

18 August 2021

Broad based growth, with strong sales and earnings in an upbeat market

Highlights

- H1 2021 sales reached 1 449 MEUR, an increase of 20 percent in local currencies and 18 percent in reported figures.
- Sales in Q2 2021 reached 778 MEUR, a growth of 35 percent in local currencies compared to Q2 2020. Strong market rebound with high volume growth.
- Compared to 2019, sales increased 11 percent in H1 2021 and 15 percent in Q2 2021 in local currencies.
- EBITDA in H1 2021 reached 299 MEUR, with a 20.7 percent EBITDA margin, up 2.1 percentage points from H1 2020.
- EBITDA in Q2 2021 reached 160 MEUR, with a 20.6 percent EBITDA margin, up 2.8 percentage points from 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 point from Q2 2020.
- Investments excluding acquisitions reached 150 MEUR in the first half of 2021, down 45 MEUR compared to last year.
- Acquisition of manufacturing facility in Japan completed in July; limited financial impact in 2021.
- Annualised return on invested capital reached 19.3 percent compared to 17.7 percent last year, an increase due to higher earnings.
- In H1 2021, progress on four of original six SDG-related sustainability goals was achieved; Status toward the six original plus the two science-based targets will be announced in 2021 annual and sustainability reports.

Outlook 2021

- Growth in net sales around 17 percent in local currencies.
- EBIT margin above 13 percent.
- Investment level around 370 MEUR excluding acquisitions.



“Robust economic activity combined with productivity gains helped us achieve second quarter and first half sales and earnings above pre-pandemic levels. We secured double-digit growth across all major business areas and geographic regions, with both Insulation and Systems segments contributing substantially to the positive overall results. As we expect the high demand in key markets to continue, we have upgraded our sales and earnings forecast. We foresee input cost pressures to persist in the coming months as well as some industry risks involving material and manpower constraints that could impact building activity”.

CEO Jens Birgersson

Conference call

ROCKWOOL Group will host an earnings call on 19 August 2021 at 11.00 CEST. To attend the conference call dial +45 35445577, +44 3333000804 or +1 6319131422. Passcode 38925658#. The call will be transmitted live on www.rockwool.com/group/

Main figures / key figures for the Group

	Unaudited			Audited	
	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020	FY 2020
Income statement items in MEUR					
Net sales	778	583	1 449	1 232	2 602
EBITDA	160	104	299	229	522
Amortisation, depreciation and write-downs	49	46	98	91	184
EBIT	111	58	201	138	338
Profit before tax	109	53	197	133	325
Profit for the period	84	40	152	101	251
Balance sheet items in MEUR					
Non-current assets			2 017	1 906	1 927
Current assets			887	839	817
Total assets			2 904	2 745	2 744
Equity			2 182	2 026	2 092
Non-current liabilities			180	165	158
Current liabilities			542	554	494
Net interest-bearing cash / (debt)			16	5	95
Net working capital			321	282	213
Invested capital			2 157	1 994	1 961
Cash flow items in MEUR					
Cash flow from operating activities	145	126	174	139	438
Cash flow from investing activities	68	80	151	190	362
Free cash flow	77	46	23	-51	76
Others					
Number of full-time employees (end of period)			11 644	11 696	11 448
Ratios					
EBITDA margin	20.6%	17.8%	20.7%	18.6%	20.1%
EBIT margin	14.3%	10.0%	13.9%	11.2%	13.0%
ROIC (rolling 4 quarters)			19.3%	17.7%	17.6%
Return on equity (rolling 4 quarters)			14.4%	12.6%	11.9%
Equity ratio			75.0%	73.7%	76.1%
Stock market information (DKK)					
Earnings per share	29	14	52	34	86
Cash flow per share	50	43	60	48	150
Book value per share			749	686	707
Share capital (million)			216	220	220
Price per A share			2 647	1 625	2 075
Price per B share			3 049	1 788	2 296
Market cap (million)			61 263	36 931	47 062
Number of own shares			59 428	295 695	403 912

For definition of key figures and ratios see pg. 107 in the ROCKWOOL International A/S Annual Report 2020 available on our website: www.rockwool.com/group/

Management report for the period 1 January to 30 June 2021

Global sales development

In many parts of the world, the economic rebound is unfolding rapidly, with construction activity returning and in many cases surpassing pre-pandemic levels. This resulted in double-digit growth in all business areas in the Group. Many factories are running at full capacity.

