

19 February 2004

Year-end report January-December 2003

Rambøll increases profit and takes a position as the leading Nordic provider of knowledge services through the acquisition of Scandiaconsult.

- **Profit before tax (EBT) improved to MDKK 81.6 (80.4).**
- **The rise in profit is mainly attributable to strong demand within Energy & Oil/Gas.**
- **Operating profit (EBIT) rose to MDKK 108.8 (64.0) and is mainly attributable to the acquisition of Scandiaconsult.**
- **Revenue increased by MDKK 1,145.4 to MDKK 2,641.4 (1,496.0). The increase is mainly explained by the acquisition of Scandiaconsult, which accounted for MDKK 1,015.3 (9 months) of the year's revenue growth.**

For more information contact:

*Flemming Bligaard Pedersen, Group CEO, telephone +45 4598 6000,
or Per Leopoldson, Group CFO, telephone +46 8 615 60 00.*

This report is also available at www.ramboll.com

The year in review

Rambøll's revenue during the year rose to MDKK 2,641.4 (1,496.0), of which the recently acquired Scandiaconsult accounted for MDKK 1,015.3 (9 months). Excluding accretive sales from Scandiaconsult, revenue increased by 9 per cent or MDKK 130.1. The year's revenue growth was mainly attributable to high activity in the Energy & Oil/Gas business unit.

Operating profit (EBIT) rose to MDKK 108.8 (64.0). Excluding profit from Scandiaconsult and goodwill amortisation referring to the acquisition of Scandiaconsult, operating profit increased by MDKK 13.3. The demand for consulting engineering services has shown considerable variation between the Nordic countries and regions. The operating margin for the Group was 4.1 per cent (4.3).

Profit before tax (EBT) during the year rose to MDKK 81.6 (80.4) despite a weak market situation and the integration cost of Scandiaconsult.

Acquisitions and sales

In the second quarter of 2003, Rambøll acquired the remaining shares in Scandiaconsult AB and now holds 99.37 per cent of the share capital. Through its subsidiaries in Sweden, Norway and Finland, Scandiaconsult offers consulting engineering and other services for the building, industrial and property markets. In 2002 the Scandiaconsult Group had an annual turnover of around MDKK 1,311 and the number of employees was 1,866.

On 1 January 2003 Rambøll acquired 40 per cent of the shares in the Norwegian company Future Engineering AS (now Rambøll Future). The company is active in the oil and gas market and had an annual turnover of around MDKK 57 and 56 employees in 2002. Rambøll Future is reported as an associated company.

No units were sold during the year.

Operations in Denmark

In Denmark the Rambøll Group's services are provided in a number of areas such as building, transport and infrastructure, industry, water and environment, oil/gas, energy, telecommunications, public administration, management and IT consultancy, waste, health, IT development/integration/maintenance and urban development. The customers are found in both the public and private sectors. The average number of employees during the year was 2,107.

Rambøll's revenue in Denmark during the year improved by MDKK 132.1 to MDKK 1,628.1 (1,496.0). Fourth quarter revenue amounted to MDKK 419.1 (360.5). Operating profit (EBIT) for the year rose by MDKK 19.4 to MDKK 80.6 (61.2). For the fourth quarter, operating profit reached MDKK 13.4 (14.1).

The year 2003 was characterised by major variations. Energy & Oil/Gas and Management experienced high demand and both these units and RAMBØLL Informatik performed well in a tough market. However, demand for traditional consulting engineering services, particularly in the Transport & Telecom and Building & Industry segments, has not yet recovered and remains low.

An agreement was signed between the Swedish company 3GIS and Rambøll Telecom regarding the continued supply of masts and towers for UMTS transmission in Sweden. The agreement covers the supply of guyed masts of between 36 and 90 meters and towers from 24 to 72 meters during 2004.

Operations in Sweden¹

In Sweden, the Rambøll Group offers consulting services in the fields of infrastructure, building construction, civil engineering and installation through Scandiaconsult AB. Special areas of expertise include IT co-ordination, network services, risk analysis, security, road informatics and road condition surveys. The customers are found primarily in the public sector. The average number of employees during the year was 863.

