

Rambøll Management Consulting A/S

Annual Report 2018

CVR number 60997918

The Annual Report was presented and approved at the annual general meeting on 2 April 2019.

Chair

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and loops around itself.

Rambøll Management Consulting A/S, Hannemanns Allé 53, DK-2300 København S

<u>Table of contents</u>	<u>Page</u>
Management's statement on the Annual Report	1
Independent Auditor's Report	2-3
Company information	4
Key figures and financial ratios	5
Director's Report	6
Accounting policies	7-11
Income statement	12
Balance sheet	13-14
Statement of changes in equity	15
Notes	16-21

Management's statement on the Annual Report

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Rambøll Management Consulting A/S for the financial year 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act. We consider the accounting policies applied and the accounting estimates made are reasonable. In our opinion, the Annual Report give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for 2018.

In our opinion, the Director's Report includes a true and fair account of the development in the operations and financial positions of the Company and of the results for the year as well as the financial position.

We recommend the Annual Report to be adopted at the Annual General Meeting.

Copenhagen, 2 April 2019

Executive Board:



Markus Diederich



Carsten Bisgaard Sørensen



Mikkel Thøgersen



Hans Gunnarsson Lindeman

Board of Directors:



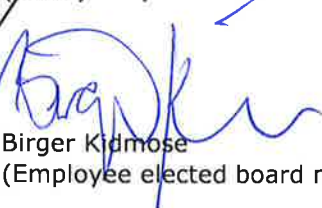
Stephen Tracy Washburn
(Chair)



Thomas Rand



Marianne Sørensen



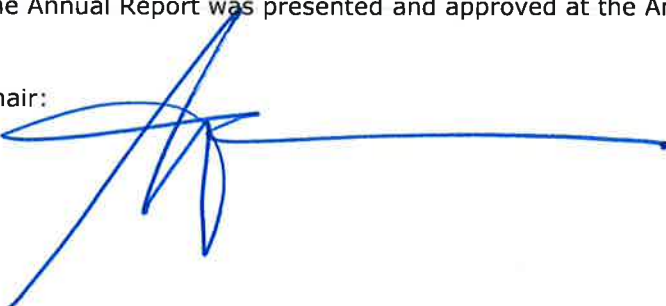
Birger Kidmose
(Employee elected board member)



Flemming Lorenz
(Employee elected board member)

The Annual Report was presented and approved at the Annual General Meeting on 2 April 2019.

Chair:



To the Shareholder of Rambøll Management Consulting A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018, and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Rambøll Management Consulting A/S for the financial year 1 January - 31 December 2018, which comprise summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Director's Report

Management is responsible for Director's Report.

Our opinion on the financial statements does not cover Director's Report, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Director's Report and, in doing so, consider whether Director's Report is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Director's Report provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Director's Report is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatements in Director's Report.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 2 April 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR no. 33771231



Rasmus Friis Jørgensen

State Authorised Public Accountant
mne28705



Kim Danstrup

State Authorised Public Accountant
mne32201

Company information

Name:	Rambøll Management Consulting A/S
Domicile:	Hannemanns Allé 53, DK-2300 Copenhagen S
CVR number:	60997918
Municipality of domicile:	Copenhagen
Ownership:	Rambøll Management Consulting A/S is wholly owned by Ramboll Group A/S
Board of Directors	Stephen Tracy Washburn, chair, Group Executive Director Thomas Rand, Managing Director Marianne Sørensen, Group Chief Financial Officer Birger Kidmose (E), Manager Flemming Lorenz (E), Business Manager (E) = Employee elected board members
Executive Board:	Markus Diederich, Managing Director Mikkel Thøgersen, Global Spearhead Director Carsten Bisgaard Sørensen, Executive Director Hans Gunnarsson Lindeman, Executive Director
Lawyer:	Bech-Bruun Langelinie Allé 35 DK-2100 Copenhagen Ø
Auditor:	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup
Bank:	Nordea Danmark A/S Strandgade 3 DK-0900 Copenhagen C
Consolidated Financial Statements:	Rambøll Management Consulting A/S is included in the Group Annual Report for Ramboll Group A/S, Hannemanns Allé 53, Copenhagen S, Denmark, CVR number 10160669, where the Group Annual Report can be obtained.

