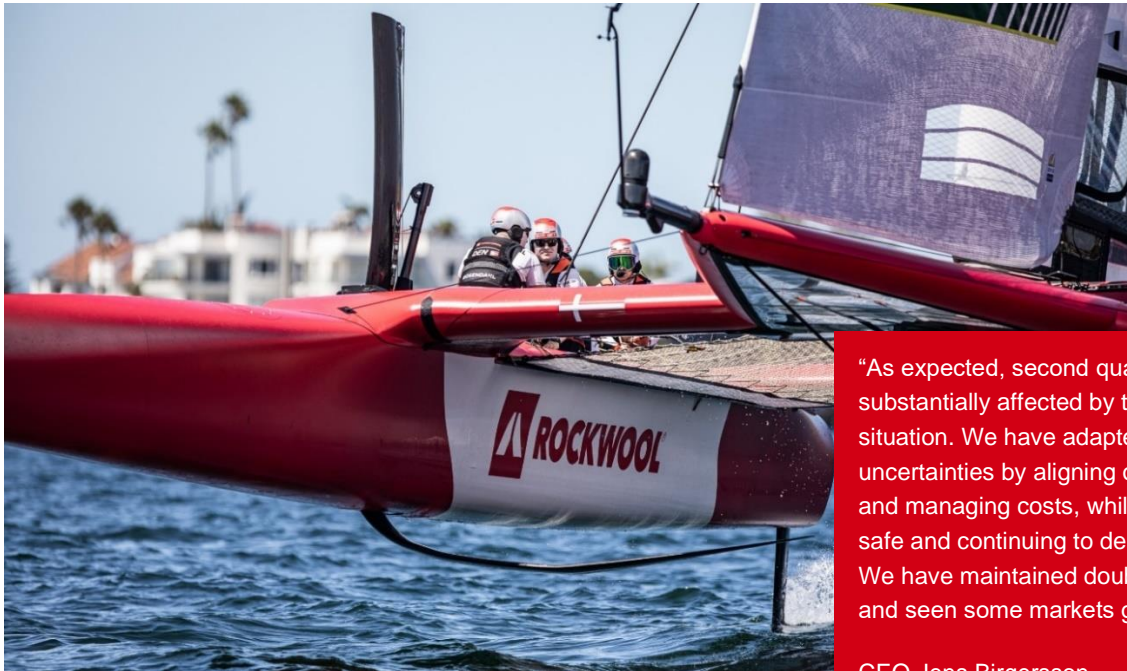


20 August 2020

Agile operations reduced impact from decreased sales, preserving double-digit profitability



“As expected, second quarter results have been substantially affected by the ongoing COVID-19 situation. We have adapted well to the uncertainties by aligning output with demand and managing costs, while keeping our staff safe and continuing to deliver for our customers. We have maintained double-digit profitability and seen some markets gradually improve”.

CEO Jens Birgersson

Highlights

- H1 2020 sales reached EUR 1,232 million, a decrease of 7.4 percent in local currencies including an impact of 0.6 percent from the Parafon acquisition in Sweden.
- In Q2 2020, sales reached EUR 583 million, a decrease of 15.0 percent in local currencies including an impact of 0.7 percent from the Parafon acquisition. The decrease in reported figures was 16.1 percent.
- EBIT in H1 2020 ended at EUR 138 million, a decrease of 22.7 percent. At 11.2 percent, EBIT margin was down 2.2 percentage points from last year.
- EBIT in Q2 2020 totalled EUR 58 million equal to 10.0 percent EBIT margin. While still double-digit, this was 3.2 percentage points lower, adjusted for one-off legal gain last year.
- Investments excluding acquisitions in the first half of 2020 reached EUR 176 million, up EUR 4 million compared to last year, primarily due to ongoing expansions in Germany and the United States, and offset by a grant received in China.
- Annualised return on invested capital ended at 17.7 percent compared to 21.6 percent last year, a decrease of 3.9 percentage points due to lower earnings and higher invested capital.
- The COVID-19 pandemic had a significant impact on sales in Q2, as April and May were down approx. 20 percent, with especially Southern and Central Europe severely impacted. In June, most markets showed signs of recovery.

