

Preface



MT Højgaard enjoyed a very high level of activity again in 2007. We delivered the best result in the Group's history, and we are well equipped for the future.

The building and civil works market was at a historically high level in 2007, and we expect a fall-off to a more normal level in 2008 due to a slowdown in market conditions. We can see the beginnings of a declining trend, particularly in residential construction. However, this is offset by growth in our international business. MT Højgaard entered 2008 with an overall order book on a par with last year.

Our financial performance in 2007 was in line with the original outlook for the year, after adjusting for the change in accounting policy relating to recognition of project development cases and the raised profit outlook as a result of the sale of our ownership interest in the crane company BMS.

We aim to be the leading building and construction company in Denmark. That is why we are continuously setting ourselves new targets. We expect to meet the pre-tax margin target in our 2010 strategy plan already in 2008, and in 2008 we will develop the strategy that will form the basis for fulfilment of our ambitions to increase our pre-tax margin still further. In order of priority, we will focus on increased profitability and profitable growth.

We have launched a number of pro-active initiatives aimed at underpinning earnings at a satisfactory level. These include our risk management model, which has been incorporated as an integral part of our business management during the tendering process as well as the performance process – an important element. A number of policies and guidelines form the framework for our risk management, in parallel with comprehensive risk management training of our employees.

We have set a number of corporate targets that we have broken down into sub-targets for each entity. These include both financial targets and targets in other areas. One of the areas to which we give very high priority is occupational health and safety. In 2007, we achieved our target

and had our occupational health and safety certificate renewed once more. We have tightened our occupational health and safety targets still further for 2008.

The organisation has been developed so that the structure is unambiguous, with countrywide construction, civil works and utility services activities, entirely in keeping with our strategy to be countrywide and local.

Business area International is developing successfully within MT Højgaard's core capabilities, 2007 revenue amounting to more than twice the 2006 figure. We foresee sustained growth in this area in 2008.

Our subsidiaries are developing in accordance with the strategy plans. The market position was strengthened generally, and the earnings trend was positive.

In November 2007, we sold our 50% ownership interest in the crane company BMS, which is working towards further Scandinavian consolidation in its business area. The sale was consequently entirely in line with our strategy to dispose of activities that fall outside MT Højgaard's strategic focus and of which we are consequently no longer the best owner. This also applied to the UK subsidiary Composite Limited, which we sold to its local management in the first quarter of 2007.

MT Højgaard is a knowledge-intensive enterprise, and our employees are our most important asset. Their knowledge, skills, commitment and enthusiasm form the basis for MT Højgaard's performance and values. I am very grateful to our employees for their tremendous efforts and achievements. In 2008, we will focus on further strengthening the all important company-wide collaboration that is necessary in a company such as ours, in which knowledge and knowledge sharing are vital.

Kristian May
President and CEO