Key figures and financial ratios

Key figures and financial ratios for Rambøll Management Consulting A/S in five consecutive financial years (DKK million):

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Income statement:					
Revenue	308	302	304	295	278
Operating profit	12	27	27	27	26
Profit before financials	14	16	38	31	19
Profit for the year	11	9	28	24	13
Balance sheet:					
Total assets	172	182	182	172	169
Investment in tangible fixed assets	0	0	0	1	1
Shareholders' equity	71	66	81	75	66
Financial ratios in %:					
Profit margin	4.5	5.2	12.3	10.4	6.7
Return on invested capital	8.0	8.6	20.6	17.8	11.0
Solvency ratio	41.5	36.1	44.2	43.6	39.1
Return on equity	15.6	12.7	36.6	33.8	18.3

Calculation of financial ratios:

Profit margin:	$(\text{Profit before financials} \times 100) / \text{Revenue}$
Return on invested capital	$(\text{Profit before financials} \times 100) / \text{Total assets}$
Solvency ratio:	$(\text{Equity at the end of period} \times 100) / \text{Total assets}$
Return on equity:	$(\text{Profit for the year} \times 100) / \text{average equity}$

As in previous years, the main activities of Rambøll Management Consulting A/S comprised consultancy services to both the public and the private sectors. The consultancy organisation includes Business Consulting, Social & Economic Impacts and Stakeholder Intelligence.

Structure

Rambøll Management Consulting A/S is part of the Ramboll Group and is responsible for management consultancy services across all the markets in which the Ramboll Group is represented.

Rambøll Management Consulting A/S has offices in Copenhagen and Aarhus and is established with independent subsidiaries in Sweden, Norway and Belgium.

Development in 2018

Operating profit was below the level from previous year DKK 11,876 thousand (2017: DKK 26,744 thousand), despite high margins in some units, it was not enough to compensate for a very slow Q2, mainly in the Public Sector.

Results for subsidiaries is DKK 1,833 thousand (2017: DKK -11,108 thousand), which is a large improvement compared to previous years and better than expected. We now have a more balanced performance across countries.

Employees

The average number of employees is 297 (2017: 302).

Corporate social responsibility

Reference is made to the consolidated Annual Report of Ramboll Group A/S.

Employees and diversity

It is the target that each gender is represented in the Board of Directors.

Marianne Sørensen, Ramboll Group CFO is now member of the board. In the Board of Directors, the gender distribution is equal hence; no targets are set and reported.

It is the target that the gender distribution at management level is equally. To attract qualified employees and responsible clients to our company in the future, it is crucial to mitigate the risk of discrimination by creating an inclusive work environment and understand the opportunities that equality and diversity bring to our business. In 2018, we conducted a leadership and employee survey to measure knowledge and awareness of equality, diversity and inclusion among our employees. Based on the results, we have decided to increase awareness on "unconscious bias" by running workshops during 2019 starting with our executive team. We will also continue a number of locally relevant workshops on inclusive leadership, equality and diversity. Our key goal for 2020 is that diversity in our workforce, including gender balance across all job families and job level, should reflect the accessible talents in the local market.

In the global management consulting practice areas, the actual gender distribution at management level is 27% female and 73% male compared to 26% female and 74% male in 2017. Further, competence development is still high on the agenda and there is a continuous ambition to excel as the best and a diverse workplace in the industry.

Unusual events

In Management's opinion, there are no unusual events or uncertainties that materially affect the Annual Report.

Expectations for the year ahead

We budget a moderate revenue increase and a stable profit level for the Danish activities. For our subsidiaries we expect an improved and moderate positive result in 2019.

Basis of accounting

The Annual Report of Rambøll Management Consulting A/S for 2018 is prepared in accordance with the provisions applicable to large enterprises in accounting class C under the Danish Financial Statements Act and is presented in DKK 1,000.