Outlook 2020

- Mid-single digit sales decline in local currencies.
- EBIT margin is expected around 12 percent.
- Investment level is expected around EUR 400 million excluding acquisitions.

Conference call

ROCKWOOL Group will host an earning call on 21 August 2020 at 11.00 CEST. To attend the conference call dial +45 35445577, +44 3333000804 or +1 6319131422. Passcode 40962618#. The conference call will be transmitted live on www.rockwoolgroup.com.

Main figures / key figures for the Group

	Unaudited			Audited	
	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019	FY 2019
Income statement (EURm)					
Net sales	583	695	1,232	1,336	2,757
EBITDA	104	144	229	264	548
Depreciation, amortisation and write-downs	46	42	91	85	176
EBIT	58	102	138	179	372
Profit before tax	53	100	133	173	367
Profit for the period	40	79	101	136	285
Balance sheet (EURm)					
Non-current assets			1,906	1,611	1,825
Current assets			839	915	869
Total assets			2,745	2,526	2,694
Equity			2,026	1,959	2,118
Non-current liabilities			165	151	160
Current liabilities			554	416	416
Net interest-bearing cash/(debt)			5	174	212
Net working capital			282	322	247
Invested capital			1,994	1,765	1,889
Cash flow (EURm)					
Cash flow from operating activities	126	110	139	104	402
Investments including grants and acquisitions	80	94	190	172	400
Free cash flow	46	16	-51	-68	2
Others					
Number of employees at end of period			11,696	11,641	11,691
Ratios					
EBITDA margin	17.8%	20.7%	18.6%	19.8%	19.9%
EBIT margin	10.0%	14.7%	11.2%	13.4%	13.5%
Return on invested capital (rolling 4 quarters)			17.7%	21.6%	21.7%
Return on equity (rolling 4 quarters)			12.6%	15.1%	14.3%
Equity ratio			73.7%	77.4%	78.5%
Share information (DKK)					
Earnings per share	14	27	34	46	97
Cash flow per share	43	37	48	35	136
Book value per share			686	664	720
Share capital (million)			220	220	220
Price per A share			1,625	1,502	1,439
Price per B share			1,788	1,670	1,585
Market cap (million)			36,931	34,689	33,072
Number of own shares			295,695	73,244	72,894

For definition of key figures and ratios see pg. 114 in the ROCKWOOL International A/S Annual Report 2019 available on our website: www.rockwoolgroup.com.

Management report for the period 1 January to 30 June 2020

Global sales development

The market development in early 2020 for Europe and North America was positive but has now changed with the COVID-19 pandemic. Sales in April and May were significantly affected, with mainly Southern and Central Europe and Asia being negatively impacted by government restrictions and decreased construction activity. Production lines in France, Spain, Malaysia and India were shut down early in Q2, though by mid-May all factories were up and running again, albeit at reduced hours to match demand. In June, most markets showed signs of recovery. We have maintained focus on supplying customer demand while keeping our employees safe.

In the first half of 2020, the Group generated net sales of EUR 1,232 million, a decrease of 7.4 percent in local currencies including an impact of 0.6 percent from the Parafon acquisition. Exchange rates had a negative impact of 0.3 percent and net sales decreased 7.7 percent in reported figures.

Group sales
-7.4%

In Q2 2020, net sales amounted to EUR 583 million, a decrease of 15.0 percent in local currencies including an impact of 0.7 percent from the Parafon acquisition. Exchange rates had a negative impact of 1.1 percent, and sales decreased 16.1 percent in reported figures. All business areas except Grodan, Nordic and to some extent North America, experienced decreased net sales during Q2 2020 compared to same period last year due to impact from COVID-19 pandemic. Technical Insulation was negatively impacted due to slowdown in the industrial and oil sectors.

Regional sales development

In the first half of the year, sales in Western Europe reached EUR 744 million, a decrease of 9.0 percent in local currencies, including a 1.0 percent impact from the Parafon acquisition, and a decrease of 9.2 percent in reported figures. In Q2 2020, sales in Western Europe amounted to EUR 349 million, a decrease of 17.2 percent in local currencies, including a 1.1 percent impact from the Parafon acquisition, and a decrease of 17.5 percent in reported figures. Especially Southwestern Europe, the UK and Germany were negatively impacted by the COVID-19 pandemic while the Nordic region performed better.

