

**Copenhagen Stock Exchange**

**Interim report, 1st quarter 2006  
Stock Exchange announcement no. 5 / 2006**

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Copenhagen, 26 April 2006

## **NTR Holding achieves a net profit of DKK 26.3 million in the 1<sup>st</sup> quarter of 2006**

- The net result is dominated by a profit of DKK 23.3 million from the sale of the BPC Group.
- The sale of the BPC Group will bring the Group in just under DKK 140 million in liquid funds within the next 6 months and, by the end of the year, the Group is expected to have free liquid funds of around DKK 150 million before deductions for any extraordinary dividends.
- Providing it receives authorisation at the AGM, NTR Holding expects to announce an extraordinary dividend of DKK 20 per share after the closing of the BPC deal.
- The winding up of the former activities in Germany is proceeding according to plan and has not affected the profit for the period. The winding up is expected to bring considerable funds into the company over the course of the coming months.
- The NTR Group expects to generate a profit of around DKK 25 million after tax for the whole of 2006. The taking on of new activities could affect this expectation.

## Group Highlights and Key Figures

DKK million	1st Quarter		Year
	2006	2005	2005
<b>Profit and loss account</b>			
Turnover	69	55	258
Operating profit	27	1	21
Result on ordinary operations before tax	26	2	19
Net profit	26	2	19
<b>Balance sheet</b>			
Total assets	232	338	360
Shareholders' equity, beginning of period	154	125	125
Impact on equity from profit and loss account	26	2	19
Recognised directly in equity	-4	3	10
Shareholders' equity, end of period	176	130	154
Non-current obligations	17	57	55
Current obligations	39	152	151
<b>Key figures</b>			
EBIT margin (%)	6	2	8
Equity ratio (%) <sup>1)</sup>	76	38	43
EPS actual and diluted (DKK)	14	1	10
Market price B-shares (DKK)	87	69	109
Equity per share (DKK)	93	69	83

<sup>1)</sup> Equity / Total assets

Other key figures are calculated in accordance with the 2005 Guidelines from The Danish Society of Financial Analysts

A complete profit and loss account, equity statement, balance sheet and cash flow statement together with main segment information can be found at the end of this announcement.

The interim report for the 1<sup>st</sup> quarter of 2006 has been produced in accordance with the Interim Report Directive and the Copenhagen Stock Exchange's requirements for interim reports. It has been drawn up using the international IFRS standards on recognition and measurement. The interim report apply the same accounting principles as the 2005 Annual report.

This interim report has not been audited.

## The development of operations

The NTR Group's result for the 1<sup>st</sup> quarter of 2006 is dominated by the sale of the BPC Group with effect from 27 March 2006. The sale led to an accounting profit of DKK 23.3 million.

The BPC Group's profits are included in the consolidated accounts up to the date of the sale and, in this period, the Group attained net sales of DKK 68.7 million and achieved a net profit of DKK 3.6 million. The profits are somewhat weaker than expected.

As part of the agreement on the sale of BPC, management fee is not included in the 1<sup>st</sup> quarter of 2006.

Following the sale of the BPC Group, NTR Holding's management is considering the future strategy for the NTR Group in consultation with shareholders. These deliberations are expected to be complete within the next few months and, until then, resources will be generally concentrated on continuing the winding up of the former contracting activities of R+S Baugesellschaft. The winding up is still proceeding as expected and has, in the 1st quarter of 2006, led to a modest loss of DKK 0.2 million which, in line with previous practice, is covered by provisions that were made several years ago.

The winding up of activities in R+S Baugesellschaft is illustrated by developments in the most important balance sheet items.