As the company and the underlying subsidiaries are included in the Consolidated Financial Statements of Ramboll Group A/S, the company has chosen not to prepare consolidated financial statements with reference to section 112 of the Danish Financial Statements Act, and with reference to section 86(4) of the Danish Financial Statements Act no cash flow statement is prepared. We refer to the Annual Report of the Parent Company, Ramboll Group A/S.

Recognition and measurement

The financial statements are prepared in accordance with the historical cost convention.

Income is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or cost are recognized. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement including depreciation, amortisation, other provisions as well as reversals due to accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is likely that future economic benefits will accrue from the company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item.

Recognition and measurement take into account all predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidates affairs and conditions existing at the balance sheet date.

Danish kroner (DKK) is used as the measurement currency. All other currencies are regarded as foreign currencies.

Foreign currency translation

Transactions in foreign currencies are translated into DKK using the exchange rates prevailing at the dates of the transactions. Gains and losses arising due to differences between the transaction date rates and the rates prevailing at the date of payment are recognised as an item under financial income and expenses in the income statement.

Receivables, liabilities and other monetary items in the foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates prevailing at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised as an item under financial income and expenses in the income statement.

The income statement for the Company's subsidiaries abroad are translated to average exchange rates, while the balance sheet items including goodwill relating to foreign enterprises are translated to the exchange rates at the balance sheet date.

Exchange rate adjustments arising on the translation of the opening equity of foreign enterprises and exchange adjustments arising from the translation of income statement at average exchange rates are recognised directly in equity.

Leases

Leases, in terms of which the company assumes all substantial risks and rewards of ownership (finance leases), are recognised in the balance sheet at the lower of the fair value of the leased asset and net present value of the lease payments computed by applying the interest rate implicit in the lease or the approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under liabilities, and the interest element of the lease payment is charged to the income statement.

All other leases are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the lease term.

Segment information

Segment information is presented in respect of the distribution of the net turnover on geographical markets and on core business areas.

Income statement**Revenue**

Fee income is recognised as production is performed (percentage of completion method), according to which the revenue corresponds to the selling price of the work performed for the year including a calculated profit. Fee income therefore reflect the scope of the activity for the year. This method is applied when total income and expenses in respect of a contract and the stage completion at the balance sheet date can be measured reliably, and it is probable that the future economic benefits, including payments, will flow to the Company.

License fee for use of software available for use over a specified period is recognized on a straight-line basis over the term of the license period.

Revenues from the course activities are recognized at the time of course.

Revenue is recognised exclusive of VAT and net discounts relating to sales.

Project costs

Project costs consist of costs directly related to projects, such as travel and accommodation, consulting assistance, project insurance, IT expenses and provisions and losses realised on the projects.

External costs

External costs consist of expenses which are not project related, such as costs relating to premises, office supplies, IT expenses, travel and transportation, management fee, facility service, insurance and other administrative expenses.

Staff costs

Staff costs consist of wages and salaries, holiday pay and social security costs etc.

Depreciation and amortisation

Depreciation and amortisation consist of depreciation and amortisation of goodwill, leasehold improvements, software, licenses etc. and plant and equipment comprising printing machines, cars, IT equipment and other equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature such as gains and losses on sale of fixed assets and sale of activities etc.

Financial income and expenses

Financial income and expenses consist of interest, foreign exchange gain or loss (realised and unrealised) and other financial income and expenses.

Corporation tax and deferred tax

The Company is jointly taxed with the Parent Ramboll Group A/S and Danish group enterprises of Ramboll Group A/S. Ramboll Group A/S acts as administration company. The jointly taxed companies are included in the Danish tax prepayment scheme.

The tax effect of the joint taxation is allocated to Danish enterprises showing profits or losses in proportion to their taxable profit (full allocation with credit for tax losses). The total tax on the taxable profit of Rambøll Management Consulting A/S is paid to Ramboll Group A/S.

Tax consists of current tax and deferred tax for the year. The tax attributable to the net profit for the year is recognised in the income statement at the amount attributable to the net profit for the year. Tax attributable to entries directly to equity transactions is recognised in equity.

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable profit adjusted for tax on taxable profit for prior years until settlement with the Parent.