Sales in Western Europe
-9.0%

In Eastern Europe, sales for the first half reached EUR 210 million, a decrease of 4.2 percent in local currencies and 7.3 percent in reported figures. In Q2 2020, sales in Eastern Europe amounted to EUR 105 million, a decrease of 9.8 percent in local currencies and 15.1 percent in reported currencies. Poland, Russia, and Romania were negatively impacted by the COVID-19 pandemic, while sales increased in some smaller markets in the region.

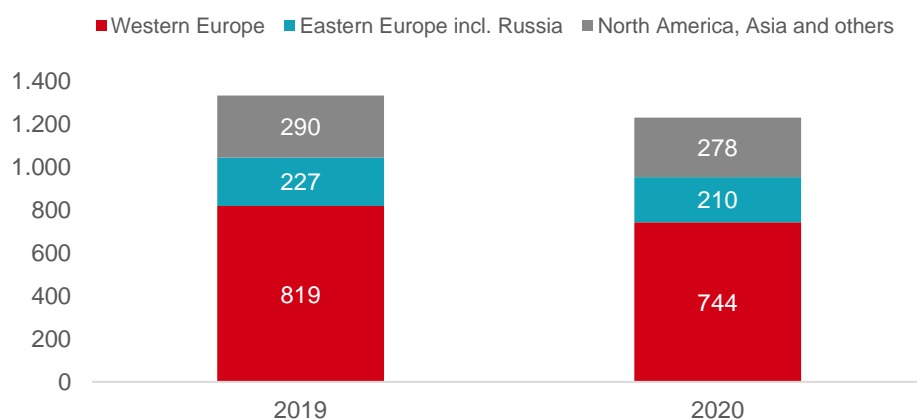
Sales in Eastern Europe
-4.2%

In the rest of the world, sales in the first half of the year reached EUR 278 million, a decrease of 5.3 percent in local currencies and 4.1 percent in reported figures due to positive currency impact. In Q2 2020, sales amounted to EUR 129 million, down 13.3 percent in local currencies and 13.0 percent in reported figures. Sales in the United States and Asia were negatively impacted by the COVID-19 pandemic while the Canadian market remained stable.

Sales in rest of the world
-5.3%

Regional sales

EURm



Group profitability

During the first half year, raw material input prices and operational cost savings developed favourably as did sales prices in certain markets and businesses. Despite this, overall profitability decreased due to lower sales. To safeguard profitability, initiatives to reduce costs have been taken and will continue throughout the year.

EBITDA for the first half of the year decreased by 13.4 percent to EUR 229 million resulting in an EBITDA margin of 18.6 percent, down 1.2 percentage points compared to last year. EBITDA in 2019 was positively impacted by a settlement of a legal case in Rockfon North America of EUR 10 million in April 2019, thus adjusted the EBITDA margin decreased 0.4 percentage points.

EBITDA margin
18.6%,
down 1.2 %-points

In Q2 2020, EBITDA amounted to EUR 104 million, down 27.8 percent, with an EBITDA margin of 17.8 percent, compared to 20.7 percent last year. Adjusted for the positive impact from the 2019 legal settlement, the EBITDA margin for Q2 2020 decreased 1.4 percentage points compared to last year.

Despite the sales decline, agile operation of our factories, focus on inventory levels and meeting customer demand helped secure double-digit EBIT margin in the first half of 2020 as well as Q2 2020.

