

1 January – 30 June 2018

SKAKO

INTERIM REPORT Q2 2018



KEY FIGURES AND FINANCIAL RATIOS – DKK

INCOME STATEMENT, DKK THOUSANDS	Q2 2018	Q2 2017	H1 2018	H1 2017	Year 2017
Revenue	82,622	88,766	159,639	176,053	350,375
Gross profit	17,038	21,542	30,355	42,267	83,801
Operating profit (EBIT)	186	4,915	(2,227)	7,720	20,237
Net financial items	(747)	(682)	(1,527)	(1,324)	(2,818)
Profit before tax	(561)	4,233	(3,754)	6,396	(6,712)
Profit for the period	(640)	4,239	(3,912)	6,610	(6,160)
BALANCE SHEET, DKK THOUSANDS					
Non-current assets	39,090	69,345	39,090	69,345	38,912
Current assets	199,946	192,400	199,946	192,400	200,152
Assets	262,375	261,745	262,375	261,745	261,414
Equity	91,517	108,573	91,517	108,573	95,701
Non-current liabilities	3,358	12,326	3,358	12,326	3,483
Current liabilities	159,204	140,846	159,204	140,846	152,894
Net interest-bearing debt	23,124	20,276	23,124	20,276	25,956
Net working capital	88,889	87,669	88,889	87,669	99,242
OTHER KEY FIGURES, DKK THOUSANDS					
Investment in intangible and tangible assets	43	1,009	1,249	2,445	4,480
Cash flow from operating activities (CFFO)	12,744	5,922	5,037	(1,047)	(9,060)
Free cash flow	12,701	4,913	3,788	(3,492)	(16,547)
Average number of employees	198	189	198	189	182
FINANCIAL RATIOS					
Gross profit margin	20.6%	24.3%	19.0%	24.0%	23.9%
Profit margin (EBIT margin)	0.2%	5.5%	(1.4%)	4.4%	5.8%
Liquidity ratio	125.6%	136.6%	125.6%	136.6%	130.9%
Equity ratio	34.9%	41.5%	34.9%	41.5%	36.6%
Return on equity	(16.7%)	17.9%	(16.7%)	17.9%	(6.2%)
Financial leverage	25.3%	18.7%	25.3%	18.7%	27.1%
NWC/revenue	26.6%	26.5%	26.6%	26.5%	28.3%
Earnings per share, DKK	(0.21)	1.37	(1.27)	2.14	(2.00)
Equity value per share, DKK	29.5	35.0	29.5	35.0	30.8
Share price, DKK	85.2	76.0	85.2	76.0	91.0
Price-book ratio	2.9	2.2	2.9	2.2	3.0
Market capitalisation, DKK thousands	264,667	236,087	264,667	236,087	282,684
ADDITIONAL NUMBERS, DKK THOUSANDS					
Order backlog	122,465	109,262	122,465	109,262	72,775

Financial ratios are calculated in accordance with "Recommendations and Financial Ratios 2015" from the Danish Society of Financial Analysts. Net working capital is calculated as Inventory, Trade receivables and Work in progress for third parties less Prepayments from customers and Trade payables. Backlog represents anticipated revenue from contracts or orders executed but not yet completed or performed in full, and the revenue that is expected to be recognized in the future.