#### **Balance sheet items and financial guarantees**

(DKK million)	1st quarter		Year
	2006	2005	2005
Properties for sale	<b>6.7</b>	9.6	6.7
Receivables	<b>52.0</b>	59.7	52.7
Securities and liquid funds	<b>7.6</b>	13.0	8.9
Provisions	<b>25.8</b>	41.1	25.9
Bank debt	<b>0.0</b>	2.2	0.0
Other Group external liabilities	<b>8.5</b>	13.0	10.2
<b>Off balance financial guarantees</b>	<b>24.5</b>	40.4	27.9

The properties for sale are made up of as yet unsold apartments in large, collective estates. It was not possible to sell apartments in the 1<sup>st</sup> quarter of 2006, but following the end of the quarter, an agreement was reached on the sale of one apartment so the holding now consists of a total of 6 apartments, all situated in the Berlin area. In the 1<sup>st</sup> quarter an initiative was launched to market the apartments to potential Danish buyers.

The largest asset item was accounts receivable, the majority of which are concentrated on a few large debtors. The largest individual account receivable included is DKK 17.6 million and is secured by a mortgage in a large office property. This property has now been sold and the account receivable is due for payment. The total accounts receivable are therefore expected to be reduced by DKK 17.6 million over the course of the 2<sup>nd</sup> quarter in connection with the settlement of the deal.

R+S Baugesellschaft's holding of securities and liquid funds have for the most part been deposited as security for financial guarantees in German guarantee companies. These securities will be reduced in step with the reduction in the outstanding financial guarantees. Over the course of the 1<sup>st</sup> quarter, DKK 1.6 million has been released, which has meant that there has been no need to add liquidity to R+S Baugesellschaft from the parent company. With the payment of the aforementioned account receivable, it is expected that nor will there be any need in the future to add further liquidity for the continuing winding up of the activities.

In connection with the completion of construction activities, R+S Baugesellschaft has provided guarantees of typically 5 years against defects and shortcomings. To the extent that claims have been made under these guarantees, provisions have been made at the estimated cost of repair. There has been no significant reduction in the provisions in the 1<sup>st</sup> quarter.

As security for the proprietor's claims, financial guarantees have been issued for part of the contract price. The majority of the guarantees given have expired or are close to expiry and R+S Baugesellschaft is working towards remedying the last claims about defects so that the financial guarantees issued will be returned. In some cases, there is disagreement with the proprietor regarding the defects referred to and the guarantees will be held back beyond the guarantee period. In the course of the 1<sup>st</sup> quarter of 2006, outstanding financial guarantees were reduced by DKK 3.4 million to the present level of DKK 24.5 million.

As mentioned above, the management fee from the BPC Group was not included in the 1<sup>st</sup> quarter of 2006, which is why the parent company, NTR Holding, excluding the profit from the sale of the BPC Group, has made a small loss.

### **Profit and loss account**

The Group's net sales in the 1<sup>st</sup> quarter of 2006 consist of sales in the BPC Group up to the date of sale on 27 March 2006. Net sales were DKK 68.7 million (2005: DKK 55.2 million) and led to a gross profit of DKK 17.9 million (2005: DKK 12.8 million). Sales, distribution and administration costs have followed sales trends to some extent.

The accounting profit from the sale of the BPC Group amounted to DKK 23.3 million, which is included in other operating income (2005: DKK 0). The profit is made up of an excess price for the shares of DKK 19.4 million compared with the book value and the realisation of exchange rate adjustments for previous periods of DKK 3.9 million. In accordance with first time adoption exemptions in the international IFRS standards, this exchange rate adjustment was reset on 1 January 2004.

The Group's operating profit for the 1<sup>st</sup> quarter of 2006 amounted to DKK 27.4 million compared with DKK 1.3 million for the same period in 2005 and DKK 20.6 million for the whole of 2005.

The profit for the period was DKK 26.3 million (2005: DKK 1.7 million). The profit is not subject to tax as it is mainly made up of tax-free profits on shares. Furthermore the possibility of offsetting against previous years' tax deficits exists.

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## Balance sheet

The sale of the BPC Group takes effect for accounting purposes from 27 March 2006, when actual control of the company was transferred to the buyers and therefore means significant changes to the NTR Group's balance as at the end of the 1<sup>st</sup> quarter.