In the first half of 2021, ROCKWOOL Group generated net sales of 1 449 MEUR, an increase of 20 percent in local currencies. Currency translation had a negative impact of two percent, which resulted in a sales growth of 18 percent in reported figures. Compared to pre-pandemic levels in 2019, sales in the first half of 2021 increased 11 percent in local currencies.

Group sales
+20%

Volume increases were the primary factor driving sales growth in the first half of the year, with current constraints in competing insulation materials in some of our markets further bolstering sales as the markets converted to stone wool. By contrast, we expect aggregated sales price increases to contribute more to growth in the second half.

Q2 sales bounced back strongly and reached 778 MEUR, an increase of 35 percent in local currencies, driven by strong market demand and the easy comparison to last year, where the second quarter was the most COVID-19 affected period. Exchange rates had a negative impact of two percent, and sales increased 33 percent in reported figures with all business areas achieving double-digit growth. Compared to pre-pandemic levels in 2019, second quarter sales in 2021 increased 15 percent in local currencies.

Regional sales development

In the first half of the year, sales in Western Europe amounted to 885 MEUR, up 18 percent in local currencies, and 19 percent in reported figures. Sales in all markets increased compared to same period last year. In Q2 2021, sales amounted to 468 MEUR, an increase of 33 percent in local currencies and 34 percent in reported figures. Even compared to second quarter sales in 2019 (pre-pandemic levels), Q2 2021 sales showed a significant growth of 10 percent.

Sales in Western Europe
+18%

In Eastern Europe, sales for the first half year amounted to 234 MEUR, an increase of 18 percent in local currencies and 11 percent in reported figures due to a significant negative currency translation impact, primarily caused by depreciation in the Russian rouble. Sales in Q2 2021 amounted to 129 MEUR, up 28 percent in local currencies and 23 percent in reported figures. Sales in many countries exceeded pre-pandemic levels, and especially Russia contributed with good sales growth in local currencies.

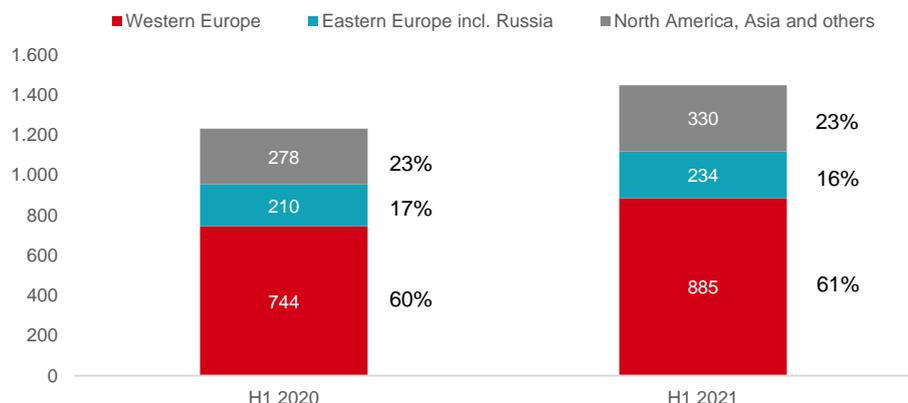
Sales in Eastern Europe
+18%

In the rest of the world, sales in the first half of the year amounted to 330 MEUR, an increase of 25 percent in local currencies and 19 in reported figures as primarily the U.S. dollar weakened against the euro. In Q2 2021, sales amounted to 181 MEUR, up 48 percent in local currencies and 41 percent in reported figures. North America experienced particularly good growth.