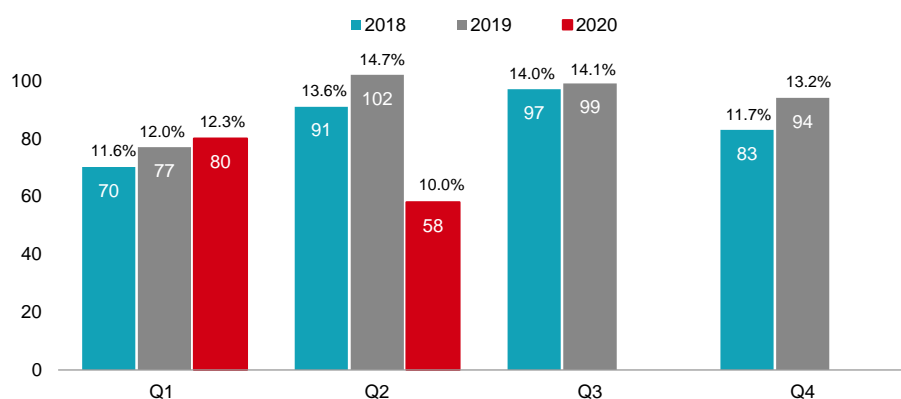
EBIT for the first half of 2020 decreased by 22.7 percent and reached EUR 138 million, corresponding to an 11.2 percent EBIT margin – a decrease of 2.2 percentage points.

EBIT margin
11.2%
down 2.2 %-points

EBIT for Q2 2020 was EUR 58 million yielding an EBIT margin of 10.0 percent for the period, down 4.7 percentage points from Q2 last year, or down 3.2 percentage points adjusted for the 2019 legal settlement. EBIT was impacted by higher depreciation primarily from the new factory in Romania and new digital solutions.

EBIT & EBIT margin

EURm



The effective tax rate was 24 percent for the first half year, up three percentage points compared to the same period last year and up 1.6 percentage points from full year 2019. The rate reflects a changed country mix and tax rates.

Net profit for the first half of 2020 amounted to EUR 101 million, which is EUR 35 million below last year. The net profit for Q2 2020 amounted to EUR 40 million, down EUR 39 million from Q2 2019.

Balance sheet

Net working capital ended the first half of 2020 at EUR 282 million, a decrease of EUR 40 million compared to same period last year, primarily due to a low level of trade receivables from increased focus on cash management during the COVID-19 pandemic. As a percentage of annualised net sales, net working capital was 10.6 percent, compared to 11.8 percent last year.

NWC
10.6% of net sales,
 down 1.2%

Annualised return on invested capital was 17.7 percent compared to 21.6 percent for the same period last year, a decrease of 3.9 percentage points due to lower earnings and higher invested capital.

ROIC
-3.9 %-points

Total assets at the end of the first half of 2020 amounted to EUR 2,745 million, an increase of EUR 219 million compared to last year mainly from ongoing investments. The equity ratio at the end of the period was 73.7 percent, down 3.7 percentage points compared to same period last year.

Cash flow

Despite lower earnings and a continued high level of investments, free cash flow improved compared to same period last year, due to positive development in working capital.

Cash flow from operations before financial items and tax in the first half of 2020 was EUR 190 million, up EUR 31 million from same period last year, as lower earnings were offset by less cash tied up in working capital. The change in net working capital had a positive impact on cash of EUR 67 million compared to same period last year.

**Operational cash flow before
 financial items and tax**
+31 EURm

Capital expenditure excluding acquisitions and special items during the first half of 2020 was EUR 195 million compared to EUR 172 million last year. The largest individual investments in 2020 relate to the new production line in one of the German factories and the ongoing factory project in the United States (West Virginia).

Free cash flow of EUR -51 million is EUR 17 million better than last year due to less cash being tied up in net working capital, partly offset by the higher investment level.

