

JANUARY-JUNE 2018

# INTERIM REPORT

**Strong organic growth in H1 2018. Operating profit for H1 2018 was slightly lower than same period last year.**

**Markets and expectations**

H1 result confirms that Ramboll's strategic initiatives and growth measures are paying off.

Ramboll has achieved strong organic growth with significant improvements in the US, UK, Middle East and Asia and in Environment & Health.

Ramboll has also seen enhanced organic growth in Norway, whereas Ramboll is impacted by reduced public investment in transport and energy in Denmark.

Order book amounts to DKK 6.6 billion which is an increase of 17% compared to year-end 2017 (DKK 5.6 billion).

During the last year Ramboll has added more than 700 employees to the workforce and now has more than 14,000 employees globally.

Ramboll will continue its strategic priorities for 2020 to ensure that Ramboll is at the forefront of digital development and creates value for its clients through innovation and digitalisation.

Ramboll will also concentrate on global Spearhead services, which are already performing well, as drivers for future growth.

Ramboll expects to finish 2018 with strong growth and a profit on level with last year.

**Operational results**

Gross revenue of DKK 5,680 million was 4.6% higher compared to H1 2017.

Organic growth was 7.1%. Adjusted for the impact of one working day less than H1 2017, organic growth was 7.4%.

Net growth from acquisitions was 0.6%, whilst the reporting currency DKK against foreign currencies had negative 3.2% impact on revenue.

EBITDA decreased by DKK 13 million to DKK 352 million and EBITDA margin decreased from 6.7% in H1 2017 to 6.2%.

Operating profit before amortisation (EBITA) was DKK 275 million compared to DKK 279 million in the same period last year. Adjusted for the impact of working days and currency, the underlying EBITA is DKK 18 million higher than H1 2017.

The Group EBITA margin was 4.8% compared to 5.1% in the same period last year.

Other costs, net of DKK 8.8 million were transaction costs related to M&A activities.

Financial items were positively impacted by an unrealised foreign exchange gain of DKK 33 million related to a USD loan.

Profit before tax was DKK 205 million compared to DKK 183 million in H1 2017.

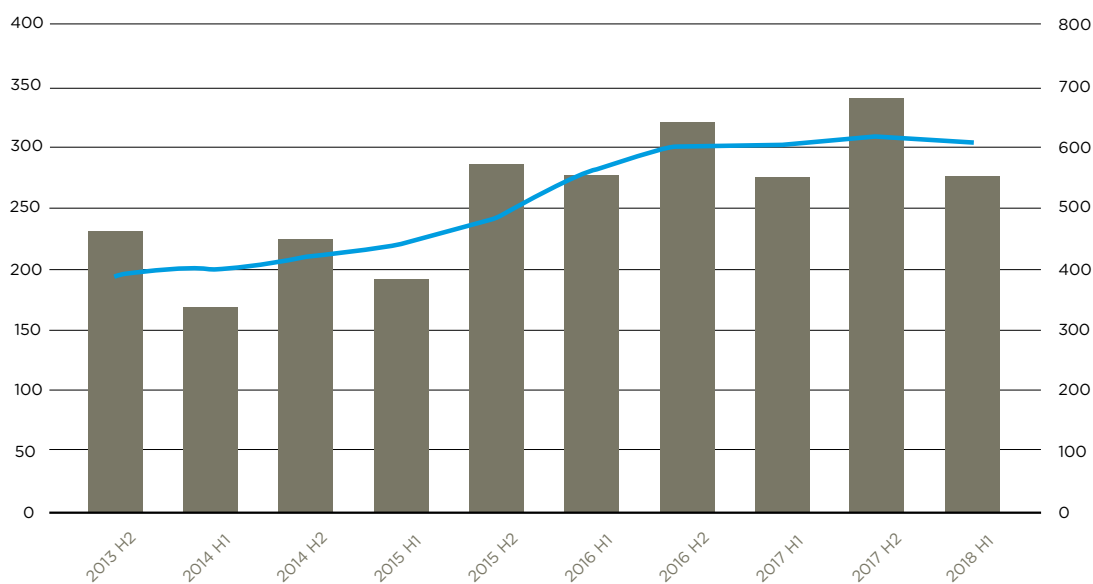
**Balance sheet**

Total assets of DKK 6.6 billion were DKK 0.2 billion higher than at year-end 2017.