Long-term assets now mainly consist of financial assets in R+S Baugesellschaft. Among short-term assets, all the operational assets in the BPC Group have been omitted from the balance sheet in a similar manner. The closing of the sale of the BPC Group is expected to take place on 7 May, which is why both the proceeds of the sale and other receivables from the BPC Group are included in other accounts receivable in NTR Holding. These BPC related account receivables of DKK 137 million will be paid to NTR Holding within the next 6 months, and more than half of this at the time of closing.

Total assets amount to DKK 232.4 million as per 31 March 2006 and with equity of DKK 176.2 million, the equity ratio can be calculated as 75.8%.

Equity increased from DKK 154.3 million to DKK 176.2 million during the course of the 1<sup>st</sup> quarter of 2006. Of this, the profit for the period has increased equity by DKK 26.3 million, while movements included directly under equity have led to a reduction of a total of DKK 4.4 million. This reduction is mainly made up of exchange rate adjustments to net assets in foreign companies, non realised adjustments that are included directly under equity and the realisation of adjustments for previous periods in connection with the sale of BPC. These adjustments will be put back into equity via the profit for the period. As part of an options scheme for senior employees in the BPC Group, NTR Holding has sold own shares to a value of DKK 1.8 million, which has also been included directly in equity.

The Group's obligations are now dominated by provisions for the winding up of activities in R+S Baugesellschaft. The interest-bearing debt amounts to DKK 9.7 million and this debt is only maintained for the sake of covering the Group's currency position. The debt will therefore be settled within the coming months when the currency exposure is reduced.

## Expectations for 2006

After the sale of the BPC Group, no further revenue in addition to the DKK 68.7 million achieved in the 1<sup>st</sup> quarter are expected to be achieved.

The Group's next profit after the 1<sup>st</sup> quarter of 2006 amounted to DKK 26.3 million. For the remainder of the year, the parent company's capacity costs are expected to exceed financial income, which is why a net profit of about DKK 25 million is expected for the whole of 2006. No tax will be payable on this as a result of the components of the profit and deficits from previous years that can be carried forward.

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At the end of the year, the NTR Group is expected to have free liquid funds of around DKK 150 million.

The continued winding up of the activities in R+S Baugesellschaft is not expected to affect the Group's profits as it is assumed that this will be covered by previous provisions.

There is a limited amount of uncertainty regarding the expectations for sales and profits.

The Board of directors is currently considering the future strategy of NTR Holding, and if a decision is subsequently made for the Group to take on new activities or pay significant dividends to the company's shareholders, this will, of course, affect expectations for 2006.

### **Tax situation**

At the time of the issuing of the annual accounts statement for 2005, it was announced that NTR Holding expected to withdraw from the international joint taxation scheme comprising R+S Baugesellschaft with effect from the 2005 tax year.

With the significant change in the Group's situation after the sale of the BPC Group, this decision will be reviewed, as it will not have a binding effect until the submission of the income tax return at the end of June 2006.

The tax deficit relating to R+S Baugesellschaft amounted to about DKK 90 million at the end of 2005 and a further deficit in the range of DKK 50 million can be predicted in the coming year as significant write downs of receivables and provisions have not yet been realised in terms of tax. In the parent company, NTR Holding, there is a tax deficit of about DKK 35 million.

None of the aforementioned tax deficits are subject to the previously applying provisions on forfeiture after 5 years and the deficits have not been recognised as an asset as a result of uncertainty about when they may be utilised.

### **Dividend**

The board does not propose to announce an ordinary dividend at the company's AGM, which is being held today.

As a result of the sale of the BPC Group, it has, on the other hand, been proposed that the board is authorised to announce extraordinary dividends in the future. It is expected that this authorisation will be approved at the AGM.

Assuming this authorisation is approved, the board of NTR Holding plans to make a decision on an extraordinary dividend of DKK 20 per share, equivalent to a total of DKK 38.8 million. The final decision cannot be made until the first part of the proceeds of the sale of shares in the BPC Group has come in over the course of the month of May. The payment of this extraordinary dividend will affect the price of NTR Holding's shares and the decision and payment will therefore be organised in such a manner that shareholders will have the opportunity to take the most appropriate action with regard to the individual shareholder's tax situation.

