaard's financial performance in 2014, activities and strategy, etc., reference is made to MT Højgaard's published annual report and its website, www.mth.com.

Statement of cash flows

Cash flows from operating activities were an outflow of DKK 50 million compared with an outflow of DKK 21 million in 2013. Cash flows were adversely affected by the payment related to the settlement reached in relation to the divestment of Dyrup.

Investing activities absorbed cash of DKK 208 million, which related to the purchase of listed corporate bonds.

Cash flows from financing activities were an outflow of DKK 7 million, representing the payment of the dividend adopted last year.

Cash and cash equivalents at 31.12.14 totalled DKK 23 million, including DKK 4 million lodged as security in respect of the liabilities related to the divestment of Dyrup.

Balance sheet

The balance sheet totalled around DKK 0.6 billion compared with DKK 0.8 billion at 31.12.13. The decline reflected the somewhat lower equity ratio in MT Højgaard due to the negative result for the year.

Equity stood at DKK 0.6 billion, corresponding to an equity ratio of 99% compared with 95% at the end of 2013.

Outlook for 2015

MT Højgaard expects an overall increase in the construction and civil engineering market in Denmark,

especially within construction and refurbishment.

The order book stood at DKK 6.5 billion at the start of 2015. Of this amount, approx. DKK 4.5 billion is expected to be executed in 2015.

Based on the order book and the increased profitability requirements for the order intake as well as an expected continued limited level of activity in the business areas Offshore & Steel Bridges and Greenland & Faroe Islands, the MT Højgaard Group expects revenue of DKK 7.0-7.5 billion in 2015 and operating profit (EBIT) of DKK 300-375 million, corresponding to 4-5%.

Monberg & Thorsen's share is 46% of the MT Højgaard Group's profit (loss) after tax and non-controlling interests. From this should be deducted operating expenses in Monberg & Thorsen, which are expected to be around DKK 5 million, and added any further expenses in connection with the indemnities and guarantees provided in connection with the divestment of Dyrup.

The projections concerning future financial performance involve uncertainties and risks that may cause the performance to differ materially from the projections.

The outlook is based on relatively stable interest rate and exchange rate levels.

Statement of cash flows

At the end of 2014, Monberg & Thorsen's financial resources totalled DKK 230 million, consisting of cash and cash equivalents and listed corporate bonds. Of the cash and cash equivalents, DKK 4 million has been lodged in an escrow account as security in respect of the indemnities and guarantees provided in connection with the divestment of Dyrup, see note 17.

It is expected that total financial resources will also be at a satisfactory level at the end of 2015.

Dividends

Dividend to shareholders of DKK 2 per DKK 20 share will be proposed for 2014. The total dividend, DKK 7.2 million, will be reserved within Proposed dividends in equity.

The dividend payment will provide a direct return of 0.8% based on the current market price of approx. 250.

In future, Monberg & Thorsen expects, in principle, to distribute dividends from MT Højgaard to its shareholders. Dividend distributions will be made with due consideration for financial position, investment opportunities and cash flow.

Management changes

Mats Jönsson has been appointed as President and CEO of Monberg & Thorsen A/S with effect from 1 September 2014. Mats Jönsson has been a member of the Board of Directors of MT Højgaard A/S since April 2014.

Knowledge resources

Monberg & Thorsen is a holding company with only one employee.

Statutory corporate social responsibility report

Monberg & Thorsen has policies and positions on corporate social responsibility, but they do not comply with the requirements as defined in Section 99(a) of the Danish Financial Statements Act. Consequently, Monberg & Thorsen does not report specifically on its actions in this area or the results of these actions.

The ethical policy forms the overall framework for all our policies and consequently our activities. We want to demonstrate corporate responsibility, show consideration for people and the environment, thereby acting in a socially and ethically responsible manner in all business areas.

The policy states, among other things, that we must comply with local legislation and that we do not accept bribery, forced labour, child labour or discrimination.

Monberg & Thorsen is a holding company. Its sole activity is its ownership interest in MT Højgaard. Our CSR action is consequently carried out indirectly through our management representation in MT Højgaard, and reference is made to MT Højgaard's annual report and MT Højgaard's CSR report on their website www.mth.com for further details.

The focus in recent years has been on the environment and health and safety.

Climate and environment

MT Højgaard focuses extensively on responsible conduct in relation to the climate and the environment, including reduction of the companies' environmental impact, partly by generating less waste and reusing

waste, energy savings and eco-friendly products and building materials.

Health and safety

A good, safe working environment is essential to employees and their families and also for the financial results.

MT Højgaard strives to reduce the number of occupational injuries, partly by using clear safety and work instructions. It is important that all employees feel that we look after their safety and wellbeing properly by providing a good working environment, and consequently also making sure that everyone becomes involved and feels responsible for improving health and safety, including the noise level, ergonomics and the psychosocial working environment.

Women in management

We do not discriminate on grounds of gender, race or religion when recruiting, training or promoting employees. At the same time, we want to promote the proportion of women in management at the MT Højgaard Group's management levels. Consequently, a policy on women in management was introduced in the middle of 2013. At the same time, a target was set that, in 2016, a minimum of two of the six externally elected members of MT Højgaard's Board of Directors should be women.

Risk factors

The activities of Monberg & Thorsen and MT Højgaard entail various commercial and financial risks that may affect these companies' development, financial position and operations.

We consider it a critical part of our strategy to constantly mitigate the current risks, which, in our opinion, do not differ from the normal risks in the market segments in which the companies operate.

Monberg & Thorsen endeavours to cover, to the greatest possible extent, significant risks outside the companies' direct control by taking out relevant insurance policies.

The companies are affected by the general market conditions in the construction sector, but are also exposed to other, specific commercial risks, which are primarily controlled and covered locally in MT Højgaard. Further details of financial risks are provided in note 19.

STATUTORY REPORT ON CORPORATE GOVERNANCE

Monberg & Thorsen A/S has a clear segregation of duties between the Board of Directors and the Executive Board. Duties and responsibilities are determined at overall level through rules of procedure for the Board of Directors.

The Executive Board is in charge of the day-to-day management of the company, and the Board of Directors oversees the Executive Board and takes care of overall strategic management tasks. The chairman is the Board of Directors' principal contact with the Executive Board.

Monberg & Thorsen's sole activity is MT Højgaard's activities. As part of the management of Monberg & Thorsen's activities, representatives of Monberg & Thorsen's Board of Directors and Executive Board serve on the Board of Directors of MT Højgaard.