KEY FIGURES AND FINANCIAL RATIOS – EUR*

INCOME STATEMENT, EUR THOUSANDS	Q2 2018	Q2 2017	H1 2018	H1 2017	Year 2017
Revenue	11,094	11,938	21,435	23,678	47,046
Gross profit	2,288	2,897	4,076	5,685	11,252
Operating profit (EBIT)	25	661	(299)	1,038	2,717
Net financial items	(100)	(92)	(205)	(178)	(378)
Profit before tax	(75)	569	(504)	860	(901)
Profit for the period	(86)	570	(525)	889	(827)
BALANCE SHEET, EUR THOUSANDS					
Non-current assets	5,245	9,325	5,245	9,325	5,221
Current assets	26,829	25,872	26,829	25,872	26,857
Assets	35,206	35,197	35,206	35,197	35,077
Equity	12,280	14,600	12,280	14,600	12,841
Non-current liabilities	451	1,657	451	1,657	467
Current liabilities	21,362	18,940	21,362	18,940	20,516
Net interest-bearing debt	3,103	2,727	3,103	2,727	3,483
Net working capital	11,927	11,789	11,927	11,789	13,317
OTHER KEY FIGURES, EUR THOUSANDS					
Investment in intangible and tangible assets	6	136	168	329	601
Cash flow from operating activities (CFFO)	1,710	796	676	(141)	(1,216)
Free cash flow	1,704	661	508	(470)	(2,220)
Average number of employees	198	189	198	189	182
FINANCIAL RATIOS					
Gross profit margin	20.6%	24.3%	19.0%	24.0%	23.9%
Profit margin (EBIT margin)	0.2%	5.5%	(1.4%)	4.4%	5.8%
Liquidity ratio	125.6%	136.6%	125.6%	136.6%	130.9%
Equity ratio	34.9%	41.5%	34.9%	41.5%	36.6%
Return on equity	(16.7%)	17.9%	(16.7%)	17.9%	(6.2%)
Financial leverage	25.3%	18.7%	25.3%	18.7%	27.1%
NWC/revenue	26.6%	26.5%	26.6%	26.5%	28.3%
Earnings per share, EUR	(0.03)	0.18	(0.17)	0.29	0.72
Equity value per share, EUR	4.0	4.7	4.0	4.7	4.4
Share price, EUR	11.4	10.2	11.4	10.2	12.4
Price-book ratio	2.9	2.2	2.9	2.2	2.8
Market capitalisation, EUR thousands	35,514	31,747	35,514	31,747	37,931
ADDITIONAL NUMBERS, EUR THOUSANDS					
Order backlog	16,433	14,695	16,433	14,695	9,765

*On the translation of key figures and financial ratios from Danish kroner to euro, Danmarks Nationalbank's rate of exchange at 30 June 2018 of 745.25 has been used for balance sheet items, and the average rate of exchange of 744.75 has been used for income statement and cash flow items.

Backlog represents anticipated revenue from contracts or orders executed but not yet completed or performed in full, and the revenue that is expected to be recognized in the future.

MANAGEMENT STATEMENT

We have considered and approved the interim report of SKAKO A/S for the period 1 January – 30 June 2018.

The interim report, which has not been audited or reviewed by our auditors, has been prepared in accordance with IAS 34 *Interim financial reporting*, as adopted by the European Union and accounting policies set out in the annual report for 2017 of SKAKO A/S. Furthermore, the interim report for the period 1 January – 30 June 2018 has been prepared in accordance with additional Danish disclosure requirements for interim reports of listed companies.

In our opinion, the interim financial report gives a true and fair view of the Group's assets, liabilities and financial position on 30 June 2018 and of the results of the Group's operations and cash flows for the first six months of 2018.

We also believe that the Management commentary contains a fair review of the development in the Group's business and financial position, the results for the period and the Group's financial position as a whole as well as a description of the principal risks and uncertainties facing SKAKO.

Faaborg, 31 August 2018

Executive Board

Søren Pedersen
Director

Lionel Girieud
Director

Board of Directors

Jens Wittrup Willumsen
Chairman

Christian Herskind Jørgensen
Deputy Chairman

Carsten Krogsgaard Thomsen

Lars Tveen

Samuel Waldorph Andreassen

HIGHLIGHTS

Group order intake in H1 2018 increased by 18.8% compared to H1 2017 while revenue declined by 9.3%. At the beginning of Q3 2018 the order backlog amounts to DKK 122.5m, which is an increase of 68.3% compared to the beginning of 2018, where the order backlog was DKK 72.8m.

The EBIT result amounted to a loss of DKK 2.2m compared to a positive EBIT result of DKK 7.7m in H1 2017. The reduction in EBIT is explained by one-time extra costs from reorganization of Group management and profit impact from lower revenue and gross margin. The low revenue can be explained by a low order backlog in the beginning of the year and large projects starting later than expected. The lower gross margin is caused by the product mix in the Group while the Concrete Division realized one-time extra costs for finalizing some plant projects.

The Group could partly compensate the lower gross profit by reducing its distribution and administration costs by DKK 2.0m compared to the same period last year.