Sales in rest of the world
+25%

Regional sales

MEUR



Group profitability

During the first half year, EBITDA increased 31 percent to 299 MEUR resulting in an EBITDA margin of 20.7 percent compared to 18.6 percent for same period last year. For Q2 2021, EBITDA amounted to 160 MEUR with an EBITDA margin of 20.6 percent, up 2.8 percentage points from same quarter last year and stable compared to pre-pandemic levels. The EBITDA improvement primarily relates to good cost control, reduced travel costs, and labour productivity improvements while higher capacity utilisation and improved factory productivity only partly compensated for the increase in input costs.

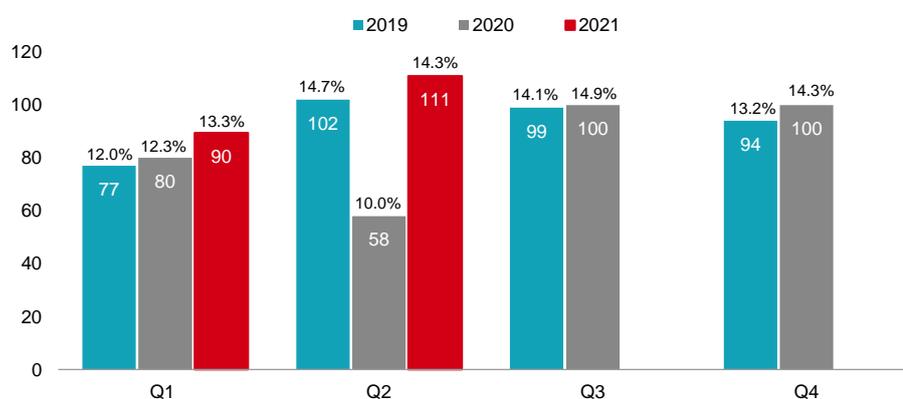
**EBITDA margin
+2.1%-points**

EBIT for the first half of the year increased 46 percent and reached 201 MEUR, corresponding to a 13.9 percent EBIT margin – an increase of 2.7 percentage points with only limited currency translation impact. In Q2 2021, EBIT amounted to 111 MEUR with an EBIT margin of 14.3 percent. EBIT was impacted by higher depreciation primarily from the new production line in Germany and the new factory in Romania.

**EBIT margin
+2.7%-points**

EBIT & EBIT margin

MEUR



The effective tax rate was 22.8 percent for the first half year, down 1.2 percentage points compared to the same period last year and unchanged from full year 2020.

Net profit for the first half of 2021 amounted to 152 MEUR, an improvement of 51 MEUR compared to last year.

Balance sheet

Net working capital ended the first half of 2021 at 321 MEUR, an increase of 99 MEUR in local currencies compared to year-end 2020, which follows the normal seasonality. The net working capital ratio ended at 11.4 percent, which was 0.8 percentage points higher than last year, due to higher trade receivables reflecting the solid sales growth in the second quarter this year. The higher trade receivables were partially offset by lower inventory levels.

Annualised return on invested capital was 19.3 percent compared to 17.7 percent for the same period last year, with the increase primarily linked to higher earnings.

ROIC
+1.6%-points

Total assets at the end of first half of 2021 amounted to 2 904 MEUR, an increase of 159 MEUR compared to last year mainly from the ongoing investments and increased trade receivables. The equity ratio at the end of the period was 75.0 percent.

Cash Flow

Cash flow from operations before financial items and tax in the first half of 2021 was 202 MEUR, up 12 MEUR from the same period last year.

**Operational cash flow before
financial items and tax**
+12 MEUR

Change in net working capital had a negative cash flow impact of 60 MEUR compared to same period last year, as trade receivables were higher due to the increased sales and the COVID-19 impact last year.

Capital expenditure excluding acquisitions during the first half of 2021 was 150 MEUR compared to 195 MEUR last year. The new factory in the United States, the electrical melter in Moss, the new Rockfon line in Poland and the relocation of one of the factories in China were the largest individual projects in first half of 2021. The new factory in the United States started production in July 2021 as planned.