Equity increased by DKK 28 million to DKK 2,208 million since the end of 2017. The movements comprised of net profit of DKK 119 million, dividend of DKK 50 million and exchange rate and value adjustments of DKK 40 million. The equity ratio was 33% compared to 34% at year-end 2017.

At the end of H1 2018, the Group was in a net debt position of DKK 584 million. →

EBITA, DKK MILLION



■ EBITA (left axis)  
 ■ Rolling annual EBITA (right axis)

### Cash flow

Cash conversion was negative 9% compared to 21% in H1 2017. Negative development is impacted by an increase in working capital due to higher growth rate and by a different mix in business.

Acquisitions of companies of DKK 369 million was primarily related to deferred payments on the acquisition of ENVIRON.

### Acquisitions

At the beginning of February, Ramboll acquired ConStrada AS in Bergen, Norway. Twelve experts within Transport have joined the Bergen office.

End of March, Ramboll acquired MMG Ingenieur GesellschaftmbH in Germany. MMG are specialised in designing hospital logistics systems.

In April, Ramboll acquired DEG Signal Ltd in the UK. DEG are specialist within rail signalling business, in all 17 experts have joined Ramboll.

Beginning of May, Ramboll acquired RSM&Co in Sweden. RSM&CO are consultants within environmental and sustainability advisory in all 63 experts have joined Ramboll.

### Large scale projects worldwide

Across all markets, Ramboll succeeded in winning and delivering inspiring, high profile projects around the world.

In the US, Ramboll has entered into a pioneering collaboration agreement with Stanford University to develop Danish water technology solutions and apply these to California's new groundwater program. In recent years, California has faced problems with groundwater pollution and decreasing groundwater levels due to long-lasting drought and a booming agricultural industry.

One of the project's focus areas is to map the Californian groundwater with a combination of systematic helicopter missions and detailed mapping of the subsoil to manage groundwater resources in a more efficient and sustainable way.

In Denmark, Ramboll won the competition to design Denmark's tallest residential building which will be situated on the harbour front in Aarhus. The clay subsoil in Aarhus harbour poses special challenges for the foundations which means that new methods are needed - including some never used before in Denmark.

The iconic building therefore calls for engineering expertise far beyond the ordinary, and Ramboll's foreign high-rise experts were a decisive factor in winning the project.

In India, Ramboll won a significant contract for detailed design services and technical support during the construction of India's longest sea bridge.

The Mumbai Trans Harbour Link, joining Mumbai with the satellite city of Navi Mumbai, will be a six-lane highway with two emergency exit lanes and a length of 21.8 kilometres.

The new bridge will play a crucial role in future growth in India, providing access to new jobs and housing for hundreds of thousands of people in the fast-growing Navi Mumbai when completed by the end of 2022.

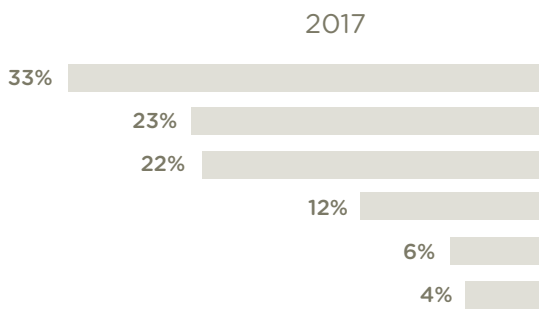
In Cyprus, Ramboll will provide consultancy services in support of the retrofit of environmental emission abatement technologies and for natural gas infrastructure and heavy fuel oil to natural gas boiler conversion works at Vasilikos power station.

The power station, the largest in Cyprus comprising five separate generating units, will undergo significant environmental performance improvement works and also preparatory works for fuel conversion to natural gas, aligned with plans to bring natural gas to Cyprus.

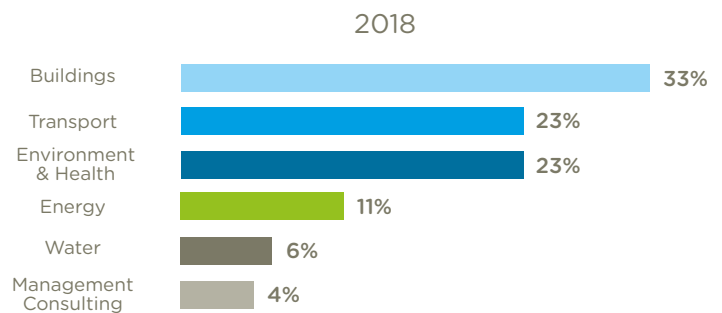
Copenhagen, 29 August 2018.