As announced in company announcement 10/2018, SKAKO Concrete has finalized the restructuring process that was initiated in Q4 2017. We have reached a sales agreement for the production building in Lille, and the sale is expected to be concluded in Q4 2018 with an expected positive cash flow of DKK 14.5-15.0m.

As announced in company announcement 12/2018, we have lowered our guidance for 2018.

We are now guiding for an operating profit (EBIT) of DKK 15-20m.

The lowered guidance is primarily driven by results below the expected in the Concrete Division where the impact on EBIT from lower than expected revenue due to later than expected signing of key orders and one-time extra costs for finalizing some plant projects amounts to DKK 9m. Restructuring of Group Management has an effect of DKK 1m on the expected EBIT.

ABOUT SKAKO

The SKAKO Group has two business areas:

- SKAKO Vibration: Vibratory feeding, conveying and screening equipment
- SKAKO Concrete: Concrete batching plants for ready-mix, precast and jobsite plants

SKAKO Vibration

SKAKO Vibration develops, designs and sells high-end vibratory feeding, conveying, and screening equipment, used across the complete spectrum of material handling and processing. Our main focus is on plant sales with a solid after sales division.

Our production facilities are in Faaborg in Denmark and Strasbourg in France and the products are based on application know-how and own developed technology.

The global market is penetrated using a niche strategy with a sector-driven focus. We are strong within the automotive sector, the mining sector and especially the phosphate mining sector. The main markets are EU and North Africa. We have strong focus on expanding in Morocco to support our significant growth within supplying to the phosphate mining sector. Focus is also on becoming one of the leading global participants in the automotive industry.

SKAKO Concrete

SKAKO Concrete develops, designs and sells a versatile high-end product range of all types of concrete batching plants for ready-mix, precast and jobsite plants. Our main focus is on plant sales with a strong after sales division.

Our production facility is in Faaborg in Denmark, and the products are based on own developed technology.

MANAGEMENT COMMENTARY

Performance review

	Q2 2018	Q2 2017	Change	H1 2018	H1 2017	Change
DKK THOUSANDS						
Revenue	82,622	88,766	(6.9%)	159,639	176,053	(9.3%)
Production costs	(65,584)	(67,224)	(2.4%)	(129,284)	(133,786)	(3.4%)
Gross profit	17,038	21,542	(20.9%)	30,355	42,267	(28.2%)
<i>Gross profit margin</i>	<i>20.6%</i>	<i>24.3%</i>	<i>(3.7pp)</i>	<i>19.0%</i>	<i>24.0%</i>	<i>(5.0pp)</i>
Distribution costs	(9,548)	(9,791)	(2.5%)	(19,349)	(20,412)	(5.2%)
Administrative expenses	(7,304)	(6,836)	6.8%	(13,233)	(14,135)	(6.4%)
Operating profit (EBIT)	186	4,915	(97.6%)	(2,227)	7,720	(149.1%)
<i>Profit margin (EBIT margin)</i>	<i>0.2%</i>	<i>5.5%</i>	<i>(5.3pp)</i>	<i>(1.4%)</i>	<i>4.4%</i>	<i>(5.8pp)</i>
Profit for the period	(640)	4,239	(115.1%)	(3,912)	6,610	(159.2%)
Order backlog beginning of period	78,238	98,560	(20.6%)	72,775	109,103	(33.3%)
Order intake	126,849	99,468	27.5%	209,329	176,212	18.8%
Revenue	82,622	88,766	(6.9%)	159,639	176,053	(9.3%)
Order backlog end of period	122,465	109,262	12.1%	122,465	109,262	12.1%

Revenue

Revenue decreased by 6.9 % in Q2 2018 and by 9.3 % in H1 2018 compared to the same periods last year. The decrease in H1 2018 was caused by a decrease in the Concrete Division where revenue declined by 20.8 %, while the Vibration Division experienced a growth of 1.3 % in revenue. The decline in revenue in the Concrete Division is primarily explained by the low order backlog entering 2018 as explained in the Annual Report 2017, and that the construction of large plant projects has started later than expected.

The delayed construction of large plant projects is expected to have a negative influence on the revenue for 2018 as some of the revenue from these projects will be shifted to 2019.