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. Deferred tax is not recognised in the respect of temporary differences relating to amortisation of goodwill not deductible for tax purposes.

Deferred tax is measured on the basis of the current tax rules and at the tax rates that are expected to apply when the temporary differences have been settled. Changes in deferred tax due to changes in tax rates are recognised in the income statement.

Deferred tax assets, including the tax base of tax losses carried forward, are measured at the value which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are set-off within the same legal tax entity.

Balance sheet**Intangible assets****Goodwill**

Goodwill is amortised on a straight-line basis over the estimated useful life, determined on the basis of the Management's experience in the individual business areas. The maximum amortisation period is 10 years.

Software and licenses

Development projects including own developed software where it is likely that future economic benefits will accrue to the Company and the value of the asset can be measured reliably, are recognised as intangible assets and depreciated on a straight-line basis over 3-7 years. Other test and research expenditures are charged to the income statement under "Other external expenses" and "Staff costs", when incurred.

An amount equal to the capitalized development costs in the balance sheet are recognized in the item "Reserve for development costs" under equity. The reserve decreases in value due to depreciations.

Tangible assets

Tangible assets are measured at cost less accumulated depreciation and impairment losses.

Cost include cost of acquisitions and expenses directly attributable to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which comprise:

Plant and equipment	3-5 years
---------------------	-----------

Impairment on property, plant and equipment

The book value of intangible and tangible assets is reviewed annually to determine whether there is any indication of impairment losses other than that expressed by depreciation and amortisation. If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount. This impairment test is performed annually for development projects in progress irrespective of any indication of decrease in value.

The recoverable amount of the asset is calculated as the higher of the net selling price and value in use. If it is not possible to determine a recoverable amount for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill and other assets for which a separate value in use cannot be determined, as the asset does not generate future cash flows on an individual basis, are reviewed for impairment together with the group of assets to which they are attributable.

Fixed asset investment

Investments in subsidiaries are recognised and measured according to the equity method. The proportionate share of profit for the year less amortisation of goodwill is recognised in the income statement under "Income from subsidiaries".

The items "Investments in subsidiaries" in the balance sheet include the proportionate ownership interests of the net equity value of the enterprises calculated on the basis of the fair value of the identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of any remaining value of positive differences (goodwill) and deduction of any remaining value of negative differences (negative goodwill).

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Net revaluation according to the equity method" under equity. The reserve is reduced by distribution of dividend to the Parent and adjusted for other changes in equity in subsidiaries.

On acquisition of subsidiaries, the difference between the cost and the equity value of the acquired company is calculated at the date of acquisition after adjustment to fair value of the identifiable assets and liabilities (the acquisition method). Any remaining positive balances (goodwill) are recognised as investments in subsidiaries and are amortised in the income statement on a straight-line basis over the estimated useful life of the investment.

Receivables

Accounts receivables, trade are measured in the balance sheet at the lower of amortised cost or net realisable value, which corresponds to the nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each debtor.

Work in progress

Work in progress is measured at the sales price of the work performed calculated on the basis of the stage of completion based on an assessment of the individual work. The stage of completion is measured on the basis of the share of the contract expenses incurred in relation to the expected total expenses of the contract. Where it is likely that the total contract expenses will exceed the total income from a contract, the expected loss is recognised as an expense in the income statement.

Where the sales price cannot be measured reliably, the sales price is measured at the lower of expenses incurred and net realisable value.

Invoicing on account is deducted from the sales price. The individual contracts are classified as accounts receivables when the net sales price is positive and as liabilities when pre-invoicing exceeds the sales price.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments consist of expenses paid relating to subsequent financial year. This typically includes prepaid expenses regarding rent, insurance premiums, subscriptions and interest.

Equity

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Provisions comprise among other things compensations relating to advisory services provided. Compensations are recognised on the basis of an individual assessment of each case.

Other payables

Other payables are measured at amortised cost, substantially corresponding to their nominal value.

Other payables mainly consist of salary related items (bonuses, pension, holiday accruals etc.), VAT and provisions for not received vendor invoices.

Financial ratios

The ratios have been calculated in accordance with the guidelines issued by The Danish Society of Financial Analysts.