## SEGMENTAL INFORMATION

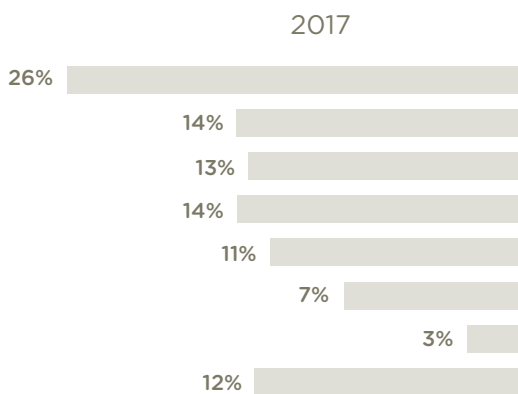
H1 2017 REVENUE BY MARKET, share of total.



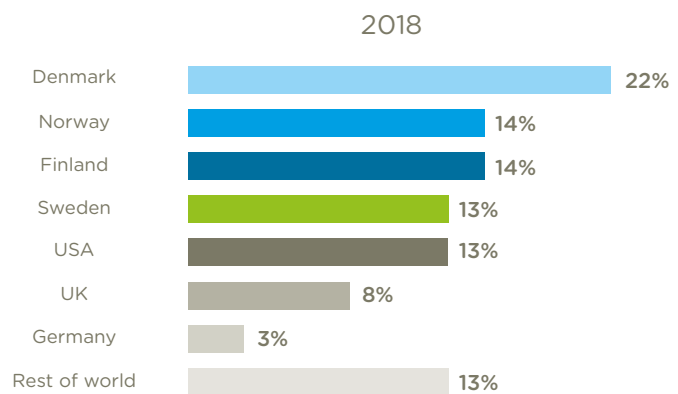
H1 2018 REVENUE BY MARKET, share of total.



H1 2017 REVENUE BY PROJECT LOCATION, share of total.



H1 2018 REVENUE BY PROJECT LOCATION, share of total.



## KEY STATISTICS

Key figures and financial ratios	H1 2018	H1 2018	H1 2017	2017
<b>Income statement, DKK million</b>				
	EUR m			
Revenue	<b>762.5</b>	5,680.8	5,432.4	10,740.3
EBITDA	<b>47.2</b>	351.7	365.4	788.3
EBITA	<b>36.9</b>	275.2	278.9	618.9
EBIT	<b>24.7</b>	183.7	268.4	441.1
Profit before tax	<b>27.5</b>	204.6	183.2	307.8
Profit for the period	<b>15.9</b>	118.5	102.3	146.1
<b>Balance sheet, DKK million</b>				
Total assets	<b>890.7</b>	6,635.6	6,091.0	6,412.6
Total equity	<b>296.4</b>	2,208.5	2,180.3	2,180.1
Net interest bearing cash/(debt)	<b>(78.4)</b>	(584.3)	(90.7)	81.3
<b>Cash flow, DKK million</b>				
Cash flow from operating activities	<b>(15.3)</b>	(113.8)	(28.0)	317.1
Investment in tangible assets, net	<b>(11.7)</b>	(87.2)	(63.1)	(147.9)
Free cash flow	<b>(27.0)</b>	(201.0)	(91.1)	169.2
Acquisitions of companies	<b>(49.5)</b>	(368.8)	(101.4)	(116.0)
<b>Employees</b>				
Number of employees, end of period		14,020	13,263	13,401
Number of full time employee equivalents		12,748	12,432	12,527
<b>Financial ratios in %</b>				
Revenue growth		4.6	0.4	1.2
Organic growth		7.1	0.5	2.8
EBITDA margin		6.2	6.7	7.3
EBITA margin		4.8	5.1	5.8
EBIT margin		3.2	4.9	4.1
Return on invested capital (ROIC) <sup>1</sup>		14.9	15.3	17.9
Return on equity (ROE) <sup>1</sup>		7.4	9.6	6.7
Cash conversion ratio <sup>2</sup>		(8.8)	20.5	64.5
Equity ratio		33.3	35.7	34.0
<b>Non-financial indicators</b>				
Average age of employees		37.6	38.7	38.6
Average age of management		45.4	45.7	46.1
Proportion of management who is female, %		24	22	23

The figures in EUR have been translated from DKK using an average exchange rate of 7.45.

<sup>1</sup> Calculated on annual basis.