Revenue, DKK millions	Concrete				Vibration				Group*	
	H1 2018	H1 2017	Change	Year 2017	H1 2018	H1 2017	Change	Year 2017	H1 2018	Year 2017
Plants	28.0	52.5	(46.7%)	98.1	67.7	76.2	(11.2%)	117.9	94.5	212.8
Aftersales	40.9	34.5	18.5%	76.8	25.0	15.3	63.4%	62.9	65.1	137.6
Total	68.9	87.0	(20.8%)	174.9	92.7	91.5	1.3%	180.8	159.6	350.4

* After eliminations

Gross profit

Production costs decreased by 2.4% in Q2 2018 and by 3.4% in H1 2018 compared to the same periods last year. This led to a gross profit margin of 20.6% in Q2 2018 (24.3% in Q2 2017) and 19.0% in H1 2018 (24.0% in H1 2017). The decrease in gross profit margin is mainly due to costs for finalizing some plant projects in the Concrete Division, but also change in product mix and extra costs from reorganization of Group management affect the gross margin for the Group. It is our clear assessment that we should be able to realise higher margins on our products in Concrete in the future. We have implemented updated project management procedures to achieve this target. Overall, we have seen a positive development in Q2 2018 compared to Q1 2018 and expect this development to continue through Q3 and Q4 of 2018.

MANAGEMENT COMMENTARY - continued

Capacity costs

Distribution costs decreased by 2.5% in Q2 2018 and by 5.2% in H1 2018. Administrative expenses increased by 6.8% in Q2 2018 and decreased by 6.4 % in H1 2018. The increase in Q2 2018 is caused by one-time extra costs related to reorganization of Group management as announced in the company announcement 9/2018. The overall decrease in capacity costs confirms the company's ability to harvest both the expected lower costs from the restructuring project in Concrete France, and the general focus on improving the company's cost positions and efficiency.

Operating profit

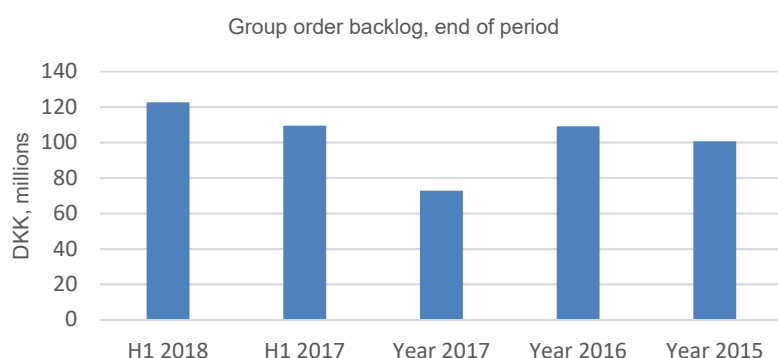
Operating profit (EBIT) for H1 2018 amounted to a loss of DKK 2.2m compared to a profit of DKK 7.7m in H1 2017. As seen above, the deviation can be explained by the negative impact from lower revenue and gross margin, which only partly could be compensated by lower distribution and administration costs.

Order intake and backlog

In H1 2018 order intake was 209,329k, which is an increase by 18.8% compared to the same period last year.

Order intake in H1 2018 for the Concrete Division was DKK 126,938k compared to DKK 87,460k in H1 2017 and order intake in H1 2018 for the Vibration division was DKK 84,447k compared to DKK 91,273k in H1 2017.

The Group order backlog at the beginning of Q3 2018 increased by DKK 13.2m to DKK 122.5m which is a growth of 12.1% compared to the order backlog at the beginning of Q3 2017. Compared to the order backlog at the beginning of 2018 the order backlog has increased by 68.3%.



The improved order intake and backlog is primarily caused by a major project in the Concrete Division as announced in the company announcement 24/2017 and confirmed on 9 May 2018. The decrease in the order intake in the Vibration Division is explained by delayed signing of some large plant orders.

