

Company announcement
for ROCKWOOL International A/S
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ROCKWOOL Group upgrades expected net sales growth and earnings margin for full-year 2021

Based on preliminary reporting, ROCKWOOL Group is increasing its expected growth in net sales and EBIT margin for 2021 as follows:

- Net sales growth for 2021 is increased from 10-12 percent to around 17 percent in local currencies.
- EBIT margin for 2021 is increased from around 12 percent to above 13 percent.

Main preliminary highlights for Q2 and H1 2021:

- Net sales for H1 2021 reached 1 449 MEUR, a 20 percent increase in local currencies compared to H1 2020.
- Net sales for Q2 2021 reached 778 MEUR, a 35 percent increase in local currencies compared to Q2 2020.
- EBIT in H1 2021 increased 46 percent to 201 MEUR, with a 13.9 percent EBIT margin, up 2.7 percentage points from H1 2020.
- EBIT in Q2 2021 increased 92 percent to 111 MEUR, with a 14.3 percent EBIT margin, up 4.3 percentage points from Q2 2020.

Outlook 2021:

ROCKWOOL Group has had a good first half of 2021, with accelerated sales growth in the second quarter and good earnings. The positive sales development has been driven by increased construction activities, high demand for non-combustible insulation products and good sales performance in the Systems segment.

Market conditions for the full year are expected to remain favourable. We see a broad-based improvement including in our larger European stone wool markets such as Germany, Poland, France, and the United Kingdom as well as North America. The good growth in Systems segment sales is also expected to continue in the second half of the year although at a slightly slower growth rate.

We see a continued increase in input costs, and we expect that the announced sales price increases for the second half of the year together with continued productivity improvements will help to offset this. Our earnings level will also be impacted by start-up costs in connection with the new U.S. factory, and we anticipate that pressure on production capacity in the second half of the year will result in some higher logistics costs of servicing our customers. We see some potential risks of a shortage of building materials, which could impact the construction market in the coming months.

Based on these assumptions, we upgrade our full year 2021 estimate for growth in net sales from 10-12 percent to around 17 percent in local currencies, and we expect the EBIT margin to improve to above 13 percent from the previously forecasted outlook of around 12 percent.

ROCKWOOL Group will publish its Q2 and H1 2021 results on 18 August 2021.



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