Board of Directors

Composition of the Board of Directors

The Board of Directors is elected by the shareholders in general meeting. The Board consists of not less than four and not more than six members, currently six members.

In elections to the Boards of Directors of both Monberg & Thorsen and MT Højgaard, efforts are made to ensure a professionally composed Board of Directors that, collectively, possesses the necessary knowledge and experience of board work as well as knowledge of social, commercial and cultural factors in the markets in which the companies have their principal business activities. Efforts are also made to achieve a diverse composition for the Board.

Two of the six Board members are women, and no target has therefore been set for the number of women on the Board of Directors of Monberg & Thorsen.

The current Board complies with the independence criteria, overall, as Niels Lykke Graugaard, Curt Germondsson and Lars Goldschmidt are independent.

An annual self-assessment procedure has been established for the Board.

In connection with the election of a new member to the Board of Directors, the Chairman of the Board interviews the selectively chosen candidate to ensure that his or her profile suits the vacant seat.

In connection with the notice convening the general meeting, a description of the background of the nominated candidates is given, along with information on memberships of executive boards or boards of directors in both Danish and foreign companies as well as any demanding organisational posts. A description is also provided of the candidates' educational background, professional qualifications and the expertise deemed to be relevant to the Board's work.

All members of the Board elected by the shareholders in general meeting retire by rotation each year. This provides the company's shareholders with an opportunity to discuss the recruitment criteria, composition and diversity of the Board at the Annual General Meeting each year.

There are no formal requirements with respect to the number of seats on other boards of directors the individual Board members may hold, but on election it is pointed out to new Board members that it is important for them to ensure that they have sufficient time for their duties and that they perform them diligently and conscientiously. In Monberg & Thorsen's experience, Board members are rarely absent from Board meetings.

According to the Board of Directors' rules of procedure, Board members must retire not later than at the first general meeting following their 70th birthday, except where special circumstances apply.

The Board met a total of seven times in 2014 and at present expects to meet seven times in 2015. In accordance with its rules of procedure, the Board always meets at least six times between Annual General Meetings.

Audit Committee

The full Board functions as Audit Committee.

Remuneration of the Board of Directors

Monberg & Thorsen has not introduced incentive pay for the Board. Board remuneration remained unchanged at DKK 200,000 for ordinary members, with a supplement for the Chairman and the Deputy Chairman. Besides their normal remuneration, the Chairman or members may be paid remuneration for special tasks undertaken by them, although the total remuneration received by a Board member may not exceed twice the Chairman's ordinary remuneration. Details concerning total remuneration paid to the Board are disclosed in note 7 to the financial statements.

Executive Board

The Executive Board consists of the President and CEO, whose background and practical experience match the company's current needs.

Remuneration of the Executive Board

The members of the Executive Board are paid fixed remuneration. Details concerning total remuneration paid to the Executive Board are disclosed in note 7 to the financial statements.

Corporate governance recommendations

Monberg & Thorsen's B shares are listed on Nasdaq OMX Copenhagen, and Monberg & Thorsen in principle complies with the corporate governance recommendations as set out at www.corporategovernance.dk/english.

The Board of Directors is still of the opinion that these recommendations are being practised in the management of Monberg & Thorsen. In some areas, the principles are complied with in part only, as the corporate governance recommendations are not all relevant in view of the company's size and activities.

Monberg & Thorsen has taken a position on all recommendations based on the 'comply-or-explain' principle, which is described in further detail at http://www.monthor.dk/en/pages/monberg_thorsen_corporate_governance, to which reference is made.

Financial reporting process

With effect from 1 January 2014, a management agreement has been entered into with MT Højgaard, which takes care of the day-to-day management and bookkeeping, including assistance in connection with the preparation of interim financial reports and annual reports, etc., for Monberg & Thorsen.

The accounting and control systems are designed to ensure that internal and external financial reporting gives a true and fair view without material misstatement and that appropriate accounting policies are defined and applied.

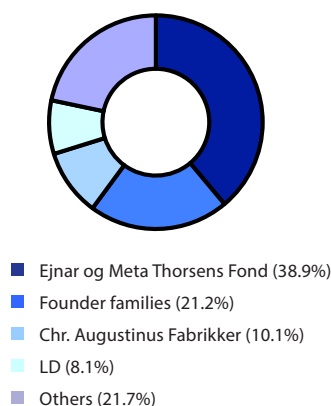
The Board of Directors and the Executive Board regularly review material risks and internal controls in connection with the companies' activities and their potential impact on the financial reporting process.

The responsibility for maintaining adequate and effective internal controls and risk management in connection with the financial reporting lies with the

Executive Board. The Board of Directors monitors the financial reporting process on an ongoing basis, including that applicable legislation is being complied with, that the accounting policies are relevant, including the manner in which material and/or exceptional items and accounting estimates are accounted for, and the overall disclosure level in Monberg & Thorsen's financial reporting.

SHAREHOLDER INFORMATION

Share capital by group of shareholders



Ownership

The company has around 1,200 registered shareholders.

Shareholders according to Section 55 of the Danish Companies Act:

Ejnar og Meta Thorsens Fond, Søborg
Christine Monberg, USA
Chr. Augustinus Fabrikker A/S, Copenhagen
LD, Copenhagen

Ejnar og Meta Thorsens Fond holds all the company's A shares, which account for approx. 21% of the total share capital, and approx. 18% of the B shares, and consequently holds approx. 79% of the total number of votes.

Ejnar og Meta Thorsens Fond is a commercial foundation, the sole object of which is to work for the furtherance of socially beneficial objectives in Denmark or abroad. There are no constraints in the foundation instrument in relation to ownership of shares in Monberg & Thorsen A/S or its companies. The foundation has advised the Board of Directors that it wants to be a stable shareholder in the company and does not wish to relinquish its voting rights.

The Board of Directors considers the ownership structure to be appropriate in view of the company's present size and market value, with the stable ownership structure securing the long-term value generation. The ownership structure does not prevent continued development of the companies.

A shareholders' agreement has been entered into on ownership of the shares in MT Højgaard A/S. Under this agreement, the completion of a take-over bid for Monberg & Thorsen A/S, if any, may result in changes related to ownership and other terms and conditions for the company's shareholding in MT Højgaard A/S.