On 30 July 2021, ROCKWOOL Group closed the acquisition of a stone wool production facility north of Tokyo for 6 MEUR. The acquisition will have limited financial impact in 2021.

Free cash flow for the first half of the year was 23 MEUR, an improvement of 74 MEUR compared to the same period last year, which was affected by the COVID-19 pandemic.

Free cash flow
+74 MEUR

Cash flow from financing was -95 MEUR, a decrease of 96 MEUR as the dividend payments last year were offset by an increase in short term loans.

The Group remains cash positive with a net interest-bearing cash position of 16 MEUR, and unused credit facilities of 510 MEUR.

Sustainability

ROCKWOOL's commitment to contribute positively to society while at the same time reducing our operational footprint remains strong. In 2016, we set six sustainability goals that are aligned with the United Nations Sustainable Development Goals (SDGs), among others involving relative carbon emission reductions (that is, emissions per tonne produced). In 2020, we expanded our sustainability commitment, adding two science-based target goals related to absolute carbon emission reductions. One can read more about these commitments in our annual and sustainability reports.

Progress on sustainability goals

In the first half of 2021, we have made progress on four of the original six SDG-related sustainability goals and will be working to further improve in the second half of the year on the other two.

The first goal, on safety, health and wellbeing, is to have zero fatalities and to reduce the Lost Time Incident (LTI) frequency rate by 10 percent annually. We had zero fatalities in the first half of the year, though we are lagging on the LTI parameter, as we had a higher-than-usual number of incidents during the first quarter. We are actively addressing this and have already realised a reduction of incidents during the second quarter, although not at the level we target.

LTI
Behind target

We are on target to meet the second goal on reducing CO₂ emission intensity by 10 percent by 2022 and 20 percent by 2030. The investments upgrading the melting technology to use renewable electricity in Norway and climate-neutral biogas in Denmark have significantly contributed to meeting our CO₂ emission reduction goal.

CO₂ emissions
On target

The goal to reduce the water consumption intensity in our factories by 20 percent by 2030 is on target and progressing well. Having achieved the 2022 interim goal (10 percent reduction) last year, we will continue to drive water efficiencies particularly in water scarce areas.

Water consumption
Interim goal reached

Regarding reducing landfill waste, we achieved our 2022 interim goal (40 percent reduction) in 2020 and see a continued improvement in our factories on this parameter.

Waste to landfill
Interim goal reached

Our goal to reduce energy consumption within our own non-renovated offices by 35 percent by 2022 (75 percent by 2030) is progressing well, although slightly behind target. By mid-year 2021, we achieved more than 10 percent reduction by completing two deep renovations.

Energy efficiency in own offices
Behind target

As we are currently implementing another three schemes, we are on target one year early to reach our interim reclaimed waste goal to increase the number of countries in which we offer recycling services for our products to 15 by 2022 and to 30 by 2030.

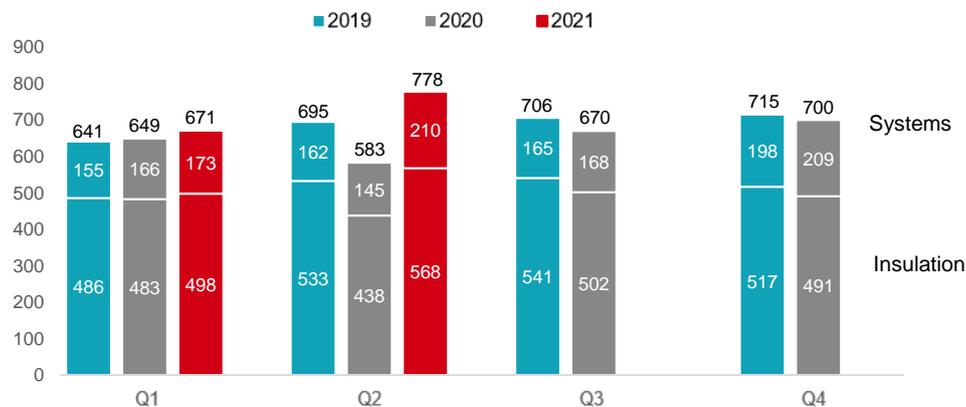
Reclaimed waste services
On target

We will report on progress towards achieving our two science-based Scopes 1, 2, and 3 emission reduction targets as well as further progress on the above targets in the 2021 annual and sustainability reports.