Order intake, DKK millions	Concrete				Vibration				Group*	
	H1 2018	H1 2017	Change	Year 2017	H1 2018	H1 2017	Change	Year 2017	H1 2018	Year 2017
Order book, beginning	24.1	45.7	(47.3%)	46.6	48.7	64.1	(24.0%)	64.1	72.8	109.1
Order intake	126.9	87.5	45.0%	152.4	84.4	91.3	(7.6%)	165.4	209.3	314.1
Revenue	(68.9)	(87.0)	(20.8%)	(174.9)	(92.7)	(91.5)	1.3%	(180.8)	(159.6)	(350.4)
Order book, ending	82.1	46.2	77.7%	24.1	40.4	63.9	(36.8%)	48.7	122.5	72.8

*After eliminations

Cash flow developments

In the first half year, the Group generated cash flow from operating activities (CFFO) of DKK 5,037k, or 581 % growth on the same period last year (DKK -1,047 in H1 2017). The positive development in CFFO is primarily caused by pre-payments from large plant projects. Long payment terms on plant projects in Morocco and delays caused by national monetary policies in Morocco still have negative influence on the Group's CFFO and net working capital. However, we are confident in receiving the payments.

As announced in company announcement 10/2018, the sale of the production building in France is expected to be concluded in Q4 of 2018 with an expected positive cash flow of DKK 14.5 – 15.0m.

MANAGEMENT COMMENTARY - continued

Accounting policies as well as financial estimates and assumptions

The interim report has been prepared in accordance with IAS 34, *Interim financial reporting*, as adopted by the EU and further Danish disclosure requirements in respect of interim reports for listed companies.

The accounting policies used for the interim report are the same as the accounting policies used for Annual Report 2017 to which we refer for a full description. The Group has adopted all new, amended and revised accounting standards and interpretations as published by the IASB and adopted by the EU effective for the accounting period beginning on 1 January 2018. The implementation of such standards and interpretations has not had any significant impact on the consolidated financial statements for the first six months of 2018.

Compared with the description in Annual Report 2017, there have been no changes in the accounting estimates and assumptions made by Management in the preparation of the interim report. We refer to the notes to the annual Report 2017 for a description of significant estimates and assessments.

With effect from 1 January 2018 SKAKO A/S has implemented the following new or changed standards and interpretations:

- IFRS 9: Financial Instruments
- IFRS 15: Revenue from contracts and customers

When implementing IFRS 9 from 1 January 2018, comparative figures have not been adjusted. The effect of the implementation of IFRS 9 is considered immaterial. The effect of implementation is also considered immaterial to the Interim report Q2 2018.

When implementing IFRS 15 from 1 January 2018, comparative figures have not been adjusted. SKAKO A/S considers the presented figures already compliant with IFRS 15.

Due to the implementation of IFRS 9 and 15, accounting policies have been changed in the following areas:

- Impairment of receivables is measured using an expected credit loss on receivables (IFRS 9).
- According to IFRS 15 the previous "risk and rewards" framework is replaced by a control framework. This means that revenue from a sales transaction is recognized when (at a point in time) or as (over time) control of a good or plant project is transferred to a customer. For sale of goods and plant projects in SKAKO A/S this transition to change of control has no impact on revenue recognition. Revenue is measured according to IFRS 15 to the amount SKAKO A/S expects to receive from the customer for the delivery of goods or plant projects in the same way as for previous standards. Therefore, this change has no implications. SKAKO A/S uses the following five criteria when recognizing and measuring revenue according to IFRS 15 step; (i) identify the contract with the customer; (ii) identify what delivery obligations the contract contains; (iii) determine the transaction price; (iv) allocate the transaction price to identified delivery obligations; (v) recognize revenue when (at a point in time) or as (over time) SKAKO A/S fulfils the obligations towards the customer.

IFRS 16 Leases, requires lessees to recognise nearly all leases on the balance sheet. Management is in the process of evaluating the expected future impact of the application of IFRS 16 on the amounts reported and disclosed by the Group. Management expects the implementation of this standard to have a limited impact on the recognition of tangible assets and financial debt on the balance sheet. The standard is also expected to have a limited impact on the classification of expenses in the income statement, the classification of cash flows in the cash flow statement as well as the related key figures. IFRS 16 is effective for financial years beginning on or after 1 January 2019.

Events after the balance sheet date

There have been no events to change the assessment of the interim report after the balance sheet date until today.

Outlook 2018

As announced in company announcement 12/2018, we have lowered our guidance for 2018.

We are now guiding for an operating profit (EBIT) of DKK 15-20m.

SKAKO has considerable not-recognised tax assets and the effective tax rate for 2018 is expected to be at the level of 0 %.