Management's shareholdings

At 31.12.14, the Board of Directors' and the Execu-

tive Board's shareholdings in the company totalled 17,922 shares, equivalent to 0.5% of the share capital and a market value of DKK 4.7 million.

The members of the Board of Directors and Executive Board do not hold either options or warrants.

According to the internal code of conduct relating to trading in securities issued by the company, the management may buy and sell such securities only for a period of up to four weeks following the publication of the annual report and interim financial reports.

Annual General Meeting

Will be held on 9 April 2015 at 17:00 at Radisson Blu Royal Hotel, Hammerichsgade 1, 1611 Copenhagen V, Denmark. According to the Articles of Association, the Annual General Meeting must be convened with not less than three weeks' notice and not more than five weeks' notice.

Articles of Association

The company's Articles of Association can be viewed at www.monthor.dk.

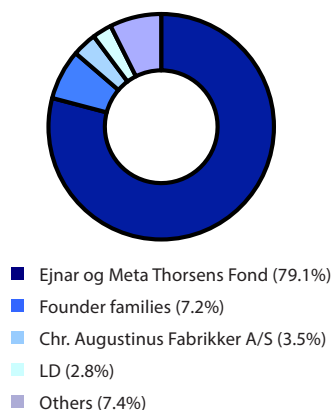
According to the Articles of Association, the A shares are non-negotiable instruments. No restrictions apply to the negotiability of the B shares. All B shares are listed on Nasdaq OMX Copenhagen.

The Articles of Association also stipulate that the members of the Board of Directors elected by the shareholders in general meeting retire by rotation each year.

The Board of Directors has authority to buy back up to 10% of the share capital. The authorisation expires on 27 April 2015. At the Annual General Meeting on 9 April 2015, the Board of Directors will propose that this authorisation be extended.

The Board of Directors will not propose any other amendments to the Articles of Association at the Annual General Meeting.

Votes by group of shareholders



SHAREHOLDER INFORMATION

Dividends

Dividends on shares registered with VP Securities A/S are paid automatically three banking days after the Annual General Meeting.

At the Annual General Meeting, the Board of Directors will propose that a dividend of DKK 2 per DKK 20 share be paid.

Share capital

The company's share capital amounts to DKK 71,700,000 divided into:

A shares: 768,000 shares of DKK 20 each
DKK 15,360,000

B shares: 2,817,000 shares of DKK 20 each
DKK 56,340,000

Each A share with a nominal value of DKK 20 entitles the holder to ten votes, and each B share with a nomi-

nal value of DKK 20 entitles the holder to one vote.

Treasury shares

At 31.12.14, the company's holding of treasury shares totalled 2,645 shares. The company did not buy or sell any treasury shares in 2014.

According to the company's rules for buying and selling treasury shares, the company may not buy or sell treasury shares in the three weeks preceding the publication of the annual report and interim financial reports.

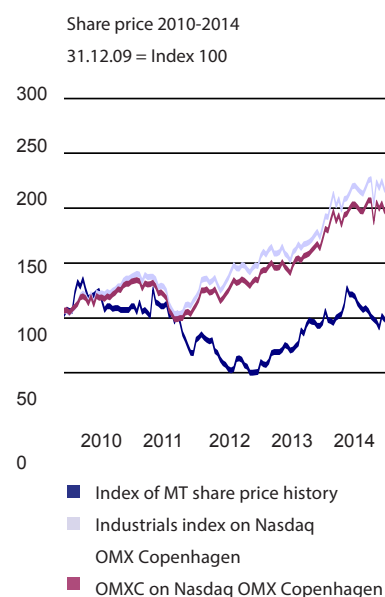
The Monberg & Thorsen share

At the end of 2014, the share price was 260, down 3% on the previous year. A total of approx. 0.2 million shares were traded in 2014 compared with approx. 0.2 million shares in 2013.

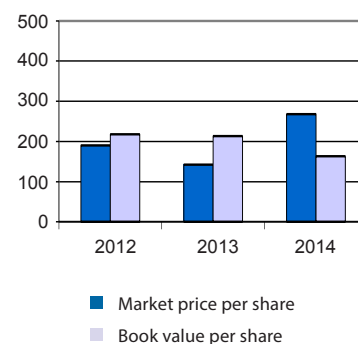
Announcements to Nasdaq OMX Copenhagen A/S

The following Stock Exchange announcements were issued in 2014:

- 04.03.14 Change to the board of directors of MT Højgaard A/S
- 07.03.14 MT Højgaard's annual report 2013
- 07.03.14 Monberg & Thorsen's annual report 2013
- 14.03.14 Complete resolutions proposed by the Board of Directors
- 14.03.14 Form of Proxy or Postal Vote - Annual General Meeting
- 14.03.14 Registration Form - Annual General Meeting 07.04.14
- 14.03.14 Agenda Annual General Meeting 07.04.14
- 17.03.14 Trading in Monberg & Thorsen A/S shares by insider
- 20.03.14 Trading in Monberg & Thorsen A/S shares by insider
- 25.03.14 Trading in Monberg & Thorsen A/S shares by insider
- 25.03.14 MT Højgaard wins a new large project in Vejle
- 07.04.14 Business transacted at Monberg & Thorsen's Annual General Meeting
- 15.04.14 MT Højgaard found responsible in old offshore case
- 19.05.14 MT Højgaard - Interim financial report - First quarter 2014
- 19.05.14 Interim financial report - First quarter 2014
- 23.05.14 Trading in Monberg & Thorsen A/S shares by insider
- 28.08.14 MT Højgaard - Interim financial report - First half 2014
- 28.08.14 Monberg & Thorsen - Interim financial report - First half 2014
- 12.10.14 MT Højgaard's old offshore litigations brought to an end
- 31.10.14 MT Højgaard's Thule activities to be scaled down
- 03.11.14 MT Højgaard to build 17 stations for the Cityringen
- 19.11.14 MT Højgaard - Interim financial report - Third quarter 2014
- 19.11.14 Interim financial report - Third quarter 2014
- 19.11.14 Financial calendar for 2015
- 21.11.14 Trading in Monberg & Thorsen A/S shares by insider
- 27.11.14 Trading in Monberg & Thorsen A/S shares by insider



The Monberg & Thorsen Group
Market price and book value (DKK)



Information policy

It is Monberg & Thorsen's information policy to have a high, uniform information level to ensure that all stakeholders receive all price-relevant information on Monberg & Thorsen and MT Højgaard in a timely and efficient manner. Such information is mainly communicated in the form of the publication of company announcements, including interim financial reports.