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## **Interim report, 1<sup>st</sup> six-month period 2006**

The interim report for the 1<sup>st</sup> six-month period of 2006 will be sent out on 10 August 2006.

### **Statement by the Board of Directors and the Management Board**

The Board of Directors and the Management Board have on this date reviewed and approved the 1<sup>st</sup> quarter report for NTR Holding A/S.

The interim report has been produced using the provisions of the IFRS on recognition and measurements, as well as other Danish information requirements for the submission of accounts for publicly listed companies. The accounting policy used is unchanged in relation to the annual report for 2005. We believe that the accounting policies applied are appropriate, so that the interim report provides an accurate picture of the Group's assets and liabilities, its financial status, and its financial results and cash flow.

Copenhagen, 26 April 2006

#### **Management Board**

Jens Hørup

#### **Board of Directors**

Niels Heering  
Chairman

Bjørn Petersen

Stig Rantsen

Erik Sprunk-Jansen

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**Profit and loss account - NTR Group**

1 January - 31 March (DKK million)

	1st quarter		Year
	2006	2005	2005
<b>Turnover</b>	<b>68.7</b>	<b>55.2</b>	258.0
Production costs	(50.8)	(42.4)	(202.9)
<b>Contribution margin</b>	<b>17.9</b>	<b>12.8</b>	<b>55.1</b>
Sales and distribution costs	(1.4)	(0.8)	(9.9)
General and administrative costs	(12.4)	(10.7)	(25.6)
Other operating income (net)	23.3	0.0	1.0
<b>Operating profit</b>	<b>27.4</b>	<b>1.3</b>	<b>20.6</b>
Financial income	0.5	1.8	3.8
Financial costs	(1.6)	(1.4)	(5.0)
<b>Profit before tax</b>	<b>26.3</b>	<b>1.7</b>	<b>19.4</b>
Tax	0.0	0.0	0.0
<b>Net profit for the period</b>	<b>26.3</b>	<b>1.7</b>	<b>19.4</b>
EPS (DKK)	13.98	0.91	10.41
EPS diluted (DKK)	13.90	0.91	10.35

**Statement of recognised income and expense - NTR Group**

1 January - 31 March (DKK million)

	1st quarter		Year
	2006	2005	2005
Shareholders' equity, beginning of period	154.3	125.1	125.1
Income recognised directly in equity			
Exchange diff. on translation of foreign operations	(2.3)	3.1	10.5
Exchange diff. taken to profit and loss on sale of foreign operations	(3.9)	0.0	0.0
Gains (losses) on available for sale investments	(0.1)	(0.2)	(0.5)
Transfer to P&L on sale of available for sale investm.	0.0	(0.2)	(0.2)
Share-based payment	0.1	0.0	0.0
Sale of own shares	1.8	0.0	0.0
<b>Net gains (losses) taken directly to equity</b>	<b>(4.4)</b>	<b>2.7</b>	<b>9.8</b>
Profit for the period	26.3	1.7	19.4
<b>Total recognised income and expense</b>	<b>21.9</b>	<b>4.4</b>	<b>29.2</b>
<b>Shareholders' equity, end of period</b>	<b>176.2</b>	<b>129.5</b>	<b>154.3</b>