Income Statement (DKK thousand)

	<u>Note</u>	<u>2018</u>	<u>2017</u>
Revenue	1	307,552	302,106
Project costs		<u>-67,202</u>	<u>-57,622</u>
Gross profit		240,350	244,484
External costs		-49,544	-43,417
Staff costs	2	-176,767	-171,887
Depreciation and amortisation	3	<u>-2,163</u>	<u>-2,436</u>
Operating profit		11,876	26,744
Income from subsidiaries	9	<u>1,833</u>	<u>-11,108</u>
Profit before financials		13,709	15,636
Financial income	4	159	59
Financial expenses	5	<u>-526</u>	<u>-422</u>
Profit before tax		13,342	15,273
Tax	6	<u>-2,653</u>	<u>-5,979</u>
Profit for the year		<u><u>10,689</u></u>	<u><u>9,294</u></u>

Balance sheet (DKK thousand)

Assets	Note	31/12 2018	31/12 2017
Software, licenses etc.		4,526	2,814
Goodwill		0	507
Intangible assets	7	<u>4,526</u>	<u>3,321</u>
Plant and equipment		392	505
Property, plant and equipment	8	<u>392</u>	<u>505</u>
Investments in subsidiaries	9	11,675	4,802
Investments		<u>11,675</u>	<u>4,802</u>
Total fixed assets		<u>16,593</u>	<u>8,628</u>
Accounts receivables, trade	10	63,393	79,741
Work in progress	11	17,493	19,209
Outlays and other receivables		10,812	18,454
Receivables from group companies		15,312	5,622
Receivables from Parent company concerning deposits on cash pool accounts		43,967	50,415
Corporation tax receivable		3,148	0
Prepayments		1,027	208
Receivables		<u>155,152</u>	<u>173,649</u>
Total current assets		<u>155,152</u>	<u>173,649</u>
Total assets		<u><u>171,745</u></u>	<u><u>182,277</u></u>

Balance sheet (DKK thousand)

Equity and liabilities	<u>Note</u>	<u>31/12 2018</u>	<u>31/12 2017</u>
Share capital		2,500	2,500
Reserve for development costs		4,526	2,477
Retained earnings		45,165	49,756
Proposed dividend		<u>19,000</u>	<u>11,000</u>
Shareholders' equity	12	<u>71,191</u>	<u>65,733</u>
Provision for deferred tax		<u>3,795</u>	<u>1,997</u>
Total provisions	13	<u>3,795</u>	<u>1,997</u>
Prepayments from customers	11	29,362	40,223
Trade payables		9,031	15,329
Payables to group companies		12,014	10,103
Corporation tax		0	337
Other payables	14	<u>46,352</u>	<u>48,555</u>
Total short-term liabilities		<u>96,759</u>	<u>114,547</u>
Total liabilities		<u>96,759</u>	<u>114,547</u>
Total liabilities and shareholders' equity		<u><u>171,745</u></u>	<u><u>182,277</u></u>
Distribution of profit for the year	12		
Contingent liabilities	15		
Operational lease obligations	16		
Related parties and ownership	17		
Auditors' fee	18		
Subsequent events	19		

Statement of changes in equity (DKK thousand)

	<u>Share capital</u>	<u>Net revaluation according to the equity method</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Dividend</u>	<u>Total</u>
Total Equity at 1 January 2017	2,500	1,393	2,302	49,305	25,000	80,500
Exchange rate adjust. in subsidiaries	0	-277	0	0	0	-277
Contribution to subsidiaries	0	1,216	0	0	0	1,216
Capitalized development costs	0	0	175	-175	0	0
Paid dividend in 2017	0	0	0	0	-25,000	-25,000
Proposed dividend for 2017	0	0	0	-11,000	11,000	0
Profit for the year 2017	0	-2,332	0	11,626	0	9,294
Total equity at 31 December 2017	2,500	0	2,477	49,756	11,000	65,733
Exchange rate adjust. in subsidiaries	0	-203	0	0	0	-203
Contribution to subsidiaries	0	5,972	0	0	0	5,972
Capitalized development costs	0	0	2,049	-2,049	0	0
Paid dividend in 2018	0	0	0	0	-11,000	-11,000
Proposed dividend for 2018	0	0	0	-19,000	19,000	0
Profit for the year 2018	0	-5,769	0	16,458	0	10,689
Total equity at 31 December 2018	2,500	0	4,526	45,165	19,000	71,191

The share capital is distributed on one share of DKK 1 million and one share of DKK 1,5 million. No changes have been made in the share capital in the last 5 years.