In order to ensure compliance with Nasdaq OMX Copenhagen A/S's rules, it has been decided that, for a period of three weeks before a planned interim financial report or annual report, Monberg & Thorsen:

- will not comment on analyst reports
- will not discuss financial issues with investors and analysts
- will not participate in meetings with investors and financial analysts.

Financial calendar for 2015

Annual General Meeting	09.04.15
Payment of dividend	14.04.15

Expected dates of announcement of interim financial reports:

Q1 2015	13.05.15
Q2 2015	20.08.15
Q3 2015	12.11.15

MANAGEMENT STATEMENT AND INDEPENDENT AUDITOR'S REPORTS

Statement by the Executive Board and the Board of Directors

The Board of Directors and the Executive Board have today discussed and approved the annual report of Monberg & Thorsen A/S for the financial year 1 January – 31 December 2014.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and disclosure requirements for annual reports of listed companies.

In our opinion, the individual financial statements and the separate financial statements give a true and fair view of the company's financial position at 31 December 2014 and of the results of the company's

operations and cash flows for the financial year 1 January - 31 December 2014.

In our opinion, the Management's review gives a fair review of the development in the company's operations and financial matters, the results for the year, cash flows and financial position as well as a description of the significant risks and uncertainty factors pertaining to the company.

We recommend that the annual report be approved at the Annual General Meeting.

Søborg, 26 February 2015

Executive Board

Mats Jönsson
President and CEO

Board of Directors

Anders Colding Friis
Chairman

Niels Lykke Graugaard
Deputy Chairman

Lars Goldschmidt

Curt Germundsson

Christine Thorsen

Henriette H. Thorsen

INDEPENDENT AUDITOR'S REPORTS

To the shareholders of Monberg & Thorsen A/S

Independent auditor's report on the individual financial statements and the separate financial statements

We have audited the individual financial statements and the separate financial statements of Monberg & Thorsen A/S for the financial year 1 January – 31 December 2014. The individual financial statements and the separate financial statements comprise statement of cash flows, income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including accounting policies for the company. The individual financial statements and the separate financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Management's responsibility for the individual financial statements and the separate financial statements

Management is responsible for the preparation of individual financial statements and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control as Management determines is necessary to enable the preparation of individual financial statements and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the individual financial statements and the separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the individual financial statements and the separate financial statements are free from material misstatement.

Copenhagen, 26 February 2015

Ernst & Young

Godkendt Revisionspartnerselskab

Jesper Koefoed

State Authorised Public Accountant

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the individual financial statements and the separate financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the individual financial statements and the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of individual financial statements and separate financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the individual financial statements and the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the individual financial statements and the separate financial statements give a true and fair view of the company's financial position at 31 December 2014 and of the results of the company's operations and cash flows for the financial year 1 January – 31 December 2014 in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the Management's review

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the individual financial statements and the separate financial statements. On this basis, it is our opinion that the information given in the Management's review is consistent with the individual financial statements and the separate financial statements.

STATEMENT OF CASH FLOWS (DKK million)

SEPARATE FIN. STATEMENTS			INDIVIDUAL FIN. STATEMENTS	
2013	2014	Note	2014	2013
		Operating activities		
-32.6	-9.6	Operating profit (loss)	-164.0	-17.3
		Profit (loss) of jointly controlled entities, MT Højgaard	154.4	-15.3
<u>-32.6</u>	<u>-9.6</u>	Cash flows from operating activities before working capital changes	-9.6	-32.6
		Working capital changes		
6.2	-6.1	Receivables	-6.1	6.2
4.9	-35.7	Trade and other current liabilities	-35.7	4.9
<u>-21.5</u>	<u>-51.4</u>	Cash flows from operations (operating activities)	-51.4	-21.5
0.8	1.4	Finance income	1.4	0.8
0	0	Finance costs	0	0
<u>-20.7</u>	<u>-50.0</u>	Cash flows from operations (ordinary activities)	-50.0	-20.7
0	0	Income taxes paid, net	0	0
<u>-20.7</u>	<u>-50.0</u>	Cash flows from operating activities	-50.0	-20.7
		Investing activities		
-138.0	0	Capital increase in MT Højgaard	0	-138.0
0	0	Dividends from MT Højgaard		
301.5	-207.8	Purchase/sale of securities	-207.8	301.5
<u>163.5</u>	<u>-207.8</u>	Cash flows from investing activities	-207.8	163.5
<u>142.8</u>	<u>-257.8</u>	Cash flows before financing activities	-257.8	142.8
		Financing activities		
		<i>Shareholders:</i>		
-7.2	-7.2	Dividends paid	-7.2	-7.2
<u>-7.2</u>	<u>-7.2</u>	Cash flows from financing activities	-7.2	-7.2
135.6	-265.0	Net increase (decrease) in cash and cash equivalents	265.0	135.6
152.5	288.1	Cash and cash equivalents at 01.01.	288.1	152.5
<u>288.1</u>	<u>23.1</u>	Cash and cash equivalents at 31.12.	23.1	288.1
		consisting of:		
288.1	23.1	16 Cash and cash equivalents	23.1	288.1

The figures in the statement of cash flows cannot be derived from the published records alone.

INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

(DKK million)

INCOME STATEMENT

SEPARATE FIN. STATEMENTS		Note	INDIVIDUAL FIN. STATEMENTS	
2013	2014		2014	2013
0	0	10	-154.4	15.3
32.6	9.6	3.7	9.6	32.6
-32.6	-9.6		-164.0	-17.3
0.8	1.4	4	1.4	0.8
0	1.0	5	1.0	0
-31.8	-9.2		-163.6	-16.5
0	0	6	0	0
-31.8	-9.2		-163.6	-16.5
		8	-46	-5

Profit for the year will be taken to equity

The Board of Directors will recommend a dividend of DKK 2 per share for 2014 for approval at the Annual General Meeting on 9 April 2015.