The Swedish business area became part of the Rambøll Group on 1 April 2003 in connection with the acquisition of Scandiaconsult. Revenue during the year totalled MDKK 671.2 (686.6). Fourth quarter revenue amounted to MDKK 188.1 (177.8). Efforts to adapt operations to lower demand in certain sectors and certain locations continued during the fourth quarter. Operating profit (EBIT) for the year reached MDKK 35.2 (45.0). For the fourth quarter, operating profit increased to MDKK 13.2 (9.6).

In 2003 the market showed declining demand, mainly in the building construction sector and particularly in the Stockholm region. Demand in the infrastructure sector remained stable during the year.

As part of a group of companies from Sweden and United Kingdom, the company has received an order to deliver the basic design of a shelter for nuclear waste in Sweden.

Operations in Norway¹

In Norway, the Rambøll Group offers consulting services in the fields of infrastructure, building construction, civil engineering and installation through Scandiaconsult AS. Special areas of expertise include facility management services, logistics, architecture, project development and visualisation. The customers are found primarily in the national, county and municipal governments. The average number of employees during the year was 494.

The Norwegian business area became part of the Rambøll Group on 1 April 2003 in connection with the acquisition of Scandiaconsult. Revenue for the year 2003 totalled MDKK 380.1 (367.8), an increase primarily explained by the acquisition of Unico AS. Fourth quarter revenue amounted to MDKK 95.2 (100.4). Operating profit (EBIT) for the year reached MDKK 28.4 (26.9) and for the fourth quarter operating profit was MDKK 7.0 (7.7).

Low activity in the total building segment continued throughout the fourth quarter. Investments in both the infrastructure sector and the building construction sector stabilised at a low level. There are still considerable local variations between different regions.

In collaboration with the architect firm of A. Arkitekter, the company won a project competition for the design and development of a new centre for junior secondary school, nursery school and sporting facilities. The centre will be built in Fornebu, outside of Oslo.

Operations in Finland¹

In Finland the Rambøll Group offers consulting services in the fields of infrastructure, building construction and civil engineering through SCC Viatek OY. Special areas of expertise include applied research in industrial processes, traffic systems and informatics. The customers are found mainly in the public sector, predominantly in infrastructure assignments. The average number of employees during the year was 570.

The Finnish business area became part of the Rambøll Group on 1 April 2003 in connection with the acquisition of Scandiaconsult. The year's revenue totalled MDKK 325.0 (283.3). The increase is mainly explained by the acquisition of Vesihydro Oy. The revenue in Finland during the fourth quarter increased to MDKK 88.4 (83.7). Operating profit (EBIT) for the year was MDKK 16.2 (17.4). Fourth quarter operating profit amounted to MDKK 3.2 (3.0).

Demand in the building construction sector remained fairly stable with the exception of construction of residential buildings and commercial properties, where activity was relatively high. Aside from the country's fifth nuclear power plant decision, industrial investments were low. The Government is planning a long-term programme for large-scale infrastructure ventures.

The company is providing construction management services, municipal engineering, geotechnical engineering and traffic engineering services for a new business centre, shopping mall (37,000 cubic meters) and a central traffic junction with a bus terminal and metro station in Helsinki.

¹The figures for Sweden, Norway and Finland are based on pro forma calculations. These operations are included in the Group as of the second quarter and were added in connection with the acquisition of Scandiaconsult AB. The figures in italics refer to pro forma values.

Financial position

Cash and bank and short-term investments at the end of the year totalled MDKK 182.2 (62.2). Interest-bearing liabilities amounted to MDKK 512.2 (150.3). The increase in cash and bank and interest-bearing liabilities is explained by the acquisition of Scandiaconsult. The cash flow from operating activities was MDKK 139.8 (33.2).

The equity ratio at the end of the year was 21 per cent (34). The decrease is attributable to the acquisition of Scandiaconsult. Shareholders' equity amounted to MDKK 373.8 (323.2).

