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ROCKWOOL Group upgrades net sales growth expectations for full-year 2018

Based on preliminary reporting, ROCKWOOL Group is increasing its expected growth in net sales for 2018 from 7-10 percent in local currencies to 13-15 percent in local currencies.

Main preliminary highlights for H1 2018:

- Sales rose to EUR 1,270 million, a 17 percent increase in local currencies
- With a negative exchange rate effect of three percent, sales in reported figures were up 14 percent, including three percent from acquisitions
- EBIT increased 47 percent to EUR 161 million equal to an EBIT margin of 12.7 percent, an increase of 2.9 percentage points from last year

Outlook 2018:

ROCKWOOL Group has had a busy first half of 2018, with positive sales development and healthy growth in earnings. The increase in net sales has been driven by increased construction activities and strong demand for non-combustible insulation products.

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

Focus is on servicing customers and delivering as promised. Additionally, and as expected, we anticipate some pressure on production capacity and increase in logistics costs over the coming quarters. We do feel confident however that our dedicated employees can live up to the demand and that the company can continue to deliver a satisfactory growth rate in the second half of the year.

Based on these assumptions, we upgrade our full year estimate for growth in net sales from 7-10 percent in local currencies to 13-15 percent in local currencies, including 2-3 percent from Flumroc. We maintain the expected EBIT margin announced in May 2018 of around 13 percent.

ROCKWOOL Group will publish its full H1 2018 results on 24 August 2018.

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