STATEMENT OF COMPREHENSIVE INCOME

SEPARATE FIN. STATEMENTS		Note	INDIVIDUAL FIN. STATEMENTS	
2013	2014		2014	2013
-31.8	-9.2		-163.6	-16.5
-	-		-8.6	5.4
-	-		-8.6	5.4
-31.8	-9.2		-172.2	-11.1

BALANCE SHEET AT 31 DECEMBER (DKK million)

SEPARATE FIN. STATEMENTS		Note	INDIVIDUAL FIN. STATEMENTS	
2013	2014		2014	2013
ASSETS				
Non-current assets				
Property, plant and equipment				
0	0	9	0	0
0	0		0	0
Investments				
565.0	565.0	10	351.3	513.3
0	0	11	0	0
-	-	15	-	-
565.0	565.0		351.3	513.3
Total non-current assets				
565.0	565.0		351.3	513.3
Current assets				
Receivables				
0.1	6.2		6.2	0.1
0.1	6.2	12	6.2	0.1
-	206.8	13	206.8	-
288.1	23.1	16	23.1	288.1
288.2	236.1		236.1	288.2
853.2	801.1		587.4	801.5

STATEMENT OF CHANGES IN EQUITY (DKK million)

	Share capital	Retained earnings	Proposed dividends	Total
Separate financial statements (previously referred to as parent company financial statements)				
Equity at 01.01.13	71.7	773.6	7.2	852.5
Profit (loss) for the year		-31.8		-31.8
Proposed dividends		-7.2	7.2	0
Dividends paid			-7.2	-7.2
Total changes in equity	0	-39.0	0	-39.0
Equity at 01.01.14	71.7	734.6	7.2	813.5
Profit (loss) for the year		-9.2		-9.2
Proposed dividends		-7.2	7.2	0
Dividends paid			-7.2	-7.2
Total changes in equity	0	-16.4	0	-16.4
Equity at 31.12.14	71.7	718.2	7.2	797.1

	Share capital	Hedging reserve	Translation reserve	Retained earnings	Proposed dividends	Total
Individual financial statements (previously referred to as consolidated financial statements)						
Equity at 01.01.13	71.7	-14.1	0.2	715.1	7.2	780.1
Profit (loss) for the year				-16.5		-16.5
Other comprehensive income:						
Share of other comprehensive income after jointly controlled entities, MT Højgaard		4.8	0.6			5.4
Proposed dividends				-7.2	7.2	0
Dividends paid					-7.2	-7.2
Total changes in equity	0	4.8	0.6	-23.7	0.0	-18.3
Equity at 01.01.14	71.7	-9.3	0.8	691.4	7.2	761.8
Profit (loss) for the year				-163.6		-163.6
Other comprehensive income:						
Share of other comprehensive income after in jointly controlled entities, MT Højgaard		-8.6				-8.6
Other				1.0		1.0
Proposed dividends				-7.2	7.2	0
Dividends paid					-7.2	-7.2
Total changes in equity	0	-8.6	0	-169.8	0	-178.4
Equity at 31.12.14	71.7	-17.9	0.8	521.6	7.2	583.4

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NOTES TO THE FINANCIAL STATEMENTS (DKK million)

Note 1

Accounting policies**General**

Following the divestment of Dyrup at the start of 2012, Monberg & Thorsen and its 46% ownership interest in the jointly controlled entity MT Højgaard are no longer considered to be a Group. The financial statements previously referred to as the consolidated financial statements will therefore in future be referred to as individual financial statements and the financial statements previously referred to as the parent company financial statements will be referred to as separate financial statements. Content and formalities remain unchanged.

The annual reports have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for annual reports of listed companies on Nasdaq OMX Copenhagen A/S and the statutory order on the adoption of IFRS issued pursuant to the Danish Financial Statements Act.

The annual report is presented in Danish kroner.

The accounting policies are unchanged from the 2013 annual report apart from the fact that, with effect from 1 January 2014, we have adopted the standards and interpretations that became effective for 2014. With effect from 1 January 2014, we have implemented IFRS 10-12 with associated amendments, IAS 27 (2011), IAS 28 (2011), amendments to IAS 27 (2011), amendments to IAS 32, amendments to IAS 39 as well as IFRIC 21.

IFRS 10 changes the criteria determining whether a company must be consolidated. IFRS 10 states that, in future, an investor must consolidate another company when it controls the relevant activities that generate variable returns.

IFRS 11 relating to Joint Arrangements replaces IAS 31 Joint Ventures. From 1 January 2014, companies will no longer have a choice between proportionate consolidation and the equity method for jointly controlled entities. IFRS 11 divides joint arrangements into joint ventures (equity method) and joint operations (proportionate share of underlying assets and liabilities) based on both formal and substance-related factors. As a consequence of the amendments to IFRS 10 and IFRS 11, from 1 January 2014 we must recognise our interest in MT Højgaard A/S applying the equity method (one-line consolidation), whereas previously it was recognised on a proportionate basis.

IFRS 12 contains disclosure requirements relating to both consolidated and non-consolidated enterprises, joint ventures and associates.

In the opening balance sheet at 1 January 2013, the effect of the change has been recognised in accordance with the transition provisions in IFRS 10 and IFRS 11, see note 24. In terms of presentation, the Group's share of profit (loss) after tax and non-controlling interests in MT Højgaard is recognised in the income statement in a separate item designated 'Share of profit (loss) after tax and non-controlling interests in jointly controlled

entities', and in the balance sheet the net asset value of MT Højgaard is recognised in a separate line under non-current financial assets. Comparative figures have been restated to reflect the new policy.

The changes have not affected results or equity in the financial statements of Monberg & Thorsen. The changes are set out in detail in note 24, to which reference is made.

Basis of consolidation

The individual financial statements only comprise the financial statements of Monberg & Thorsen and the ownership interest in the jointly controlled entity, MT Højgaard, which is a joint venture.

Joint ventures are not consolidated but are recognised using the equity method (one-line consolidation), whereby the investment is measured in the balance sheet at the proportionate share of the company's net asset value.

Individual financial statements are prepared on the basis of the individual enterprises' audited financial statements determined in accordance with the accounting policies.

Newly acquired or newly formed enterprises are recognised in the individual financial statements from the date of acquisition or formation. Enterprises disposed of are recognised in the financial statements up to the date of disposal. Comparative figures are not restated for newly acquired enterprises.

Gains and losses on disposal of subsidiaries, associates and jointly controlled entities are reported by deducting from the proceeds on disposal the carrying amount of net assets including goodwill at the date of disposal and related selling expenses.

Presentation of discontinued/discontinuing operations

A discontinued operation is a component of an entity the operations and cash flows of which can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity and that has either been disposed of or is classified as held for sale and expected to be disposed of within one year according to a formal plan.