Business segments

Sales per business

MEUR



Key figures Insulation segment

MEUR	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020
External net sales	568	438	1 066	921
EBIT, segment profit	69	40	128	96
EBIT margin	10.6%	8.0%	10.5%	9.1%

Insulation segment sales for the first half of 2021 reached 1 066 MEUR, which is an increase of 18 percent in local currencies and 16 percent in reported figures. In Q2 2021, sales reached 568 MEUR, up 31 percent in local currencies and 30 percent in reported figures. All markets and businesses contributed positively.

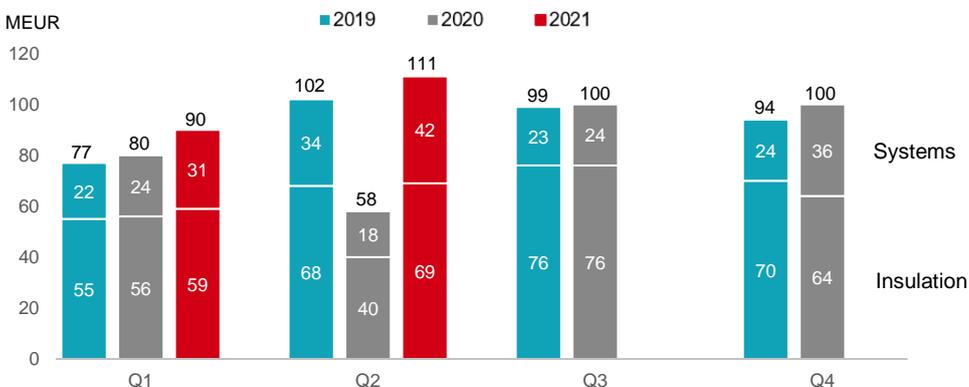
Insulation sales
+18%

Insulation segment EBIT for the first half of 2021 reached 128 MEUR with an EBIT margin of 10.5 percent, an increase of 1.4 percentage points compared to the same period last year. EBIT for Q2 2021 was 69 MEUR with an EBIT margin of 10.6 percent, up 2.6 percentage points from last year, where most markets contributed positively.

Insulation EBIT margin
+1.4%-points

EBIT per business

MEUR



Key figures Systems segment

MEUR	Q2 2021	Q2 2020	YTD	YTD
			Q2 2021	Q2 2020
External net sales	210	145	383	311
EBIT, segment profit	42	18	73	42
EBIT margin	20.1%	12.4%	19.0%	13.6%

Systems segment sales for the first half of 2021 amounted to 383 MEUR, which is an increase of 26 percent in local currencies and 23 percent in reported figures. In Q2 2021, sales amounted to 210 MEUR, up 48 percent in local currencies and 45 percent in reported figures. All businesses contributed to the solid growth.

In first half of 2021, Systems segment generated an EBIT of 73 MEUR, an increase of 72 percent and an EBIT margin of 19.0 percent. In Q2 2021, EBIT amounted to 42 MEUR with an EBIT margin of 20.1 percent, up 7.7 percentage points.

Systems sales
+26%

Systems EBIT margin
+5.4%-points

Outlook for the full year 2021

ROCKWOOL Group has had a good first half of 2021, with accelerated sales 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, our full year 2021 estimate for growth in net sales is around 17 percent in local currencies, with an EBIT margin above 13 percent. The investment level is expected to be around 370 MEUR excluding acquisitions.