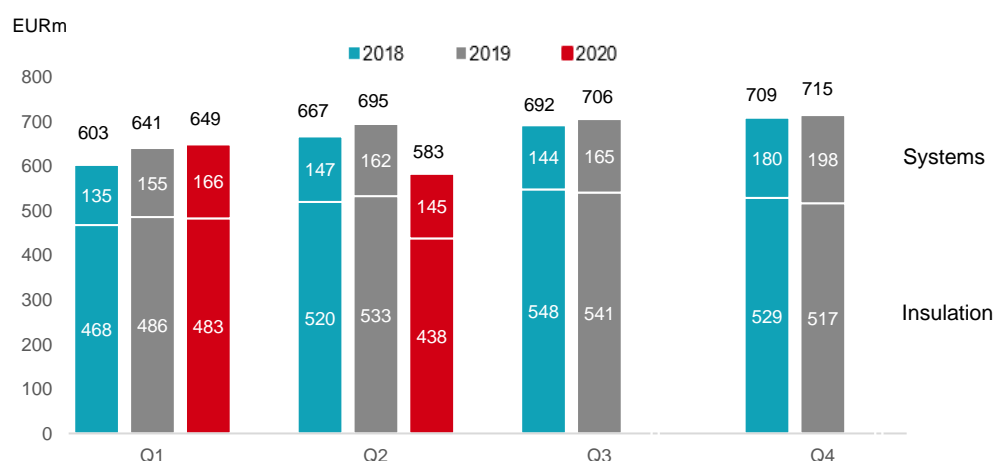
Free cash flow
+17 EURm

Cash flow from financing activities was close to zero as the dividend payments and purchase of own shares in the share buy-back programme were offset by drawings on our credit facilities of EUR 150 million. Our remaining credit facilities exceed EUR 600 million.

The Group was net debt-free at end of H1, with a net cash position of EUR 5 million.

Business segments

Sales per business



Key figures Insulation segment

EURm	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019
External net sales	438	533	921	1,019
EBIT	40	68	96	123
EBIT margin	8.0%	11.2%	9.1%	10.6%

Sales for the first half of 2020 in the Insulation segment reached EUR 921 million, a decrease of 9.0 percent in local currencies and 9.5 percent in reported figures. In Q2 2020, sales amounted to EUR 438 million, a decrease of 16.5 percent in local currencies and 17.8 percent in reported figures. Most businesses decreased significantly in April and May, while most markets recovered some in June.

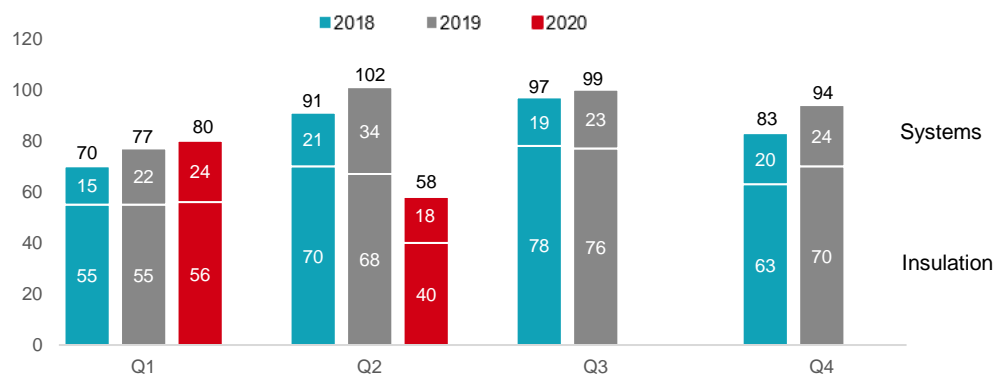
Insulation sales
-9.0%

The Insulation segment EBIT for the first half of 2020 reached EUR 96 million with an EBIT margin of 9.1 percent, a decrease of 1.5 percentage points compared to the same period last year, due to COVID-19 impact. EBIT for Q2 2020 ended at EUR 40 million and an EBIT margin of 8.0 percent, down 3.2 percentage points from last year.

Insulation EBIT margin
9.1%
down 1.5 %-points

EBIT per business

EURm



Key figures Systems segment

EURm	Q2		YTD	
	2020	2019	2020	2019
External net sales	145	162	311	317
EBIT	18	34	42	56
EBIT margin	12.4%	21.2%	13.6%	17.7%

Sales for the first half of 2020 in the Systems segment reached EUR 311 million, a decrease of 2.2 percent in local currencies, including an impact of 2.5 percent from the Paraforon acquisition, and a decrease of 2.0 percent in reported figures. In Q2 2020, sales amounted to EUR 145 million, down 10.3 percent in local currencies including an impact of 2.9 percent from the Paraforon acquisition, and down 10.5 percent in reported figures. All Systems segment businesses except Grodan decreased during the COVID-19 pandemic.