Post-tax profit and value adjustments of discontinued operations and operations classified as held for sale are presented as a separate line item in the income statement with comparative figures. Assets and related liabilities are reported as separate line items in the balance sheet.

Cash flows from the operating, investing and financing activities of discontinuing operations are disclosed in a note.

Foreign currency translation

The individual business unit's functional currency is determined as the primary currency in the market in which the business unit operates. The predominant functional currency is Danish kroner.

Transactions denominated in all currencies other than

the individual business unit's functional currency are accounted for as transactions in foreign currencies that are translated into the functional currency using the exchange rates at the transaction date. Receivables and payables in foreign currencies are translated using the exchange rates at the reporting date. Foreign exchange differences arising between the exchange rate at the transaction date or the reporting date and the date of settlement are recognised in the income statement as finance income and costs.

Income statement**Share of profit (loss) after tax and non-controlling interests in jointly controlled entities (joint ventures)**

The proportionate share of profit (loss) after tax and non-controlling interests in joint ventures is recognised in the income statement in the individual financial statements.

Dividends from investments in the separate financial statements

Dividends from investments in jointly controlled entities (joint ventures) are credited to the income statement in the financial year in which they are declared. Dividends are recognised in operating profit, as Monberg & Thorsen is a holding company.

Administrative expenses

Administrative expenses comprise expenses for management, including salaries, office expenses, depreciation, etc.

Finance income and costs

Finance income and costs comprise interest income and expense, dividends from other equity investments and realised and unrealised gains and losses on financial assets and transactions denominated in foreign currencies and income tax surcharges and refunds.

Income tax

Income tax expense, which consists of current tax and changes in deferred tax, is recognised in profit (loss) for the year or other comprehensive income and consequently directly in equity.

Current tax comprises both Danish and foreign income taxes as well as adjustments relating to prior year taxes.

Balance sheet**Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises purchase price and any costs directly attributable to the acquisition until the date the asset is available for use.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life to the expected residual value.

The expected useful lives of fixtures and operating equipment are 3-12 years.

NOTES TO THE FINANCIAL STATEMENTS (DKK million)

Investments in jointly controlled entities (joint ventures) in the individual financial statements

Investments in joint ventures are measured using the equity method. Accordingly, investments are measured at the proportionate share of the entities' net assets, determined applying the accounting policies.

Joint ventures with a negative carrying amount are recognised at nil. If the owner company has a legal or constructive obligation to cover the entity's negative balance, the negative balance is offset against receivables from the entity. Any balance is recognised in provisions.

Investments in the separate financial statements

Investments in jointly controlled entities (joint ventures) are measured at cost. Investments are written down to the recoverable amount, if this is lower than the carrying amount.

Other investments

Other non-current receivables are measured at amortised cost less impairment losses.

Other equity investments are measured at fair value at the reporting date.

Receivables

Receivables are measured at amortised cost. An impairment loss is recognised if there is an objective indication of impairment of a receivable.

Prepayments and deferred income

Prepayments are recognised as receivables, and deferred income is recognised as current liabilities. Prepayments and deferred income include expenses incurred or income received during the year in respect of subsequent financial years.

Securities

Listed securities, which are monitored, measured and reported at fair value on an ongoing basis in accordance with Monberg & Thorsen's investment practice, are recognised at the trade date at fair value within current assets and subsequently measured at fair value. Changes in fair value are recognised in the income statement as finance income or costs in the period in which they occur.

Equity

Dividends

Dividends are recognised as a liability at the date of their adoption at the Annual General Meeting. Proposed dividends are disclosed as a separate item in equity.

Current tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for taxes paid on account, etc.

Deferred tax liabilities and deferred tax assets are measured using the balance sheet liability method, providing for all temporary differences between the tax base of an asset or liability and its carrying amount in the balance sheet. The measurement is based on the planned use of the asset or settlement of the liability, and on the relevant tax rules.

Deferred tax assets, including the value represented by tax loss carryforwards, are recognised at the value at which it is expected that they can be utilised

Deferred tax is measured on the basis of the tax rules and the tax rates effective according to the legislation at the time the deferred tax is expected to crystallise as current tax. The effect of changes in deferred tax due to changed tax rates is recognised in comprehensive income for the year.

Financial liabilities

Bank loans, etc., are recognised at inception at fair value net of transaction costs incurred. Subsequent to initial recognition, financial liabilities are measured at amortised cost, equivalent to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, comprising trade payables, payables to jointly controlled entities and other payables, are measured at amortised cost.

Statement of cash flows

The statement of cash flows shows cash flows for the year, broken down by operating, investing and financing activities, and the effects of these cash flows on cash and cash equivalents.

The cash flow effect of acquisitions and disposals of enterprises is disclosed separately in cash flows from investing activities. Cash flows from acquisitions are recognised in the statement of cash flows from the date of acquisition and cash flows from disposals are recognised up to the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are determined using the indirect method, whereby operating profit is adjusted for the effects of non-cash operating items, changes in working capital, and net finance costs and income taxes paid.

Cash flows for investing activities

Cash flows for investing activities comprise payments in connection with acquisition and disposal of non-current assets and purchase and sale of securities that are not recognised as cash and cash equivalents.

Cash flows from financing activities

Cash flows from financing activities comprise payments to and from shareholders, including payment of dividends and increases and decreases in non-current borrowings.

Cash and cash equivalents

Cash and cash equivalents comprise cash and cash equivalents less current portion of bank loans, etc.

Segment information

Following the divestment of Dyrup at the start of 2012,

the activities of Monberg & Thorsen consist solely of the ownership interest in the jointly controlled entity MT Højgaard, in which the ownership interest is 46%. From and including 2014, the investment will be recognised using the equity method (one-line consolidation), and a separate segment overview has consequently not been prepared.

NOTES TO THE FINANCIAL STATEMENTS (DKK million)

DEFINITIONS OF FINANCIAL RATIOS USED

Return on invested capital (ROIC)	$\frac{\text{Operating profit (EBIT)} \times 100}{\text{Average invested capital}}$
Return on equity (ROE)	$\frac{\text{Profit after tax} \times 100}{\text{Average equity}}$
Invested capital	Invested capital represents the capital invested in operating activities, i.e. the assets that generate income. Invested capital is measured as the sum of equity and net interest-bearing deposit/debt
Equity ratio	$\frac{\text{Equity, year end} \times 100}{\text{Liabilities, year end}}$
Earnings per share (EPS)	$\frac{\text{Profit for the year after tax}}{\text{Average number of shares}}$
Price earnings (P/E)	$\frac{\text{Market price, year end}}{\text{Earnings per share}}$
Payout ratio	$\frac{\text{Total dividends} \times 100}{\text{Profit after tax}}$

Financial ratios

Financial ratios have been prepared in accordance with 'Recommendations & Financial Ratios 2010' published by the Danish Society of Financial Analysts.

