

30 April 2018

ROCKWOOL Group upgrades expected earnings margin for full-year 2018.

Based on preliminary reporting, ROCKWOOL Group is increasing its expected EBIT margin for 2018 from at least 11 percent to around 13 percent.

Main preliminary highlights for Q1 2018:

- Sales rose to EUR 603 million, a 17 percent increase in local currencies
- With a negative exchange rate effect of four percent, sales in reported figures were up 13 percent, including three percent from acquisitions
- EBIT increased 53 percent to EUR 70 million equal to an EBIT margin of 11.6 percent, an increase of three percentage points from last year

Outlook 2018:

ROCKWOOL Group has had a good start to 2018, with very positive sales development in the first quarter, generating a healthy growth in earnings. The increase in sales has been driven by improved market conditions and strong demand for non-combustible insulation products. Despite the negative currency impact, the current trend justifies an upward adjustment of the EBIT outlook for 2018.

Market conditions for the full year continue to look promising across the larger European stone wool markets including Germany, Poland, France, and the United Kingdom as well as in North America.

A reasonable inflation on sales prices together with continued productivity improvements are expected to offset the higher input costs. However, we do anticipate continued pressure on production capacity in the coming quarters, which will affect sourcing and logistics costs.

Based on these assumptions, we maintain our full year estimate for sales growth at 7-10 percent with a higher level of confidence, while we expect the EBIT margin to improve to around 13 percent from the previously forecasted outlook of at least 11 percent.

ROCKWOOL Group will publish its Q1 2018 results on 18 May 2018.

Further information: Kim Junge Andersen
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Conference call

The ROCKWOOL Group will host an investor call on 1 May 2018 at 10.00 CET. To attend the conference call dial +4570223500, +44(0)2075721187 or +1 6467224972. Passcode 33705788#. The conference call will be transmitted live on www.rockwoolgroup.com.