Notes (DKK thousand)

1 Revenue

	<u>2018</u>	<u>2017</u>
<u>Revenue by sector:</u>		
Public customers	184,897	193,973
Private customers	<u>122,655</u>	<u>108,133</u>
	<u>307,552</u>	<u>302,106</u>
<u>Revenue by World:</u>		
Danish customers	289,290	288,221
Foreign customers	<u>18,262</u>	<u>13,885</u>
	<u>307,552</u>	<u>302,106</u>

2 Staff costs

	<u>2018</u>	<u>2017</u>
Wages and salaries	151,399	149,260
Pension costs	12,364	11,573
Social security costs	<u>2,570</u>	<u>2,462</u>
Total	<u>166,333</u>	<u>163,295</u>
Executive Board	10,434	8,592
Board of Directors	0	0
	<u>176,767</u>	<u>171,887</u>
Average number of employees (registered hours)	<u>297</u>	<u>302</u>
Number of employees at the end of the financial year (including hourly paid with employment contract)	<u>405</u>	<u>450</u>

3 Depreciation and amortisation

	<u>2018</u>	<u>2017</u>
Software, licenses etc.	1,543	1,497
Goodwill	507	675
Plant and equipment	<u>113</u>	<u>264</u>
	<u>2,163</u>	<u>2,436</u>

Notes (DKK thousand)

4 Financial income

	<u>2018</u>	<u>2017</u>
Interest income from group companies	12	3
Foreign exchange gain	146	56
Other financial income	<u>1</u>	<u>0</u>
	<u>159</u>	<u>59</u>

5 Financial expenses

	<u>2018</u>	<u>2017</u>
Foreign exchange loss	456	157
Other financial expenses	<u>70</u>	<u>265</u>
	<u>526</u>	<u>422</u>

6 Tax

	<u>2018</u>	<u>2017</u>
Current tax on the profit for the year, Denmark	853	7,209
Adjustment related to previous years	2	-16
Change in deferred tax for the year	<u>1,798</u>	<u>-1,214</u>
Total tax	<u>2,653</u>	<u>5,979</u>

Notes (DKK thousand)

7 Intangible assets

	<u>Goodwill</u>	<u>Software licenses etc.</u>
Cost at 1 January	6,410	7,026
Additions	<u>0</u>	<u>3,255</u>
Cost at 31 December	<u>6,410</u>	<u>10,281</u>
Amortisation at 1 January	5,903	4,212
Amortisation for the year	<u>507</u>	<u>1,543</u>
Amortisation at 31 December	<u>6,410</u>	<u>5,755</u>
Book value at 31 December	<u>0</u>	<u>4,526</u>
Amortisation period	<u>1-10 years</u>	<u>3-7 years</u>

8 Tangible assets

	<u>Plant and equipment</u>
Cost at 1 January	<u>2,051</u>
Cost at 31 December	<u>2,051</u>
Depreciation at 1 January	1,546
Depreciations during the year	<u>113</u>
Depreciation at 31 December	<u>1,659</u>
Book value at 31 December	<u>392</u>
Depreciation period	<u>3-5 years</u>

Notes (DKK thousand)

9 Investments in subsidiaries

	<u>31/12 2018</u>	<u>31/12 2017</u>
Cost at 1 January	14,065	12,849
Contribution to subsidiaries	<u>5,972</u>	<u>1,216</u>
Cost at 31 December	<u>20,037</u>	<u>14,065</u>
Revaluation value at 1 January	-9,992	1,393
Net profit for the year	1,833	-11,108
Exchange rate adjustment	<u>-203</u>	<u>-277</u>
Revaluation at 31 December	<u>-8,362</u>	<u>-9,992</u>
Reclassification at 31 December	<u>0</u>	<u>729</u>
Book value at 31 December	<u><u>11,675</u></u>	<u><u>4,802</u></u>