Total recognised income is attributable to equity holders of the parent

## Balance sheet, Assets - NTR Group

31 March (DKK million)

	1st quarter		Year
	2006	2005	2005
Land and buildings, BPC Group	0.0	28.5	22.2
Plant and equipment, BPC Group	0.0	47.8	55.7
Other fixtures and fittings, tools and equipm., BPC Group	0.0	6.9	8.0
Other fixtures and fittings, tools and equipm., R+S Baugesells.	0.1	0.1	0.1
<b>Tangible assets</b>	<b>0.1</b>	<b>83.3</b>	<b>86.0</b>
Other financial assets, R+S Baugesellschaft	17.6	17.7	17.6
<b>Financial assets</b>	<b>17.6</b>	<b>17.7</b>	<b>17.6</b>
<b>Total non-current assets</b>	<b>17.7</b>	<b>101.0</b>	<b>103.6</b>
Properties for sale, R+S Baugesellschaft	6.7	9.7	6.7
Raw materials and consumables, BPC Group	0.0	19.1	20.7
<b>Properties and inventories</b>	<b>6.7</b>	<b>28.8</b>	<b>27.4</b>
Accounts receivable, sales, BPC Group	0.0	100.1	125.4
Accounts receivable, sales, R+S Baugesellschaft	32.8	39.5	32.8
Work-in-progress, BPC Group	0.0	0.0	11.2
Amounts owed by jointly controlled entities, NTR Holding	0.0	11.0	14.6
Other receivables, NTR Holding	137.1	1.0	0.6
Other receivables, R+S Baugesellschaft	1.6	2.8	2.3
<b>Total receivables</b>	<b>171.5</b>	<b>154.4</b>	<b>186.9</b>
Securities, available for sale, NTR Holding	23.1	34.5	23.2
Securities, available for sale, R+S Baugesellschaft	7.3	8.8	7.3
<b>Total securities, available for sale</b>	<b>30.4</b>	<b>43.3</b>	<b>30.5</b>
Liquid funds, NTR Holding	5.8	3.4	5.7
Liquid funds, BPC Group	0.0	2.8	4.4
Liquid funds, R+S Baugesellschaft	0.3	4.1	1.6
<b>Total liquid funds</b>	<b>6.1</b>	<b>10.3</b>	<b>11.7</b>
<b>Total current assets</b>	<b>214.7</b>	<b>236.8</b>	<b>256.5</b>
<b>Total assets</b>	<b>232.4</b>	<b>337.8</b>	<b>360.1</b>

<b>Balance sheet, Liabilities - NTR Group</b>			
31 March (DKK million)	<b>1st quarter</b>		<b>Year</b>
	<b>2006</b>	<b>2005</b>	<b>2005</b>
Share capital	38.8	38.8	38.8
Statutory reserves	0.0	1.0	1.0
Revaluation reserves	(0.5)	(0.1)	(0.4)
Translation reserves	(0.1)	(2.3)	5.0
Reserves for the disposal of the General Meeting	83.7	83.7	83.7
Retained earnings	54.3	8.4	26.2
<b>Total shareholders' equity</b>	<b>176.2</b>	<b>129.5</b>	<b>154.3</b>
Long term debt, BPC Group	0.0	21.2	30.5
Non-recourse guarantee commitments, BPC Group	0.0	6.9	8.0
Non-recourse guarantee commitments, R+S Baugesellschaft	12.4	19.5	12.4
Other provisions, NTR Holding	4.6	9.1	4.3
<b>Total non-current liabilities</b>	<b>17.0</b>	<b>56.7</b>	<b>55.2</b>
Long-term debt, due within 12 months	0.0	21.8	14.3
Short term bank loan and overdraft, NTR Holding	9.7	8.6	9.8
Short term bank loan and overdraft, BPC Group	0.0	17.0	14.8
Short term bank loan and overdraft, R+S Baugesellschaft	0.0	2.3	0.0
Trade creditors, NTR Holding	0.3	0.1	0.3
Trade creditors, BPC Group	0.0	42.6	48.8
Trade creditors, R+S Baugesellschaft	7.5	12.0	8.2
Payments received on account, BPC Group	0.0	3.7	9.5
Work-in-progress, BPC Group	0.0	0.0	0.4
Amounts owed to jointly controlled entities, NTR Holding	0.0	0.1	0.1
Other debt, NTR Holding	0.4	1.1	1.7
Other debt, BPC Group	0.0	4.6	7.3
Other debt, R+S Baugesellschaft	1.0	1.1	2.0
Non-recourse guarantee commitments, BPC Group	0.0	12.2	12.5
Non-recourse guarantee commitments, R+S Baugesellschaft	13.4	21.5	13.5
Other provisions, NTR Holding	6.9	2.9	7.4
<b>Total current liabilities</b>	<b>39.2</b>	<b>151.6</b>	<b>150.6</b>
<b>Total liabilities</b>	<b>56.2</b>	<b>208.3</b>	<b>205.8</b>
<b>Total equity and liabilities</b>	<b>232.4</b>	<b>337.8</b>	<b>360.1</b>