CONSOLIDATED INCOME STATEMENT

DKK thousands	Q2 2018	Q2 2017	H1 2018	H1 2017	Year 2017
Revenue	82,622	88,766	159,639	176,053	350,375
Production costs	(65,584)	(67,224)	(129,284)	(133,786)	(266,574)
Gross profit	17,038	21,542	30,355	42,267	83,801
Distribution costs	(9,548)	(9,791)	(19,349)	(20,412)	(36,890)
Administrative expenses	(7,304)	(6,836)	(13,233)	(14,135)	(26,674)
Operating profit (EBIT)	186	4,915	(2,227)	7,720	20,237
Special items	0	0	0	0	(24,131)
Operating profit (EBIT) after special items	186	4,233	(2,227)	6,396	(3,894)
Financial income	20	8	50	16	30
Financial expenses	(767)	(690)	(1,577)	(1,340)	(2,848)
Profit before tax	(561)	4,233	(3,754)	6,396	(6,712)
Tax on profit for the period	(79)	6	(158)	214	552
Profit for the period	(640)	4,239	(3,912)	6,610	(6,160)
Profit for the period attributable to SKAKO A/S shareholders	(640)	4,239	(3,912)	6,610	(6,160)
Earnings per share (EPS), DKK	(0.21)	1.37	(1.27)	2.14	(2.00)
Diluted earnings per share (EPS), DKK	(0.21)	1.37	(1.27)	2.14	(1.99)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

DKK thousands	Q2 2018	Q2 2017	H1 2018	H1 2017	Year 2017
Profit for the year	(640)	4,239	(3,912)	6,610	(6,160)
Other comprehensive income:					
Items that have been or may subsequently be reclassified to the income statement:					
Foreign currency translation, subsidiaries	(231)	(762)	(592)	(866)	(1,140)
Value adjustments of hedging instruments	(77)	86	(38)	70	(79)
Other comprehensive income	(308)	(676)	(630)	(796)	(1,219)
Comprehensive income	(948)	3,563	(4,542)	5,814	(7,379)
Comprehensive income attributable to SKAKO A/S shareholders	(948)	3,563	(4,542)	5,814	(7,379)

CONSOLIDATED BALANCE SHEET

DKK thousands	30 June 2018	30 June 2017	31 Dec 2017
Other intangible assets	3,918	4,899	5,088
Intangible assets under development	3,711	1,796	2,882
Intangible assets	7,629	6,695	7,970
Land and buildings	4,823	34,323	4,887
Plant and machinery	183	3,248	163
Operating equipment, fixtures and fittings	1,672	765	944
Leasehold improvements	91	106	75
Tangible assets under construction	22	0	15
Property, plant and equipment	6,791	38,442	6,084
Other receivables	1,157	1,144	1,147
Deferred tax assets	23,513	23,064	23,711
Other non-current assets	24,670	24,208	24,858
Total non-current assets	39,090	69,345	38,912
Inventories	49,173	44,314	45,662
Trade receivables	73,189	65,864	73,012
Work in progress for third parties	64,082	64,857	68,648
Income tax	831	114	648
Other receivables	6,552	6,712	6,996
Prepaid expenses	1,186	1,714	2,155
Other investments	74	74	74
Cash	4,859	8,753	2,957
Current assets	199,946	192,402	200,152
Assets held for sale	23,339	0	22,350
Assets	262,375	261,747	261,414

CONSOLIDATED BALANCE SHEET

DKK thousands	30 June 2018	30 June 2017	31 Dec 2017
Share capital	31,064	31,064	31,064
Foreign currency translation reserve	(985)	(119)	(393)
Hedging reserve	(72)	115	(34)
Retained earnings	61,510	77,513	65,064
Total equity	91,517	108,573	95,701
Bank loans and credit facilities	0	8,915	0
Financial leasing	0	165	0
Provisions	3,358	3,174	3,483
Non-current liabilities	3,358	12,254	3,483
Bank loans and credit facilities	27,868	19,759	28,677
Financial leasing	115	191	237
Provisions	7,461	8,709	9,050
Prepayments from customers	24,850	11,324	10,134
Trade payables	72,705	76,041	77,946
Income tax	0	265	120
Other liabilities	26,205	24,013	26,730
Deferred income	0	618	0
Current liabilities	159,204	140,920	152,894
Liabilities related to assets held for sale	8,297	0	9,336
Liabilities	170,858	153,174	165,713
EQUITY AND LIABILITIES	262,375	261,747	261,414