<sup>2</sup> Defined as (EBITA + Change in working capital) / EBITA \* 100

## CONSOLIDATED STATEMENTS

Consolidated income statement, DKK million	H1 2018	H1 2017	2017
Revenue	5,680.8	5,432.4	10,740.3
Project costs	(711.5)	(563.6)	(1,315.4)
External costs	(833.9)	(823.4)	(1,566.4)
Staff costs	(3,790.5)	(3,688.2)	(7,089.5)
Income from associated companies and Joint Ventures	6.8	8.2	19.3
<b>EBITDA</b>	<b>351.7</b>	<b>365.4</b>	<b>788.3</b>
Depreciation	(76.5)	(86.5)	(169.4)
<b>EBITA</b>	<b>275.2</b>	<b>278.9</b>	<b>618.9</b>
Amortisation	(82.7)	(87.1)	(208.5)
Other income	0.5	108.3	115.3
Other costs	(9.3)	(31.7)	(84.6)
<b>EBIT</b>	<b>183.7</b>	<b>268.4</b>	<b>441.1</b>
Financial income	88.4	25.4	57.9
Financial expenses	(67.5)	(110.6)	(191.2)
<b>Profit before tax</b>	<b>204.6</b>	<b>183.2</b>	<b>307.8</b>
Tax	(86.1)	(80.9)	(161.7)
<b>Profit for the period</b>	<b>118.5</b>	<b>102.3</b>	<b>146.1</b>

Consolidated cash flow statement, DKK million	H1 2018	H1 2017	2017
Cash flow from operating activities before change in working capital	326.4	319.0	677.5
Change in working capital	(299.4)	(221.8)	(219.9)
Change in provisions	(3.7)	(23.2)	(0.9)
Income tax paid	(137.1)	(102.0)	(139.6)
<b>Cash flow from operating activities</b>	<b>(113.8)</b>	<b>(28.0)</b>	<b>317.1</b>
Cash flow from other investing activities	(479.2)	(24.1)	(128.0)
Cash flow from financing activities	498.3	(26.6)	(76.8)
<b>Net cash flow for the period</b>	<b>(94.7)</b>	<b>(78.7)</b>	<b>112.3</b>
Cash and cash equivalents, opening balance	437.1	435.3	435.3
Net cash flow for the period	(94.7)	(78.7)	112.3
Exchange rate differences	(21.5)	(41.3)	(110.5)
<b>Cash and cash equivalents, closing balance</b>	<b>320.9</b>	<b>315.3</b>	<b>437.1</b>

## CONSOLIDATED STATEMENTS

Consolidated balance sheet, DKK million	30.06.2018	30.06.2017	31.12.2017
Intangible assets <sup>1</sup>	1,778.5	2,001.5	1,846.0
Property, plant and equipment	387.8	366.4	370.1
Investments	118.7	117.1	83.2
Receivables	4,029.7	3,290.8	3,676.2
Cash and cash equivalents	320.9	315.2	437.1
<b>Total assets</b>	<b>6,635.6</b>	<b>6,091.0</b>	<b>6,412.6</b>
Total equity	2,208.5	2,180.3	2,180.1
Provisions	277.2	259.7	282.6
Long-term liabilities <sup>2</sup>	905.3	753.0	305.3
Short-term liabilities <sup>2</sup>	3,244.6	2,898.0	3,644.6
<b>Total equity and liabilities</b>	<b>6,635.6</b>	<b>6,091.0</b>	<b>6,412.6</b>
<sup>1</sup> Of which goodwill	1,756.1	1,976.1	1,819.2
<sup>2</sup> Of which interest-bearing liabilities	905.2	405.9	355.8

Change in equity, DKK million	H1 2018	H1 2017	2017
Opening balance	2,180.1	2,162.3	2,162.3
Exchange rate adjustments related to foreign subsidiaries and associates	(40.1)	(58.0)	(101.5)
Value adjustments of hedging instruments	-	-	-
Tax effects	-	-	-
Paid dividend	(50.0)	(26.3)	(26.8)
Profit for the period	118.5	102.3	146.1
<b>Closing balance</b>	<b>2,208.5</b>	<b>2,180.3</b>	<b>2,180.1</b>

**Accounting policies:** This report has been prepared in accordance with the Danish Financial Statements Act. The accounting policies applied are consistent with those applied in the most recent Annual Report. As Ramboll has not adopted IFRS, goodwill is amortised.

**Auditors' review:** This report has not been subject to review by the Company's auditors.

**Next reporting:** The Annual Report will be published in April 2019.

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