The Systems segment generated an EBIT of EUR 42 million with an EBIT margin of 13.6 percent in the first half of 2020, down 1.0 percentage points compared to last year adjusted for the 2019 legal settlement. Including the positive impact from the legal case settlement, EBIT margin was down 4.1 percentage points. In Q2 2020, EBIT amounted to EUR 18 million with an EBIT margin of 12.4 percent. Adjusting for the 2019 legal case settlement, the EBIT margin decreased 2.9 percentage points in Q2 2020 with only Grodan continuing to increase profitability.

Systems sales
-2.2%

Systems EBIT margin
13.6%
down 1.0 %-points

Outlook for the full year 2020

Net sales declined seven percent during the first half of 2020, being significantly affected by the COVID-19 pandemic. We do believe, however, that building activity across most of our markets will improve in the coming months, though still with uncertainties around the mid-term impact from the slowdown in building projects and the growth of COVID-19 infection rates in multiple markets.

Based on the current level of sales activities, we expect that net sales in the second half of 2020 will improve slightly relative to the first half of the year. Our revised full-year outlook is for a mid-single digit sales decline in local currencies.

The lower sales in first half of 2020 negatively impacted profitability, which was nevertheless partly offset by a combination of agile operations aligning output with demand, diligent cost and inventory management, and lower material and energy input costs. Based on the above, we reinstate our previous outlook for EBIT margin of around 12 percent.

Investment level this year is still expected to be around EUR 400 million excluding acquisitions.

2020 outlook overview

	5 February 2020	24 March 2020	13 May 2020	20 August 2020
Net sales	Low single-digit sales growth in local currencies	Low single-digit sales growth in local currencies	Low single-digit sales growth in local currencies	Mid-single digit sales decline in local currencies
EBIT margin	Around 12 percent	Around 12 percent	Around 12 percent	Around 12 percent
Investments excluding acquisitions	Around EUR 400 million	Around EUR 400 million	Around EUR 400 million	Around EUR 400 million

Further information:

Kim Junge Andersen, Chief Financial Officer
 ROCKWOOL International A/S
 +45 46 56 03 00

At ROCKWOOL Group, we are committed to enriching the lives of everyone who experiences our products. Our expertise is perfectly suited to tackle many of today's biggest sustainability and development challenges, from energy consumption to noise pollution and water scarcity to flooding. Our range of products reflects the diversity of the world's needs, supporting our stakeholders in reducing their own carbon footprint along the way.

Stone wool is a versatile material and forms the basis of all our businesses. With 11,700 passionate colleagues in 39 countries, we are the world leader in stone wool solutions, from building insulation to acoustic ceilings, external cladding systems to horticultural solutions, engineered fibres for industrial use to insulation for the process industry and marine & offshore.

Management statement

The Board of Directors and the Registered Directors have today considered and approved the interim report of ROCKWOOL International A/S for the first half year of 2020.

This interim report, which has not been audited or reviewed by the ROCKWOOL Group auditor, has been prepared in accordance with IAS 34 "Interim Financial Reporting", as approved by the EU and additional Danish interim reporting requirements for listed companies.

In our opinion, the interim report presents a true and fair view of the Group's assets and liabilities, and the financial position at 30 June 2020 and the result from the Group's operations and cash flow for the period 1 January to 30 June 2020.

Furthermore, we believe that the management report includes a true and fair presentation about the development in the Group's operations and financial matters, the result for the period and the Group's financial position overall as well as a description of the most significant risks and uncertainties faced by the Group.

Besides what has been disclosed in this interim report no changes in the Group's most significant risks and uncertainties have occurred relative to what was disclosed in the consolidated annual report for 2019.