CONSOLIDATED CASH FLOW STATEMENT

DKK thousands	Q2 2018	Q2 2017	H1 2018	H1 2017	Year 2017
Profit before tax	(561)	4,233	(3,754)	6,396	(6,712)
Adjustments	373	1,154	(451)	2,779	22,369
Change in receivables, etc.	5	(11,187)	5,793	(15,616)	(27,286)
Change in inventories	(2,732)	(205)	(3,511)	(889)	(2,237)
Change in trade payables and other liabilities, etc.	16,028	13,242	8,948	8,583	(11,397)
Cash flow from operating activities before financial items and tax	13,113	7,237	7,025	1,253	(25,263)
Financial items received and paid	(747)	(683)	(1,527)	(1,324)	(2,818)
Taxes paid	378	(633)	(461)	(976)	(1,028)
Cash flow from operating activities	12,744	5,922	5,037	(1,047)	(29,109)
Investment in intangible assets	0	(370)	(190)	(1,250)	(3,007)
Investment in tangible assets	(43)	(639)	(1,059)	(1,195)	(4,480)
Cash flow from investing activities	(43)	(1,009)	(1,249)	(2,445)	(7,487)
Change in borrowings	(624)	(424)	(1,040)	(809)	(2,455)
Cash flow from financing activities	(624)	(424)	(1,040)	(809)	(2,455)
Change in cash and cash equivalents	12,077	4,490	2,748	(4,301)	(19,003)
Cash and cash equivalents beginning of period	(35,001)	(15,398)	(25,646)	(6,553)	(6,553)
Foreign exchange adjustment, cash and cash equivalents	(11)	(24)	(37)	(78)	(91)
Cash and cash equivalents at end of period	(22,935)	(10,932)	(22,935)	(10,932)	(25,646)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK thousands	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Equity
Equity at 01 January 2018	31,064	(393)	(34)	65,064	95,701
Comprehensive income in H1 2018:					
Profit for the period				(3,912)	(3,912)
Other comprehensive income:					
Foreign currency translation adjustments, subsidiaries		(592)			(592)
Value adjustments of hedging instruments			(38)		(38)
Other comprehensive income	-	(592)	(38)	-	(630)
Comprehensive income, period	-	(592)	(38)	(3,912)	(4,542)
Share-based payment, warrants				358	358
Equity at end of period	31,064	(985)	(72)	61,510	91,517

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

DKK thousands	Share capital	Foreign currency translation reserve	Hedging reserve	Retained earnings	Equity
Equity at 01 January 2018	31,064	747	45	70,504	102,360
Comprehensive income in Q1 2018:					
Profit for the period				6,610	6,610
Other comprehensive income:					
Foreign currency translation adjustments, subsidiaries		(866)			(866)
Value adjustments of hedging instruments			70		70
Other comprehensive income	-	(866)	70	-	(796)
Comprehensive income, period	-	(866)	70	6,610	5,814
Share-based payment, warrants				399	399
Equity at end of period	31,064	(119)	115	77,513	108,573

SEGMENT INFORMATION

DKK thousands H1 2018	Concrete	Vibration	Not distributed including parent company	Eliminations	Group total
Total revenue, external	68,844	90,795			159,639
Total revenue, internal	35	1,865	-	(1,900)	-
Total revenue	68,879	92,660	-	(1,900)	159,639
Operating profit (EBIT)	(6,834)	5,590	(982)	-0	(2,227)
Profit margin (EBIT margin)	(9.9%)	6.0%			(1.4%)
Revenue per business area					
Revenue Plants	27,985	67,671		(1,125)	94,531
Revenue Aftersales	40,894	24,989		(775)	65,108
Total revenue	68,879	92,660		(1,900)	159,639
Order intake	126,938	84,447		(2,057)	209,328
Backlog	82,102	40,363		-	122,465
Net Working Capital	28,170	60,776	(56)	-	88,889
Average number of employees	101	97			198
DKK thousands H1 2017	Concrete	Vibration	Not distributed including parent company	Eliminations	Group total
Revenue, external	86,546	89,507			176,053
Revenue, Internal	428	1,998		(2,426)	0
Total revenue	86,974	91,505	0	(2,426)	176,053
Operating profit (EBIT)	2,137	6,906	(1,323)		7,720
Profit margin (EBIT margin)	2.5%	7.7%			
Revenue per business area					
Revenue Plants	52,460	76,218		(1,749)	126,929
Revenue Aftersales	34,514	15,287		(677)	49,124
Total Revenue	86,974	91,505		(2,426)	176,053
Order intake	87,460	91,273		(2,550)	176,183
Backlog	46,152	63,910		(800)	109,262
Net Working Capital	37,767	50,302	(399)		87,670
Average number of employees	101	88			189