Tax

The year's tax expense was MDKK 31.8, equal to around 39 per cent of profit before tax. The high tax rate is mainly explained by non-deductible goodwill amortisation.

Investments

New investments in tangible assets reached MDKK 34.3 (28.4) and referred primarily to computers and other IT equipment. Depreciation of equipment during the year totalled MDKK 45.6 (29.4).

Employees

The average number of employees during the year was 4,050 (2,132). The number of permanent employees at the end of the year was 4,043 (2,144). The increase is mainly due to the acquisition of Scandiaconsult.

Integration process

By 1 April 2004 all business units in the Rambøll Group will use the Rambøll name in an effort to strengthen the Group profile. With a view to aligning the legal and operational structures in the Group, a new holding company is under formation.

Future outlook

The global economy is showing many small signs of improvement compared with the situation in 2003. Especially in the US economy, many indicators point to growth. But in the European economic situation, current high Euro exchange rate is having a powerful dampening effect. The Nordic governments have taken several measures to improve future economic development by lowering the tax rate and expanding investments in infrastructure and public spending in general. It must be concluded that the fundamental economy in the Nordic region and Europe is strong. Based on the general scenario, we expect only slow recovery in our market situation with certain market sectors, as of office and residential construction, continuing to decline throughout most of 2004. In market sectors such as infrastructure, oil & gas and public administration, however, we anticipate a moderate level of activity. The overall implication for our business is that activity will continue at the present level for the first two quarters, followed by a slight improvement in third or fourth quarter of 2004. Efforts to realise efficiency gains and synergies will continue during 2004, which means that there are possibilities that 2004 will be a more profitable year than 2003.

Auditor's report

PricewaterhouseCoopers have audited the annual report for 2003 of the company and will provide the annual report with an audit opinion with no qualifications or supplementary information.

Accounting principles

This report has been prepared in accordance with the Annual Accounts Act. The same accounting and valuation principles have been applied as in the most recent annual report.

Copenhagen, 19 February 2004
Rambøll, Hannemann & Højlund A/S

Group Board of Directors

Consolidated condensed profit and loss (MDKK)	Jan-Dec 2003	Jan-Dec 2002	Pro forma ⁵⁾	
			Jan-Dec 2003	Jan-Dec 2002
Revenue	2,641.4	1,496.0	2,996.7	2,820.3
Operating costs	-2,538.1	-1,434.8	-2,870.7	-2,696.6
Share of profits of associated companies and items affecting comparability ¹⁾	5.5	2.8	0.2	0.0
Operating profit	108.8	64.0	126.2	123.7
Profit before tax	81.6	80.4	93.8	113.7
Billing ratio by market				
(%)	Jan-Dec 2003	Jan-Dec 2002	Jan-Dec 2003	Jan-Dec 2002
Consulting operations in:				
Denmark ²⁾	64	66	64	66
Sweden ³⁾	72	-	72	74
Norway ³⁾	76	-	76	77
Finland ³⁾	71	-	71	72
Revenue by market				
(MDKK)	Jan-Dec 2003	Jan-Dec 2002	Jan-Dec 2003	Jan-Dec 2002
Consulting operations in:				
Denmark ²⁾	1,628.1	1,496.0	1,628.1	1,496.0
Sweden ³⁾	497.9	-	671.2	686.6
Norway ³⁾	272.3	-	380.1	367.8
Finland ³⁾	251.3	-	325.0	283.3
Group-wide and eliminations	-8.2	-	-7.7	-13.4
Total Group	2,641.4	1,496.0	2,996.7	2,820.3
Operating profit by market				
(EBIT) (MDKK)	Jan-Dec 2003	Jan-Dec 2002	Jan-Dec 2003	Jan-Dec 2002
Consulting operations in:				
Denmark ²⁾	80.6	61.2	80.6	61.2
Sweden ³⁾	16.0	-	35.2	45.0
Norway ³⁾	19.8	-	28.4	26.9
Finland ³⁾	14.7	-	16.2	17.4
Share in profit of associated companies and items affecting comparability ¹⁾	5.5	2.8	0.2	0.0
Group-wide and eliminations ⁴⁾	-27.8	-	-34.4	-26.8
Total Group	108.8	64.0	126.2	123.7

¹⁾ Includes share in profit of Scandiaconsult for Jan-March 2003 of MDKK 5.3 and Sep-Dec 2002 of MDKK 2.8.