2021 outlook overview

	10 February 2021	6 May 2021	19 May 2021	13 August 2021	18 August 2021
Net sales in local currencies	Sales growth of 3-5 percent	Sales growth of 10-12 percent	Sales growth of 10-12 percent	Sales growth around 17 percent	Sales growth around 17 percent
EBIT margin	Around 11 percent	Around 12 percent	Around 12 percent	Above 13 percent	Above 13 percent
Investments excluding acquisitions	Around 370 MEUR	Around 370 MEUR	Around 370 MEUR	Around 370 MEUR	Around 370 MEUR

Further information:

Kim Junge Andersen, Chief Financial Officer
 ROCKWOOL International A/S
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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 more than 11 600 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 2021.

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 Group’s financial position at 30 June 2021 and of the result from Group’s operations and cash flow for the period 1 January to 30 June 2021.

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 2020.

18 August 2021

Registered Directors

Jens Birgersson
CEO

Kim Junge Andersen
CFO

Board of Directors

Thomas Kähler
Chairman

Carsten Bjerg
Deputy Chairman

Rebekka Glasser Herlofsen

Carsten Kähler

Andreas Ronken

Jørgen Tang-Jensen

René Binder Rasmussen

Connie Enghus Theisen

Christian Westerberg

Income statement

MEUR	Unaudited				Audited
	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020	FY 2020
Net sales	778	583	1 449	1 232	2 602
Other operating income	1	0	2	2	6
Operating income	779	583	1 451	1 234	2 608
Raw material costs and production material costs	276	187	498	393	845
Delivery costs and indirect costs	107	81	198	173	363
Other external costs	51	39	99	94	184
Personnel costs	185	172	357	345	694
Operating costs	619	479	1 152	1 005	2 086
EBITDA	160	104	299	229	522
Amortisation, depreciation and write-downs	49	46	98	91	184
EBIT	111	58	201	138	338
Income from investments in associated companies	0	0	0	0	1
Financial items	-2	-5	-4	-5	-14
Profit before tax	109	53	197	133	325
Tax on profit for the period	25	13	45	32	74
Profit for the period	84	40	152	101	251
<i>Profit for the period attributable to:</i>					
Non-controlling interests	0	0	0	0	0
Shareholders of ROCKWOOL International A/S	84	40	152	101	251
Earnings per share of DKK 10 (EUR 1.3)	3.9	1.8	7.0	4.6	11.5
Diluted earnings per share of DKK 10 (EUR 1.3)	3.9	1.8	7.0	4.6	11.5

Statement of comprehensive income

MEUR	Unaudited				Audited
	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020	FY 2020
Profit for the period	84	40	152	101	251
<i>Items that will not be reclassified to income statement:</i>					
Actuarial gains and losses of pension obligations	0	0	0	0	-3
Tax on other comprehensive income	0	0	0	0	4
<i>Items that may be subsequently reclassified to income statement:</i>					
Currency adjustment from translation of entities	6	12	38	-56	-108
Hedging instruments, value adjustments	-2	0	-2	2	2
Tax on other comprehensive income	0	0	0	0	-2
Other comprehensive income	4	12	36	-54	-107
Comprehensive income for the period	88	52	188	47	144
<i>Comprehensive income for the period attributable to:</i>					
Non-controlling interests	-1	0	-1	0	0
Shareholders of ROCKWOOL International A/S	89	52	189	47	144

Business segments and sales reporting

YTD Q2	Unaudited							
	Insulation segment		Systems segment		Eliminations		ROCKWOOL Group	
MEUR	2021	2020	2021	2020	2021	2020	2021	2020
External net sales	1 066	921	383	311	-	-	1 449	1 232
Internal net sales	158	134	-	-	-158	-134	-	-
EBIT	128	96	73	42	-	-	201	138
<i>EBIT margin</i>	<i>10.5%</i>	<i>9.1%</i>	<i>19.0%</i>	<i>13.6%</i>			<i>13.9%</i>	<i>11.2%</i>
Goods transferred at a point in time	1 066	921	383	311			1 449	1 232

Geographical split of net sales

MEUR	Q2 2021		Q2 2020		FY 2020
	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020	
Western Europe	468	349	885	744	1 575
Eastern Europe and Russia	129	105	234	210	449
North America, Asia and others	181	129	330	278	578
Total net sales	778	583	1 449	1 232	2 602