## Cash flow statement - NTR Group

1 January - 31 March (DKK million)

Amounts in ( ) signify negative effect on cash flow	1st quarter		Year
	2006	2005	2005
Operating profit	27.4	1.3	20.6
Depreciations	4.2	4.4	17.8
(Increase)/decrease in properties for sale and inventories	0.0	(1.9)	1.1
(Increase) in amounts owed by group companies	(3.6)	(2.1)	(4.2)
(Increase)/decrease in other receivables	1.2	(24.8)	(49.3)
Increase/(decrease) in accounts payable etc.	(3.0)	16.1	25.5
Cash flow from provisions	(0.1)	1.4	(12.4)
(Profit)/loss on divestment of Group companies	(23.3)	0.0	0.0
Interest received	0.8	1.7	3.7
Interest paid	(1.9)	(1.4)	(5.1)
<b>Cash flow from operating activities</b>	<b>1.7</b>	<b>(5.3)</b>	<b>(2.3)</b>
Purchase of property, plant and equipment	0.0	(7.6)	(26.3)
Sale of property, plant and equipment	0.0	0.0	10.6
Purchase of available for sale and other financial assets	0.0	(34.6)	(34.6)
Sale of available for sale and other financial assets	0.1	39.3	51.8
Divestment of jointly controlled entities	5.6	0.0	0.0
<b>Cash flow from investing activities</b>	<b>5.7</b>	<b>(2.9)</b>	<b>1.5</b>
Long-term borrowings	0.0	2.4	18.6
Repayment of long-term debt	0.0	(5.5)	(24.1)
Sale of one shares	1.8	0.0	0.0
<b>Cash flow from financing activities</b>	<b>1.8</b>	<b>(3.1)</b>	<b>(5.5)</b>
<b>Change in net liquidity</b>	<b>9.2</b>	<b>(11.3)</b>	<b>(6.3)</b>
Liquid funds, beginning of period	11.6	7.8	7.8
Bank loan and overdraft, beginning of period	(24.6)	(13.9)	(13.9)
Effect of foreign exchange rate changes	0.2	0.0	(0.5)
<b>Net liquidity, beginning of period</b>	<b>(12.8)</b>	<b>(6.1)</b>	<b>(6.6)</b>
Liquid funds, end of period	6.1	10.4	11.7
Bank loan and overdraft, end of period	(9.7)	(27.8)	(24.6)
<b>Net liquidity, end of period</b>	<b>(3.6)</b>	<b>(17.4)</b>	<b>(12.9)</b>
<b>Change in net liquidity</b>	<b>9.2</b>	<b>(11.3)</b>	<b>(6.3)</b>

<b>Segment information - NTR Group</b>						
<b>Geographical segments - primary</b>						
1 January - 31 March (DKK million)						
	1st quarter				Year	
	2006		2005		2005	
	Total	Segment	Total	Segment	Total	Segment
	revenue	result	revenue	result	revenue	result
Bahrain	16.1	1.5	13.5	0.9	59.0	6.6
United Arab Emirates (UAE)	48.5	4.4	37.6	2.6	173.0	24.5
Qatar	7.3	(1.2)	4.4	(1.5)	28.7	(7.5)
Germany	0.0	0.0	0.0	0.0	0.0	0.0
Denmark	0.0	(0.9)	0.0	(0.6)	0.0	(3.0)
Not allocated	0.0	23.6	0.0	0.0	0.0	0.0
Eliminations	(3.2)	0.0	(0.3)	(0.1)	(2.7)	0.0
<b>Group</b>	<b>68.7</b>	<b>27.4</b>	<b>55.2</b>	<b>1.3</b>	<b>258.0</b>	<b>20.6</b>