²⁾ Denmark includes Rambøll Denmark, PLS RAMBØLL Management A/S and RAMBØLL Informatik A/S.

³⁾ Consulting operations in Sweden, Norway and Finland were added in connection with the acquisition of Scandiaconsult AB. Scandiaconsult is consolidated as a subsidiary as of 1 April 2003.

⁴⁾ Group-wide and eliminations consist mainly of goodwill amortisation.

⁵⁾ Figures in italics refer to pro forma calculations for companies included in the Rambøll Group as of December 2003.

An adjustment has been made for items affecting comparability of MDKK 14.0 in 2002. Goodwill amortisation of MDKK 27.2 and interest expenses of MDKK 35.6 have been assumed to apply with effect from 1 January - 31 December of the respective year.

Revenue by market (MDKK)	Q 4 2003	Q 3 2003	Q 2 2003	Q 1 2003⁴⁾	Q 4 2002⁴⁾
Consulting operations in:					
Denmark ¹⁾	419.1	378.7	406.5	423.8	360.5
Sweden ²⁾	188.1	137.3	169.5	176.3	177.8
Norway ²⁾	95.2	82.2	94.9	107.8	100.4
Finland ²⁾	88.4	78.3	84.6	73.7	83.7
Group-wide and eliminations	-3.7	0.0	-1.5	-2.5	-2.9
Total Group	787.1	676.5	754.0	779.1	719.5

Operating profit by market (EBIT) (MDKK)	Q 4 2003	Q 3 2003	Q 2 2003	Q 1 2003⁴⁾	Q 4 2002⁴⁾
Consulting operations in:					
Denmark ¹⁾	13.4	28.7	10.7	27.8	14.1
Sweden ²⁾	13.2	0.4	2.5	19.1	9.6
Norway ²⁾	7.0	10.7	2.1	8.6	7.7
Finland ²⁾	3.2	5.6	5.9	1.5	3.0
Share in profit of associated companies and items affecting comparability	-0.6	0.4	0.3	0.1	0.2
Group-wide and eliminations ³⁾	-12.0	-8.3	-7.0	-7.1	-6.6
Total Group	24.2	37.5	14.5	50.0	28.0

¹⁾ Denmark includes Rambøll Denmark, PLS RAMBØLL Mangagement A/S and RAMBØLL Informatik A/S.

²⁾ Consulting operations in Sweden, Norway and Finland were added in connection with the acquisition of Scandiaconsult AB. Scandiaconsult is consolidated as a subsidiary as of 1 April 2003.

³⁾ Group-wide and eliminations consist mainly of goodwill amortisation.

⁴⁾ Figures in italics refer to pro forma calculations for companies included in the Rambøll Group as of December 2003. Goodwill amortisation of MDKK 6.8 has been assumed to apply in each quarter.

Profit by quarter (MDKK)	Q4 2003	Q 3 2003	Q 2 2003	Q 1 2003	Q 4 2002
Fees for services, etc	607.5	559.4	659.9	375.9	345.6
Income from outlays, subconsulting services	179.6	117.1	94.1	47.9	14.9
Total revenue	787.1	676.5	754.0	423.8	360.5
Expenses for outlays, subconsulting services	-136.9	-108.5	-117.2	-63.5	-19.2
Other external costs	-123.6	-133.1	-108.0	-64.8	-66.9
Personnel costs	-480.6	-376.8	-492.1	-260.9	-250.8
Depreciation and amortisation	-21.6	-21.0	-22.7	-6.7	-9.6
Total costs	-762.8	-639.4	-740.0	-395.9	-346.5
Share in profit of associated companies and items affecting comparability	-0.6	0.4	0.5	5.2	2.4
Operating profit (EBIT)	23.7	37.5	14.5	33.1	16.4
Net financial items	-10.7	-6.8	-7.2	-2.5	-2.4
Profit before tax (EBT)	13.0	30.7	7.3	30.6	14.0
Tax	-8.2	-10.9	-4.9	-7.8	-2.9
Profit for the period	4.8	19.8	2.4	22.8	11.1
Average number of employees	4,050	4,027	4,007	2,036	2,132