Balance sheet

(condensed)	Unaudited		Audited
MEUR	Q2 2021	Q2 2020	FY 2020
Assets			
Intangible assets	173	196	181
Tangible assets	1 727	1 585	1 632
Right-of-use assets	46	47	44
Other financial assets	9	22	16
Deferred tax assets	62	56	54
Non-current assets	2 017	1 906	1 927
Inventories	233	255	216
Receivables	483	375	360
Cash	171	209	241
Current assets	887	839	817
Total assets	2 904	2 745	2 744
Equity and liabilities			
Share capital	29	29	29
Currency translation adjustments	-173	-160	-212
Proposed dividend	0	0	94
Retained earnings	2 326	2 152	2 178
Hedging	-3	1	-1
Non-controlling interests	3	4	4
Total equity	2 182	2 026	2 092
Non-current liabilities	180	165	158
Current liabilities	542	554	494
Total liabilities	722	719	652
Total equity and liabilities	2 904	2 745	2 744

Cash flow statement

(condensed)	Unaudited				Audited
MEUR	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020	FY 2020
EBIT	111	58	201	138	338
Adjustments for amortisation, depreciation and write-downs	49	46	98	91	184
Adjustments of non-cash operating items	1	-1	2	0	7
Changes in net working capital	-2	40	-99	-39	27
Cash flow from operations before financial items and tax	159	143	202	190	556
Cash flow from operating activities	145	126	174	139	438
Cash flow from investing activities	-68	-80	-150	-195	-362
Received investment grants	0	0	0	19	19
Business acquisitions, net of cash	0	0	-1	-14	-19
Free cash flow	77	46	23	-51	76
Cash flow from financing activities	-97	-67	-95	1	-92
Net cash flow	-20	-21	-72	-50	-16
Cash available – beginning of period	186	227	240	269	269
Exchange rate adjustments on cash available	3	1	1	-12	-13
Cash available – end of period	169	207	169	207	240
Unutilised, committed credit facilities			510	629	630

Statement of changes in the equity

	Unaudited							
	Shareholders of ROCKWOOL International A/S						Non-controlling interests	Total equity
MEUR	Share capital	Currency translation adjustments	Proposed dividend	Retained earnings	Hedging	Total		
Equity 1 January 2021	29	-212	94	2 178	-1	2 088	4	2 092
Profit for the period				152		152	-	152
Other comprehensive income		39			-2	37	-1	36
Comprehensive income for the period	-	39	-	152	-2	189	-1	188
Share buy-back programme				-3		-3		-3
Purchase of own shares				-3		-3		-3
Expensed value of Restricted Share Units issued				1		1		1
Dividend paid			-94	1		-93		-93
Equity 30 June 2021	29	-173	0	2 326	-3	2 179	3	2 182
Equity 1 January 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
Share buy-back programme				-43		-43		-43
Purchase of own shares				-3		-3		-3
Expensed value of Restricted Share Units issued				1		1		1
Dividend paid			-94			-94		-94
Equity 30 June 2020	29	-160	0	2 152	1	2 022	4	2 026

Main figures in DKK million

	Unaudited				Audited
	Q2 2021	Q2 2020	YTD Q2 2021	YTD Q2 2020	FY 2020
Net sales	5 787	4 343	10 775	9 194	19 397
Amortisation, depreciation and write-downs	366	341	732	675	1 370
EBIT	828	432	1 494	1 030	2 519
Profit before tax	806	394	1 460	991	2 422
Profit for the period	622	298	1 127	752	1 871
Total assets			21 592	20 459	20 410
Equity			16 226	15 101	15 566
Cash flow from operating activities	1 082	941	1 298	1 035	3 261
Cash flow from investing activities	509	596	1 125	1 415	2 690
Exchange rate	7.44	7.46	7.44	7.46	7.45

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 2020 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 5.5 in the Annual Report 2020 and primarily relates to impairment testing, expected lifetime for tangible assets, deferred tax assets and uncertain tax positions and pension obligations.

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.