20 August 2020

Registered Directors

Jens Birgersson
CEO

Kim Junge Andersen
CFO

Board of Directors

Thomas Kähler
Chairman

Carsten Bjerg
Deputy Chairman

Rebekka Glasser Herlofsen

Søren Kähler

Andreas Ronken

Jørgen Tang-Jensen

René Binder Rasmussen

Connie Enghus Theisen

Christian Westerberg

Income statement

EURm	Unaudited			Audited	
	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019	FY 2019
Net sales	583	695	1,232	1,336	2,757
Other operating income	0	10	2	14	16
Operating income	583	705	1,234	1,350	2,773
Raw material costs and production material costs	187	238	393	447	929
Delivery costs and indirect costs	81	100	173	192	381
Other external costs	39	52	94	109	218
Personnel costs	172	171	345	338	697
Operating costs	479	561	1,005	1,086	2,225
EBITDA	104	144	229	264	548
Depreciation, amortisation and write-downs	46	42	91	85	176
EBIT	58	102	138	179	372
Income from investments in associated companies	0	0	0	0	0
Financial items	-5	-2	-5	-6	-5
Profit before tax	53	100	133	173	367
Tax on profit for the period	13	21	32	37	82
Profit for the period	40	79	101	136	285
Attributable to:					
Non-controlling interests	0	0	0	0	0
Shareholders of ROCKWOOL International A/S	40	79	101	136	285
	40	79	101	136	285
Earnings per share of DKK 10 (EUR 1.3)	1.8	3.6	4.6	6.2	13.0
Earnings per share of DKK 10 (EUR 1.3), diluted	1.8	3.6	4.6	6.2	13.0

Statement of comprehensive income

EURm	Unaudited			Audited	
	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019	FY 2019
Profit for the period	40	79	101	136	285
Items that will not be reclassified to the income statement:					
Actuarial gains and losses of pension obligations	0	0	0	0	-10
Tax on other comprehensive income	0	0	0	0	3
Items that may be subsequently reclassified to the income statement:					
Exchange rate adjustments of foreign subsidiaries	12	-1	-56	34	53
Hedging instruments, value adjustments	0	0	2	0	-3
Tax on other comprehensive income	0	0	0	0	1
Other comprehensive income	12	-1	-54	34	44
Comprehensive income for the period	52	78	47	170	329
Attributable to:					
Non-controlling interests	0	0	0	0	0
Shareholders of ROCKWOOL International A/S	52	78	47	170	329
	52	78	47	170	329

Segment and sales reporting

YTD Q2	Unaudited						The ROCKWOOL Group	
	Insulation segment		Systems segment		Eliminations		2020	2019
EURm	2020	2019	2020	2019	2020	2019	2020	2019
External net sales	921	1,019	311	317	-	-	1,232	1,336
Internal net sales	134	133	-	-	-134	-133	-	-
Total net sales	1,055	1,152	311	317	-134	-133	1,232	1,336
EBIT	96	123	42	56	-	-	138	179
<i>EBIT margin</i>	9.1%	10.6%	13.6%	17.7%			11.2%	13.4%
Goods transferred at a point in time	921	1,019	311	317			1,232	1,336

Geographical split of external net sales

EURm	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019	FY 2019
Western Europe	349	423	744	819	1,659
Eastern Europe including Russia	105	124	210	227	494
North America, Asia and others	129	148	278	290	604
Total external net sales	583	695	1,232	1,336	2,757

Balance sheet

(condensed)	Unaudited		Audited
EURm	Q2 2020	Q2 2019	FY 2019
Assets			
Intangible assets	196	189	192
Tangible assets	1,585	1,331	1,506
Right of use assets	47	41	52
Other financial assets	22	10	21
Deferred tax assets	56	40	54
Total non-current assets	1,906	1,611	1,825
Inventories	255	249	236
Receivables	375	448	358
Cash	209	218	275
Total current assets	839	915	869
Total assets	2,745	2,526	2,694
Equity and liabilities			
Share capital	29	29	29
Foreign currency translation	-160	-123	-104
Proposed dividend	0	0	94
Retained earnings	2,152	2,048	2,096
Hedging	1	1	-1
Non-controlling interests	4	4	4
Total equity	2,026	1,959	2,118
Non-current liabilities	165	151	160
Current liabilities	554	416	416
Total liabilities	719	567	576
Total equity and liabilities	2,745	2,526	2,694