NOTES TO THE FINANCIAL STATEMENTS (DKK million)

Note 2

Accounting estimates and judgements**Estimation uncertainty**

Determining the carrying amounts of some assets and liabilities requires estimation of the effects of future events on the values of those assets and liabilities at the reporting date.

The estimates applied are based on assumptions which are sound, in management's opinion, but which, by their nature, are uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unforeseen events or circumstances may occur. Moreover, the company is subject to risks and uncertainties that may cause the actual results to differ from these estimates.

It may be necessary to revise previously made estimates due to changes in underlying factors or due to new knowledge or subsequent events.

Estimates that are critical to the financial reporting relate primarily to the measurement of the investment in jointly controlled entities, as this investment accounts for a significant proportion of total assets. The valuation of jointly controlled entities is tested if events or other circumstances indicate that the carrying amount is not recoverable.

	SEPARATE FIN. STATEMENTS		INDIVIDUAL FIN. STATEMENTS	
	2013	2014	2014	2013

Note 3

Monberg & Thorsen's administrative expenses are affected by expenses of DKK 5 million in 2014 and DKK 25 million in 2013 relating to a review of the guarantees provided in connection with the divestment of Dyrup, see the further details on this provided in note 17. The expenses relate particularly to Dyrup's manufacturing facilities in France, partly because, for several years, Dyrup erroneously did not have the correct CEVESO production permit.

Fees paid to auditor appointed at the Annual General Meeting (Ernst & Young)

Audit fees	0.3	0.3	0.3	0.3
Other assurance engagements	0	0	0	0
Tax and VAT advice	0	0	0	0
Non-audit services	0	0	0	0
Total remuneration to Ernst & Young	0.3	0.3	0.3	0.3

Note 4

Finance income

Securities - measured at fair value	0	1.1	1.1	0
Interest, cash and cash equivalents, etc.	0.8	0.3	0.3	0.8
Total finance income	0.8	1.4	1.4	0.8

Interest, cash and cash equivalents, etc., relate to assets measured at amortised cost.

Note 5

Finance costs

Interest	0	0	0	0
Foreign exchange losses	0	0.2	0.2	0
Capital losses on securities	0	0.8	0.8	0
Total finance costs	0	1.0	1.0	0

Interest relates to interest on loans measured at amortised cost.

Note 6

Income tax

Current tax	0	0	0	0
Changes in deferred tax	0	0	0	0
Prior year adjustments	0	0	0	0
Total income tax	0	0	0	0

Reconciliation of tax rate (%)

Danish tax rate	25	25	25	25
Non-taxable items, etc.	-20	-13	-13	-20
Other, including prior year adjustments	-5	-12	-12	-5
Effective tax rate (%)	0	0	0	0

NOTES TO THE FINANCIAL STATEMENTS (DKK million)

	SEPARATE FIN. STATEMENTS		INDIVIDUAL FIN. STATEMENTS	
	2013	2014	2014	2013
Note 15				
Deferred tax				
Deferred tax, net, at 01.01.	0	0	0	0
Change through the income statement	0	0	0	0
Deferred tax, net, at 31.12.	0	0	0	0
Deferred tax can be broken down as follows:				
Deferred tax assets				
Tax loss carryforwards	13.2	17.2	17.2	13.2
Non-capitalised portion	-13.2	-17.2	-17.2	-13.2
Carrying amount at 31.12.	0	0	0	0
Deferred tax liabilities				
Carrying amount at 31.12.	0	0	0	0
Deferred tax, net, at 31.12.	0	0	0	0

Deferred tax has been calculated using the tax rates expected to be effective at the date of realisation.

The tax loss carryforwards may be carried forward indefinitely and may be utilised against future earnings. The loss is not expected to be used in the coming years due to the current low interest rate level.

Note 16**Security arrangements**

Cash includes an amount of EUR 0.5 million deposited in an escrow account at 31.12.14 in connection with the divestment of Dyrup to cover guarantees and indemnities provided, see note 17.

Note 17**Contingent liabilities****Indemnities**

In relation to the divestment of Dyrup, Monberg & Thorsen has provided normal and customary guarantees to the buyer. The guarantees include a guarantee that Dyrup has operated its business legally in every respect, i.e. that Dyrup has complied with all laws and regulations in relation to, for example, working conditions, competition law, indirect and direct taxes, environment, etc. The principal guarantees relating to tax and environmental aspects have a term of up to seven years, i.e. until 5 January 2019. As collateral for the performance of these guarantees, Monberg & Thorsen has deposited EUR 0.5 million of the sales proceeds in an escrow account at 31.12.14.

Monberg & Thorsen A/S is not involved in any litigation.

Note 18**Related parties**

The company has a controlling related party relationship with Ejnar og Meta Thorsens Fond.

Related parties with significant influence comprise the members of the companies' Boards of Directors and Executive Boards.

Monberg & Thorsen's related parties also include jointly controlled entities in which Monberg & Thorsen has control or significant influence.

All related party transactions during the year were entered into in the ordinary course

	SEPARATE FIN. STATEMENTS		INDIVIDUAL FIN. STATEMENTS	
	2013	2014	2014	2013

of business and based on arm's length terms.

Management remuneration is disclosed in note 7.

Monberg & Thorsen did not have any balances with jointly controlled entities at 31.12.2014.

Monberg & Thorsen's dividends from jointly controlled entities are disclosed in the income statement.

Note 19**Financial risks**

Monberg & Thorsen's only assets are its investment in the jointly controlled entity MT Højgaard, its portfolio of listed corporate bonds and cash and cash equivalents.

Interest rate risks

Interest rate risks relate to cash and cash equivalents and securities.

Cash and cash equivalents and securities stood at DKK 230 million at the end of 2014 and were mainly placed on bank accounts and in bonds with a maturity of less than two years at the end of 2014.