QUARTERLY KEY FIGURES AND FINANCIAL RATIOS

	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Full year 2017
INCOME STATEMENT, DKK THOUSANDS							
Revenue	82,622	77,017	83,506	90,816	88,766	87,287	350,375
Gross profit	17,038	13,316	21,324	20,210	21,542	20,725	83,801
Operating profit (EBIT) before special item	186	(2,415)	6,280	6,237	4,915	2,805	20,237
Operating profit (EBIT) after special items	186	(2,415)	(17,851)	6,237	4,915	2,805	(3,894)
Net financial items	(747)	(780)	(781)	(713)	(682)	(642)	(2,818)
Profit before tax	(561)	(3,195)	(18,632)	5,524	4,233	2,163	(6,712)
Profit for the period	(640)	(3,274)	(18,314)	5,544	4,239	2,371	(6,160)
BALANCE SHEET, DKK THOUSANDS							
Non-current assets	39,090	39,701	38,912	72,265	69,345	69,290	38,912
Current assets	199,946	197,421	200,152	201,576	192,402	177,409	200,152
Assets	262,375	259,478	261,414	273,841	261,747	246,699	261,414
Equity	91,517	92,255	95,701	114,146	108,573	104,734	95,701
Non-current liabilities	3,358	3,411	3,483	11,816	12,326	12,978	3,483
Current liabilities	159,203	154,892	152,894	147,879	140,846	128,987	152,894
Net interest-bearing debt	23,124	35,252	25,956	29,716	20,276	25,238	25,956
Net working capital	88,889	96,409	99,242	97,708	87,669	88,591	99,242
OTHER KEY FIGURES, DKK THOUSANDS							
Investment in intangible and tangible assets	43	1,206	(1,898)	3,933	1,009	1,436	4,480
Cash flow from operating activities (CFFO)	12,744	(7,709)	(2,429)	(5,584)	5,922	(6,969)	(9,060)
Free cash flow	12,701	(8,915)	(3,538)	(9,517)	4,913	(8,405)	(16,547)
Average number of employees	198	192	182	188	189	185	182
FINANCIAL RATIOS							
Gross profit margin	20.6%	17.3%	25.5%	22.3%	24.3%	23.7%	23.9%
Profit margin (EBIT margin)	0.2%	(3.1%)	7.5%	6.9%	5.5%	3.2%	5.8%
Liquidity ratio	125.6%	127.5%	130.9%	136.3%	136.6%	137.5%	131.8%
Equity ratio	34.9%	35.4%	36.6%	41.7%	41.5%	42.5%	36.6%
Return on equity	(16.7%)	(12.0%)	(6.2%)	18.8%	17.9%	21.0%	(6.2%)
Financial leverage	25.3%	38.2%	27.1%	26.0%	18.7%	24.1%	27.1%
NWC/revenue	26.6%	28.3%	28.3%	27.7%	26.5%	27.6%	28.3%
Earnings per share, DKK	(0.21)	(1.06)	(5.94)	1.80	1.37	0.77	(2.00)
Equity value per share, DKK	29.5	29.7	30.8	36.7	35.0	33.7	30.8
Share price, DKK	85.2	94.0	91.0	82.0	76.0	73.5	91.0
Price-book ratio	2.9	3.2	3.0	2.2	2.2	2.2	3.0
Market capitalisation, DKK thousands	264,667	292,003	282,683	254,725	236,087	228,321	282,683