Key ratios	Jan-Dec 2003	Jan-Dec 2002
Profit before tax, MDKK	81.6	80.4
Return on equity, % ¹⁾	14.3	18.6
Return on capital employed, % ¹⁾	17.3	23.8
Return on total capital, % ¹⁾	8.5	9.4
Net margin, %	3.1	5.4
Operating margin, %	4.1	4.3
Equity ratio, %	21	34
Average number of employees	4,050	2,132
Number of employees at end of year	4,043	2,144

¹⁾ Calculated on a rolling annual basis.

Change in shareholders' equity (MDKK)	Jan-Dec 2003	Jan-Dec 2002
<i>Consolidated shareholders' equity</i>		
Opening balance	323.2	268.0
Issue of new shares	8.0	-
Premium rate	4.1	-
Translation difference	-11.3	-0.4
Net profit for the year	49.8	55.7
Closing balance	373.8	323.2

Consolidated condensed profit and loss accounts (MDKK)	Jan-Dec 2003	Jan-Dec 2002
Fees for services, etc	2,202.7	1,348.9
Income from outlays, subconsulting services	438.7	147.1
Total revenue	2,641.4	1,496.0
Expenses for outlays, subconsulting services	-426.1	-183.1
Other external costs	-429.5	-258.0
Personnel costs	-1,610.4	-963.7
Depreciation and amortisation	-72.0	-30.0
Total costs	-2,538.1	-1,434.8
Share in profit of associated companies and items affecting comparability ¹⁾	5.5	2.8
Operating profit (EBIT)	108.8	64.0
Net financial items	-27.2	16.4
Profit before tax (EBT)	81.6	80.4
Tax	-31.8	-24.7
Net profit for the year	49.8	55.7

1) Includes share in profit of Scandiaconsult for Jan-March 2003 of MDKK 5.3 and Sep-Dec 2002 of MDKK 2.8.

**Consolidated condensed
balance sheets**

(MDKK)	2003-12-31	2002-12-31
Intangible assets ¹⁾	589.5	12.1
Tangible assets	109.8	71.7
Financial assets	86.9	335.1
Current assets	833.0	482.9
Short-term investments	50.3	13.0
Cash and bank	131.9	49.2
Total assets	1,801.4	964.0
Shareholders' equity	373.8	323.2
Provisions ²⁾	173.2	106.8
Long-term liabilities ³⁾	9.7	89.9
Short-term liabilities ³⁾	1,244.8	444.1
Total shareholders' equity and liabilities	1,801.4	964.0

¹⁾ Of which, goodwill **583.9** 11.5

²⁾ Of which interest-bearing provisions **43.8** -

³⁾ Of which interest-bearing liabilities **512.2** 150.3

**Consolidated condensed
cash flow statements**

(MDKK)	Jan-Dec 2003	Jan-Dec 2002
Cash flow from operating activities before changes in working capital	148.1	107.6
Changes in working capital	-8.4	-74.4
Cash flow from operating activities	139.8	33.2
Investing activities	-633.5	-340.5
Liquid assets acquired	254.2	0.0
Cash flow after investing activities	-239.5	-307.3
Financing activities	408.9	100.9
The year's cash flow	169.4	-206.4
Liquid assets, opening balance	12.8	219.2
Liquid assets, closing balance ¹⁾	182.2	12.8

¹⁾ Bank overdraft of MDKK 49.4 has been deducted in 2002.