All subsidiaries are 100% owned and specified as follows:

<u>Name and domicile</u>	<u>Share capital</u>	<u>Equity DKK thousand</u>	<u>Profit for the year DKK thousand</u>
Ramboll Management Consulting AB, Sweden	100 tSEK	5,270	-1,357
Rambøll Management Consulting AS, Norway	300 tNOK	3,991	2,576
Ramboll Management Consulting Brussels SA/NV, Belgium	160 tEUR	<u>2,414</u>	<u>614</u>
Investments in subsidiaries		<u><u>11,675</u></u>	<u><u>1,833</u></u>

Notes (DKK thousand)

10 Accounts receivables, trade

All accounts receivables, trade are due for payment within one year.

11 Work in progress

	<u>31/12 2018</u>	<u>31/12 2017</u>
Selling price of the production for the end of period	452,131	338,245
Invoicing on account	<u>-464,000</u>	<u>-359,259</u>
Work in progress, net	<u><u>-11,869</u></u>	<u><u>-21,014</u></u>
Recognised in the balance sheet as follows:		
Work in progress under assets	17,493	19,209
Prepayments from customers under liabilities	<u>-29,362</u>	<u>-40,223</u>
	<u><u>-11,869</u></u>	<u><u>-21,014</u></u>

12 Distribution of profit for the year

	<u>31/12 2018</u>	<u>31/12 2017</u>
Proposed dividend	19,000	11,000
Net revaluation according to the equity method	-5,769	-2,332
Reserve for development costs	2,049	175
Retained earnings	<u>-4,591</u>	<u>451</u>
	<u><u>10,689</u></u>	<u><u>9,294</u></u>

13 Provision for deferred tax

	<u>31/12 2018</u>	<u>31/12 2017</u>
Provision for deferred tax at 1 January	1,997	3,211
Change in deferred tax recognized in income statement	<u>1,798</u>	<u>-1,214</u>
Provision for deferred tax at 31 December	<u><u>3,795</u></u>	<u><u>1,997</u></u>

Deferred tax is calculated using the statutory corporate income tax rate of 22%.

Deferred tax relates to:

Property, plant and equipment	-93	-127
Intangible assets	971	586
Work in progress	2,942	1,566
Accounts receivables, trade	<u>-25</u>	<u>-28</u>
	<u><u>3,795</u></u>	<u><u>1,997</u></u>

Notes (DKK thousand)

14 Other payables

	<u>31/12 2018</u>	<u>31/12 2017</u>
Provision holiday pay	19,648	17,550
VAT	8,015	11,177
Wages, salaries and taxes due	5,768	8,479
Other items	<u>12,921</u>	<u>11,349</u>
	<u>46,352</u>	<u>48,555</u>

15 Contingent liabilities

Danish companies in Ramboll Group are jointly liable for the income tax of the aggregate danish taxable income etc. The total amount is shown in the Annual Report for Ramboll Group A/S, which is the management company in relation to joint taxation.

16 Operational lease obligations

	<u>31/12 2018</u>	<u>31/12 2017</u>
Due within 1 year	583	134
Due within 1 to 5 years	<u>1,086</u>	<u>0</u>
	<u>1,669</u>	<u>134</u>

17 Related parties and ownership

Control:

Rambøll Fonden, Copenhagen
Ramboll Group A/S, Copenhagen

Basis:

Principal shareholder in Ramboll Group A/S
Owns 100% of the shares in Rambøll Management Consulting A/S

Other related parties:

The Management of the Company as well as group companies.

18 Auditors' fee

Remuneration for the auditors elected by the annual general meeting:

With reference to the Danish Financial Statements Act, Section 96, subsection 3, information about Remuneration for the auditors elected by the annual general meeting been left out. We refer to the consolidated annual accounts for Ramboll Group A/S.

19 Subsequent events

No events materially affecting the Annual Report have occurred after the balance sheet date.