Changes in fair value: All other conditions being equal, the hypothetical effect on profit (loss) for the year and equity at 31 December 2014 of a one percentage point increase in relation to the interest rate level at the reporting date would have been a DKK 1.7 million increase (2013: increase of DKK 2.2 million). A one percentage point decrease in the interest rate level would have had a corresponding opposite effect.

Changes in cash flows: All other conditions being equal, the hypothetical positive effect of a one percentage point increase in relation to the interest rate level realised for the year on the floating-rate cash and cash equivalents and securities would have been a DKK 2.0 million increase in profit (loss) for the year and equity at 31 December 2014 (2013: increase of DKK 2.8 million). A one percentage point decrease in the interest rate level would have had a corresponding opposite effect.

Currency risks

Part of cash and cash equivalents and the bond portfolio is denominated in EUR. At 31.12.14, 83% of the total securities portfolio was denominated in EUR.

Changes in EUR exchange rate

All other conditions being equal, the hypothetical effect on profit (loss) for the year and equity at 31 December 2014 of a one percentage point increase in the EUR-DKK exchange rate would have been a DKK 1.3 million increase (2013: increase of DKK 1.0 million). A one percentage point decrease in the exchange rate would have had a corresponding negative effect.

Liquidity risks

Financial resources consist of cash and cash equivalents and securities. At the end of 2014, financial resources stood at DKK 226 million, excluding the amount deposited as collateral in respect of indemnities and guarantees in connection with the divestment of Dyrup. At 31.12.2013, the corresponding financial resources were DKK 151 million.

Based on the expectations concerning the future operations and the current cash resources, no material liquidity risks have been identified. Monberg & Thorsen has no interest-bearing debt.

Trade payables can be broken down as follows:

Trade payables	0.4	0.4	0.4	0.4
Total carrying amount	0.4	0.4	0.4	0.4

NOTES TO THE FINANCIAL STATEMENTS (DKK million)

	SEPARATE FIN. STATEMENTS		INDIVIDUAL FIN. STATEMENTS	
	2013	2014	2014	2013

The trade payables are all due within one year.

Categories of financial instruments

Carrying amount by category:

Financial assets measured at fair value through the income statement	0	206.8	206.8	0
Loans, receivables and cash and cash equivalents	288.2	29.3	29.3	288.2
Financial liabilities measured at fair value through the income statement	0	0	0	0
Financial liabilities measured at amortised cost	39.5	3.8	3.8	39.5

Fair value hierarchy for financial instruments measured at fair value in the balance sheet

Listed corporate bonds are valued based on quoted prices (Level 1).

Note 20

Capital management

The need for alignment of the capital structure is reviewed on an ongoing basis to ensure that the capital position complies with current regulations and is aligned to the business concept and the level of activity. According to the internal policy, equity must, as a rule, cover total non-current assets and provide an adequate equity ratio. The equity ratio was 99% at the end of 2014 compared with 95% at the end of 2013.

Note 21

New International Financial Reporting Standards and IFRIC Interpretations

The IASB has issued a number of standards and interpretations that are not mandatory for Monberg & Thorsen in connection with the preparation of the annual report for 2014. None of the standards and interpretations issued is expected to have a material effect on recognition and measurement in Monberg & Thorsen's financial statements.

Note 22

Events after the reporting date

So far as management is aware, no events have occurred between 31.12.14 and the date of signing of the annual report that will have a material effect on the assessment of Monberg & Thorsen's financial position at 31.12.14, other than the effects recognised and referred to in the annual report.

Note 23

Segment information

Monberg & Thorsen is a listed Danish holding company. Its sole activity is the ownership of the investment in the jointly controlled entity MT Højgaard. The ownership interest is 46%.

Note 24

Accounting effect of changes in accounting policies

The accounting effect of the implementation of IFRS 10 and IFRS 11 in the individual financial statements is as follows:

Year 2013

DKK million	Current practice	Adjustments	New practice
Statement of comprehensive income			
Revenue	3,384.8	-3,384.8	0
Production costs	3,104.4	-3,104.4	0
Gross profit (loss)	280.4	-280.4	0
Share of profit (loss) after tax and non-controlling interests in jointly controlled entities, MT Højgaard	0	15.3	15.3
Distribution costs	59.4	-59.4	0
Administrative expenses	177.7	-145.1	32.6
Operating profit (loss)	43.3	-60.6	-17.3
Net finance costs	-11.3	12.1	0.8
Profit (loss) before tax	32.0	48.5	-16.5
Income tax expense	48.5	-48.5	0
Profit (loss) for the period	-16.5	0	-16.5
Other comprehensive income	5.4	0	5.4
Comprehensive income for the period	-11.1	0	-11.1

Statement of cash flows

Operating activities	-12.1	-8.6	-20.7
Investing activities	291.2	-127.7	163.5
Financing activities	6.5	-13.7	-7.2
Net increase (decrease) in cash and cash equiv.	285.6	-150.0	135.6
Cash and cash equivalents, start of period	70.8	81.7	152.5
Cash and cash equivalents, end of period	356.4	-68.3	288.1

31 December 2013 1 January 2013

DKK million	Current practice	Adjust- ments	New practice	New practice
Balance sheet				
Intangible assets	71.4	-71.4	0	0
Property, plant and equipment	262.3	-262.3	0	0
Investments	146.1	367.2	513.3	354.6
Inventories	288.7	-288.7	0	0
Trade receivables	801.5	-801.5	0	0
Construction contracts in progress	34.1	-34.1	0	0
Other receivables	53.3	-53.3	0.1	6.3
Securities and cash and cash equivalents	479.9	-191.7	288.1	454.0
Total assets	<u>2,137.3</u>	<u>-1,335.8</u>	<u>801.5</u>	<u>814.9</u>
Equity	761.8	0	761.8	780.1
Bank loans, etc., long-term	80.0	-80.0	0	0
Non-current liabilities	149.8	-149.8	0	0
Bank loans, etc., short-term	67.2	-67.2	0	0
Construction contracts in progress	274.1	-274.1	0	0
Trade payables	352.8	-352.4	0.4	2.4
Other current liabilities	451.6	-412.3	39.3	32.4
Total equity and liabilities	<u>2,137.3</u>	<u>-1,335.8</u>	<u>801.5</u>	<u>814.9</u>

THE COMPANY'S FOUNDERS



Axel Monberg
1893 - 1971



Ejnar Thorsen
1890 - 1965



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