Cash flow statement

(condensed)		Unaudited			Audited
EURm	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019	FY 2019
EBIT	58	102	138	179	372
Adjustments for depreciation, amortisation and write-downs	46	42	91	85	176
Other adjustments	-1	1	0	1	6
Change in net working capital	40	-18	-39	-106	-39
Cash flow from operations before financial items and tax	143	127	190	159	515
Cash flow from operating activities	126	110	139	104	402
Cash flow from investing activities	-80	-94	-195	-172	-400
Proceeds from prepaid grant	0	0	19	0	0
Cash flow from acquisitions	0	0	-14	0	0
Cash flow from operating and investing activities (free cash flow)	46	16	-51	-68	2
Cash flow from financing activities	-67	-94	1	-100	-120
Change in cash available	-21	-78	-50	-168	-118
Cash available – beginning of period	227	294	269	380	380
Exchange rate adjustments	1	0	-12	4	7
Cash available – end of period	207	216	207	216	269
Unutilised, committed credit facilities			629	429	428

Statement of changes in the equity

		Unaudited						
EURm	Share capital	Foreign currency translation	Proposed dividend	Retained earnings	Hedging	Equity before non-controlling interests	Non-controlling interests	Total
Equity 1/1 2020	29	-104	94	2,096	-1	2,114	4	2,118
Profit for the period				101		101		101
Other comprehensive income		-56			2	-54		-54
Comprehensive income for the period	0	-56	0	101	2	47	0	47
Sale and purchase of own shares				-46		-46		-46
Expensed value of options/RsUs issued				1		1		1
Dividend paid to the shareholders			-94			-94		-94
Equity Q2 2020	29	-160	0	2,152	1	2,022	4	2,026
Equity 1/1 2019	29	-157	88	1,912	1	1,873	4	1,877
Profit for the period				136		136		136
Other comprehensive income		34				34		34
Comprehensive income for the period	0	34	0	136	0	170	0	170
Sale and purchase of own shares				-2		-2		-2
Expensed value of options/RsUs issued				2		2		2
Dividend paid to the shareholders			-88			-88		-88
Equity Q2 2019	29	-123	0	2,048	1	1,955	4	1,959

Main figures in DKK million

	Unaudited			Audited	
	Q2 2020	Q2 2019	YTD Q2 2020	YTD Q2 2019	FY 2019
Net sales	4,343	5,188	9,194	9,972	20,705
Depreciation, amortisation and write-downs	341	313	675	639	1,311
EBIT	432	761	1,030	1,332	2,779
Profit before tax	394	744	991	1,286	2,740
Profit for the period	298	588	752	1,016	2,125
Total assets			20,459	18,849	20,128
Equity			15,101	14,621	15,825
Cash flow from operating activities	941	819	1,035	744	3,001
Investments and acquisitions	596	705	1,415	1,283	2,984
Exchange rate	7.46	7.46	7.46	7.47	7.46

Accounting policies

This unaudited interim report has been prepared in accordance with IAS 34 and additional Danish regulations for the presentation of quarterly interim reports by listed companies. The interim report has been prepared in accordance with the accounting policies set out in the Annual Report for 2019 with no significant changes.

Significant accounting estimates and assumptions

In preparing this interim report, Management has made various accounting estimates and assumptions that may significantly influence the amounts recognised in the Consolidated Financial Statement and related information at the reporting date. The accounting estimates and assumptions which Management considers to be material for the preparation and understanding of the interim report are stated in Note 5.7 in the Annual Report 2019 and primarily relates to impairment testing, expected lifetime for tangible assets, deferred tax assets and uncertain tax positions and pension obligations.

Due to the COVID-19 pandemic we have evaluated the risk of an impairment write-down of goodwill and tangible assets with focus on the markets where we have seen a significant reduction in demand or where the factory has been closed due to local governmental requirements. As we still expect the focus on energy efficiency and fire-safety to drive long-term demand for our products, we see no immediate need for an impairment write-down in our markets, also in the businesses where the headroom is minor. The market development and the impairment impact, if any, will be monitored closely during the year and in case we see a turn for the worse a write-down will be recognised.

Disclaimer

The statements on the future in this report, including expected sales and earnings, are associated with risks and uncertainties and may be affected by factors influencing the activities of the Group, e.g. the global economic environment, including interest and exchange rate developments, the raw material situation, production and distribution-related issues, breach of contract or unexpected termination of contract, price reductions due to market-driven price reductions, market acceptance of new products, launches of competitive products and other unforeseen factors.